This report discusses the governing bodies in United Kingdom schools of higher education which were restructured after the Education Act of 1988, and examines how they can best meet the demands which will be put upon them by the reforms announced in the White Paper "Education and Training for the 21st Century" and the Further and Higher Education Bills which were published in November 1991. A contribution by Ray Taylor of the United States which receives special mention in the Foreword suggests what a national association of governors can do to help them fulfill their role and also examines how governors can serve their local industries and communities. Papers and their authors are as follows: (1) "The New Governing Bodies for the 21st Century" (John Graystone); (2) "College Governance and Further Education Reforms" (Tim Eggar); (3) "Governing Community Colleges in the U.S.: An Overview of Trusteeship in Context" (Ray Taylor); (4) "Governing Colleges: The Expectations of Industry" (Ray Payne); (5) "Governing Colleges: The Role of TECs" (Valerie Bayliss); and (6) "FE--For Everyone?" (Christopher Ball). In addition, the report provides survey results of a short questionnaire completed by 63 governing body chairs, vice-chairs, and others designed to gain information on their background as governors. The general conclusions is that those holding senior positions on governing bodies are an all male group; that they have served at least 2 years in their position; and that they are longstanding, experienced governors. Some of the papers include references.

*(GLR)*
Governing Colleges into the 21st Century

Coombe Lodge Report

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The Staff College
GOVERNING COLLEGES INTO THE 21st CENTURY

By Sir Christopher Ball, Valerie Bayliss, Tim Eggar, John Graystone, Ray Payne, and Dr Ray Taylor

Editor: Pippa Toogood
GOVERNING COLLEGES INTO THE 21st CENTURY

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FE — FOR EVERYONE?
Sir Christopher Ball
Whether or not the Further and Higher Education Bills (1991) for England, Wales and Scotland are enacted and implemented it seems as though most colleges in the UK will become legally incorporated at some time in the 1990s. The debate among the political parties focuses on whether incorporation should take place under the local authorities (which at present own and control the institutions) or under new Funding Councils for England and Wales, and a Government Department for Scotland. The changes proposed in these Bills will not affect Northern Ireland.

Whatever happens, governors of colleges are likely to have both increased responsibilities and different types of accountability for their decisions and actions. For most purposes they will be the ultimate authority within a college in terms of its strategy, external relations, personnel management, teaching programmes and services for students and other customers.

This Report takes a look at the governing bodies which were restructured after the Education Act 1988, and examines how they can best meet the demands which will be put upon them by the reforms announced in the White Paper Education and training for the 21st century (1991) and the Bills which were published in November 1991. In a contribution from the United States it shows what a national association for governors can do to help them fulfil their role. It also examines how governors can serve their local industries and communities.
The Staff College and the Association for Colleges of Further and Higher Education organised the conference in partnership. They will be working - singly and together - to support governors with information, advice and training as they move into the new century. Both of us will be pleased to hear from readers of this Report how our organisations can best serve them.

Geoffrey Melling
Director, The Staff College

Clive Brain
Honorary Secretary, ACFHE
INTRODUCTION

This Coombe Lodge Report is based on the proceedings of the first one-day national conference for those who chair governing bodies of further education colleges. The conference, held at the Royal Society of Arts on September 26, 1991, was organised by The Staff College and The Association for Colleges of Further and Higher Education, and supported by the Department of Education and Science (DES).

167 people were present. Of these, 104 chaired governing bodies, 18 were vice-chairs and 17 principals. There were a number of governor development co-ordinators and guests from national education bodies and sixth form colleges. There were governors from England, Wales, and a few from Scotland and Northern Ireland (in Scotland governors are termed councilors).

THE STRUCTURE OF THIS REPORT

The rest of this introductory chapter describes the structure of the report, gives the results of a short questionnaire distributed to participants at the conference and gives biographical details of the contributors.

John Graystone, in a paper specially written for this book, examines the composition of governing bodies and concludes that while they are primarily business-led, they are also white and male. He considers the roles and responsibilities of governors and the likely impact of incorporation on these. Recent initiatives in governor development are described and he draws attention to good practice as well as problems that have arisen in drawing up development programmes for governors. He concludes by setting out some issues which face governors in the move towards incorporation and poses some questions which governors need to ask themselves.
Tim Eggar, seen as the architect of the White Paper Education and training for the 21st century (DES/DoE/WO,1991) and the forthcoming legislation sets out the Government’s view on the challenges facing governors. His main theme is that college governors and managers will be at ‘the centre of drastic and unforeseen changes’. He states that the White Paper ‘marks the beginning, not the end of this period of change’. To seize new opportunities, organisations need to be able to respond rapidly, flexibly and imaginatively. A key feature is the ability to ‘manage surprise’. He emphasises the importance of colleges entering into new partnerships with higher education institutions and the Government’s commitment to break the academic/vocational divide which has proved a stumbling block in post-16 education reform. On the controversial issue of adult non-vocational education, he gives an assurance that local education authorities will continue to have responsibility for the education of adults and to be funded by the DES. He concludes by stating that he wishes to see the work of governing bodies proceed with the minimum disruption possible so that the main core of present governors will serve after incorporation.

The role of trustees of community colleges in the United States of America is described by Dr Ray Taylor. There are around 1250 community colleges set up to offer programmes and services responsive to local community needs and assuring access to those programmes and services for all who can benefit. The governance of these community colleges varies within and between States. Some trustees are elected from the local community, others are appointed by the State Governor. In some cases a State board oversees all community colleges. He explains the work and function of the Association of Community College Trustees (ACCT) which was formally incorporated in 1972. He explains the important role ACCT plays in promoting community colleges at national level and providing trustees with support. He concludes by outlining the services provided by the ACCT and describing current issues facing trustees in the USA and Canada, which are not dissimilar to those facing governors in the UK.

The contribution by Ray Payne is in two main parts. He gives an employer’s view of the White Paper and then considers the broader aspects of vocational training in a European community context and the role of colleges. He argues that the White Paper will lead to a greater involvement of industry in the work of colleges. Employers and individuals will reach a point ‘where education and training are not seen as someone else’s problem and responsibility but as their own’.
With regard to European vocational training, he identifies the key social trends as being the decline in the number of school leavers, the increase in the number of older workers and rising female participation rates. When these social trends are combined with full market trends, i.e. ascendency of service industries, rising female participation in employment, changes in self-employment, and high levels of unemployment, they lead to a significant change in the requirements for educational and vocational training within the EEC. He identifies four crucial factors influencing the scale of training – technology and industrial restructuring, the changing balance of skills development, changing occupational structure and the problems of disadvantaged regions. He concludes by examining UK training requirements and the need for UK industry to survive and compete in a period of dramatic changes.

Valerie Bayliss describes the rationale of the Training and Enterprise Councils (TECs), which are, she argues, a prominent feature of the education and training landscape. TECs have a key role in ‘stimulating and maintaining the commitment of education and training providers to implementing Government targets over the next few years’. She states that TECs must set clear objectives for FE colleges and clarify the contribution the education sector can make to the successful development of TECs. She concludes that both TECs and FE colleges agree the need to produce a better qualified work force.

In a rousing final paper, Sir Christopher Ball welcomes the White Paper and predicts that further education colleges and sixth form colleges will achieve the same successes achieved by colleges and polytechnics in the PCFC sector. He outlines what he calls the five revolutions overtaking the world of learning — access, lifelong learning, curriculum and qualifications, revolution of the learning process, and the revolution of resources; and the challenge of what he calls the five Ms – mission, marketing, monitoring, money and management. He concludes by reiterating the views of previous speakers on the need for colleges to manage change.

SURVEY RESULTS

Participants were invited to complete a short questionnaire seeking information on their background as governors. 86 questionnaires were returned – 63 by those chairing governing bodies; 11 by vice-chairs; and 12 by others. This section concentrates on the response of chairs and vice-chairs.
The description of the post of the person chairing governing body meetings is problematic. Advocates of the terms ‘chairman’, ‘chair’, and ‘chairperson’ are equally forceful in their arguments, and to use an inappropriate term may give offence. In this report, all terms are used. Table 1 shows that 52 (83 per cent) called themselves ‘chairman’, nine (14 per cent) ‘chair’, and two (three per cent) ‘chairperson’. There appeared to be no significant differences in the responses of women and men – of the seven women, five used the term ‘chairman’.

10 respondents – including the two women – described themselves as ‘vice-chairman’ and one – a man – as ‘chair’.

Table 1: Title and gender of those chairing governing bodies

<table>
<thead>
<tr>
<th>Title</th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chairman</td>
<td>47 (8)</td>
<td>5 (2)</td>
<td>52 (10)</td>
</tr>
<tr>
<td>Chair</td>
<td>8 (1)</td>
<td>1 (0)</td>
<td>9 (1)</td>
</tr>
<tr>
<td>Chairperson</td>
<td>1 (0)</td>
<td>1 (0)</td>
<td>2 (0)</td>
</tr>
<tr>
<td>Total</td>
<td>56 (9)</td>
<td>7 (2)</td>
<td>63 (11)</td>
</tr>
<tr>
<td>(%) vice-chair</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

As shown in Table 2, around one-third of respondents had chaired their governing bodies for more than five years; and around one-half had been appointed chairs at the time of the reconstitution of governing bodies. Vice-chairs had served a shorter time in their current positions although three had been vice-chair for more than five years. One had been vice-chair for one year after serving as chair for 10 years.

Table 2: Length of service as chair and vice-chair

<table>
<thead>
<tr>
<th>Length</th>
<th>Number</th>
<th>Vice-chairs</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - less than 1 year</td>
<td>9</td>
<td>0</td>
</tr>
<tr>
<td>1 - 2 years</td>
<td>11</td>
<td>3</td>
</tr>
<tr>
<td>2 - 3 years</td>
<td>13</td>
<td>4</td>
</tr>
<tr>
<td>3 - 4 years</td>
<td>8</td>
<td>1</td>
</tr>
<tr>
<td>4 - 5 years</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>5 + years</td>
<td>21</td>
<td>3</td>
</tr>
<tr>
<td>Total</td>
<td>63</td>
<td>11</td>
</tr>
</tbody>
</table>
As shown in Table 3, 64 (89 per cent) respondents had served as governors before the Education Reform Act. It appears that governing bodies chose experienced governors to take up senior positions.

Table 3: Number serving as governors before Education Reform Act 1988

<table>
<thead>
<tr>
<th>Service before ERA</th>
<th>56</th>
<th>(9)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appointed following ERA</td>
<td>7</td>
<td>(2)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>63</strong></td>
<td><strong>(11)</strong></td>
</tr>
</tbody>
</table>

( ) vice-chairs

In relation to overall length of time served as governors, 34 (54 per cent) of those chairing governing bodies had served as governors for 10 years or more. Of these, six had served longer than 20 years, the longest service being 30 years. Of the others, experience was evenly spread (Table 4). The same pattern applied to vice-chairs. Experienced governors are likely to be appointed to senior governing body posts although there are one or two examples of governors being appointed to chair governing bodies at their first meeting.

Table 4: Length of time served by chairs and vice-chairs as governors

<table>
<thead>
<tr>
<th>Length in years</th>
<th>Number</th>
<th>Vice-chairs</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - less than 1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>1 - 2</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>2 - 3</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>3 - 4</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>4 - 5</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>5 - 6</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>6 - 7</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>7 - 8</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>8 - 9</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>9 - 10</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>10 - 15</td>
<td>17</td>
<td>4</td>
</tr>
<tr>
<td>15 - 20</td>
<td>11</td>
<td>2</td>
</tr>
<tr>
<td>20 +</td>
<td>6</td>
<td>0</td>
</tr>
<tr>
<td>Not known</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>63</strong></td>
<td><strong>11</strong></td>
</tr>
</tbody>
</table>
In spite of the changes brought about by the Education Reform Act 1988, local education authority (LEA) nominations to governing bodies provided the highest number of people to chair governing bodies. As shown in Table 5, LEAs nominated 19. 11 were nominated by local employers, eight by local chambers of commerce, three by national employers’ federation, three by trade unions and two each from trade associations, professional associations and search committees. Four were co-opted governors. The trend was similar for vice-chairs.

Table 5: Organisation nominating person chairing governing body

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Chairs</th>
<th>Vice-chairs</th>
</tr>
</thead>
<tbody>
<tr>
<td>LEA</td>
<td>19</td>
<td>3</td>
</tr>
<tr>
<td>Local employer</td>
<td>11</td>
<td>3</td>
</tr>
<tr>
<td>Chamber of commerce</td>
<td>8</td>
<td>0</td>
</tr>
<tr>
<td>Co-opted</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>National employers’ federation</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>Trade union</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Trade association</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Professional association</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Search committee</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Ministry of Defence</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>National training council</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>National Farmers Union</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Local employers’ federation</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Council of small industries</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Industrial development association</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>College association</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Council of voluntary service</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Not known</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>63</strong></td>
<td><strong>11</strong></td>
</tr>
</tbody>
</table>

As shown in Table 6, 37 respondents served on governing bodies of other educational institutions. The most common were secondary and primary schools, sixth form colleges and polytechnics (Table 7).
Table 6: Service on other governing bodies of educational institutions

<table>
<thead>
<tr>
<th></th>
<th>Chairs</th>
<th>Vice-chairs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>32</td>
<td>5</td>
</tr>
<tr>
<td>No</td>
<td>26</td>
<td>6</td>
</tr>
<tr>
<td>Previously</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>63</strong></td>
<td><strong>11</strong></td>
</tr>
</tbody>
</table>

Table 7: Type of governing body

<table>
<thead>
<tr>
<th>Institution</th>
<th>Chairs</th>
<th>Vice-chairs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary school</td>
<td>12</td>
<td>6</td>
</tr>
<tr>
<td>Secondary school</td>
<td>17</td>
<td>4</td>
</tr>
<tr>
<td>6th form college</td>
<td>6</td>
<td>0</td>
</tr>
<tr>
<td>Polytechnic</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>Middle school</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Institute of adult ed</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>School of mines</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>NFER</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Grant maintained school</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>FE college</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Grammar school</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Special school</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Independent school</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td>9</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>57</strong></td>
<td><strong>13</strong></td>
</tr>
</tbody>
</table>

14 respondents were governors of at least two other educational institutions, with two respondents sitting on four other governing bodies. One respondent served on the local area health authority, another on the local board of the Training and Enterprise Council, and a third on the board of an industrial company.
Table 8

Number of governing bodies of educational and non-educational institutions on which respondents serve

<table>
<thead>
<tr>
<th>Number of Governing bodies</th>
<th>Number of Chairs</th>
<th>Number of Vice-chairs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>14</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>8</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>4</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>5</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>5+</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Other</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>32</td>
<td>5</td>
</tr>
</tbody>
</table>

CONCLUSION

The general conclusion is that those holding senior positions on governing bodies as chairs and vice-chairs are male, prefer to be called chairman or vice-chairman, will have served in their current position for at least two years, and are likely to be longstanding and experienced governors. The most common nominating bodies are the LEA, local employers and the chamber of commerce. Most will combine their public duties on their governing body with membership of the governing body of other educational institutions.

ABOUT THE AUTHORS

Sir Christopher Ball

Christopher Ball was born in 1935 and educated at St. George’s School, Harpenden, and Merton College, Oxford. After National Service with the Parachute Regiment in Cyprus, he was appointed lecturer in comparative linguistics at the school of Oriental and African Studies at the University of London, and then lecturer in English language at the University of Oxford, where he was also Fellow and Tutor in English of Lincoln College, and...
later the College Bursar. During the 1970s he served as member, and later Chairman, on a number of subject boards of the Council for National Academic Awards. He was Warden of Keble College, Oxford, from 1980-88 and Chairman of the Board of the National Advisory Body for Public Sector Higher Education (NAB) from 1982-88.

As a signatory of the Leverhulme Report (1983), sometime Chairman of the University of Oxford’s Appeal and Income Generation Committee, NAB Observer at the University Grants Committee, member of the Councils of CNAA and BTEC, Visiting Professor in Education at Leeds Polytechnic, governing body member of Templeton College, Oxford, Manchester Polytechnic and Oxford University, he has had an almost unrivalled opportunity to reflect upon and influence higher education in the UK in the recent past. This experience is represented in *Fitness for purpose* (1985), *Aim higher* (1989) *Higher education into the 1990s* (with H Eggins, 1989), *More means different* (1990), *Learning pays* (1991), together with various contributions to philological, linguistic and educational journals.

Since 1988 he has extended his range into continuing education, further education, development training, education industry links, and overseas. He was Founding Fellow in the Kellogg Forum for Continuing Education at the University of Oxford from 1988-89, became President of the Association of Colleges of Further and Higher Education in 1990, Chairman of the Brathay Hall Trust in 1990, Chairman of the Education/Industry Forum from 1989-90, Chairman of the National Institute for Careers Education and Counselling in 1989. He has worked with the CBI and is educational consultant to Price Waterhouse. He has travelled extensively overseas, and lectured and advised on educational matters in Australia, Belgium, Canada, Denmark, France, Germany, Hong Kong, Thailand, New Zealand and the USA. As RSA Fellow in Continuing Education, he is at present directing a new project on the role of post-compulsory education and training, entitled *A learning society*.

Valerie Bayliss  
Director of Education,  
Training, Enterprise and Education Directorate

Valerie Bayliss was educated at the University of Wales 1962-66, receiving a BA (Hons) 1st Class in History, followed by MA. She was a research student (Economic History) at London School of Economics, 1966-68.
Valerie Bayliss joined the Department of Employment and Productivity in 1968 as Assistant Principal. She worked on a variety of posts on manpower services, health and safety and employment services until promoted Principal in 1972. She set up the Training Opportunities Scheme (TOPS) and moved on to the planning team for the new Training Services Agency (one of the constituent agents of the Manpower Services Commission). Valerie Bayliss held a variety of posts on training policy in MSC and, briefly, in DE before promotion to Assistant Secretary in 1978. In 1978-82, she was responsible for the operational policy for the job centre service, and from 1982-85 she was involved in the establishment of the Youth Training Scheme.

Promoted in 1985 to first Director of Field Operations in the Training Division of the Commission, Valerie Bayliss was responsible for the regional organisation, with 5,000 staff and delivery of £1.5bn of programmes a year. On promotion in 1987, she became Director of Resources and Personnel (PFO/PEO) for the MSC. Since January 1991, Valerie Bayliss has been Director of Education, Department of Employment.

She is a member of the Council (governing body) of the University of Sheffield and has been chairman of the Careers Advisory Board, University of Sheffield, since 1988. She is also Fellow of the Royal Society of Arts.

Tim Eggar  
Minister of State,  
Department of Education and Science

Mr. Tim Eggar, Conservative Member of Parliament for Enfield North, is Minister of State at the Department of Education and Science.

Tim Eggar was born in 1951 and educated at Winchester College and Magdalene College, Cambridge, and the College of Law, London. He was Chairman of the Cambridge University Conservative Association in 1972 and Vice-Chairman of the Confederation of Conservative Students from 1973-74.

He was personal assistant to Viscount Whitelaw (then the Right Honorable William Whitelaw, MP) during the general election of October 1974 and was Deputy Chairman of Islington South and Finsbury Conservative Association in 1975.
Mr. Eggar entered Parliament as a member for his present constituency in 1979. He was a member of the Select Committee on the Treasury and the Civil Service from 1979 to 1982, and secretary of the Conservative backbench committees on finance and energy from 1980 to 1982. He was Parliament Private Secretary to the Minister for Overseas Development from 1982-85 and Parliamentary Under Secretary of State in the Foreign and Commonwealth Office from September 1985 until July 1989 when he went to the Department of Employment as Minister of State with responsibility for Small Businesses and Training and Enterprise. He moved to his present appointment in July 1990.

Mr. Eggar’s main responsibilities at the Department include the schools’ curriculum including the Technical and Vocational Education Initiative; tests, assessment and school examinations; school/industry links and careers education; and certain FE issues. He also has special responsibility for the Leeds/Bradford City Action Team.

John Graystone
Staff Tutor
The Staff College

John Graystone spent five years as a teacher in secondary schools, institutions of further and higher education and university. He then spent five years as a researcher for the Health Education Council and at Bristol University as an evaluator of two major national educational projects. He then spent five years as policy assistant at the Trades Union Congress and one and a half years as member of the education secretariat of the Association of Metropolitan Authorities. He joined The Staff College in September 1986 where he is the Commissioned Works Manager.

Ray Payne
Group Services Director
John Mowlem & Co plc

Ray Payne has wide experience in the management of design and construction of civil, structural, mechanical and electrical works and instrumentation for large and complex projects in Great Britain, Europe and the Middle East. During his career he has progressively widened his experience to include virtually every aspect, from feasibility studies through to detailed project formulation, contract procedures and the management of the overall design and construction process.
During recent years he has been responsible for a variety of projects, including commercial, industrial, transportation and off-shore work. Notable projects with which he has been involved include the Pompidou Centre in Paris, the Carlsberg Brewery in Northampton, the National Exhibition Centre at Birmingham, a currency building for the Central Bank of Iraq in Baghdad, the King's Office and Council of Ministers Building in Riyadh, and the refurbishment of the Adelphi building in London to create a new headquarters for Phillips Petroleum.

He has lived and worked in France, Germany, Holland, Iraq and Saudi Arabia. This experience has taught him that sound management is best achieved by teams of committed individuals using their talents and strengths in a co-operative way. His career has been characterised by a belief that achievement comes from personal commitment, effort and striving for excellence. His current position as Director of Groups Services is a key role in the structure of John Mowlem & Company plc, and demands a deep involvement in the company for the development of policy issues which relate to his work.

Ray Payne has developed a strong interest in the theories of management as applied to the construction industry; he has lectured widely and published a number of papers on this subject.

Dr Ray Taylor
Executive Director,
Association of Community College Trustees

Dr Ray Taylor serves currently as the chief executive officer of the Association of Community College Trustees. He is responsible to the board of directors for carrying out the purposes of the association, and provides leadership in advancing the work of community colleges.

ACCT membership includes over 5,300 governing board members of the public community, technical, and junior colleges in the United States and Canada, as well as a growing number of private and international institutions of a like nature.

From its headquarters in Washington, DC, the Association serves its membership by conducting educational seminars and conventions and producing publications and videotapes on subjects relevant to its members. ACCT is active in federal relations through a joint effort with the American Asso-
ciation of Community and Junior Colleges. It further provides assistance to its membership through institutional services, such as on site board retreats, presidential searches, and providing interim presidents.

Dr Taylor was formerly the Vice Chancellor for Institutional Development at St Louis Community College, with responsibility for directing institutional research and planning, resource development, international education, vocational education, new programme development, and government relations. Prior to that, he held the position of Executive Director of Resource Development and Government Relations for the Eastern Iowa Community College District. Over the years, he has held positions in secondary schools, state colleges, universities and community colleges in a variety of management roles. Dr Taylor holds a Doctorate in Educational Administration from the University of Missouri, a Masters degree in Secondary School Administration and Bachelor of Science in Political Science Education. He has delivered numerous national presentations on the topics of resource development, federal relations, economic development, marketing, grant writing, adult literacy and ethics in resource development.

His National Council for Resource Development activities include membership of the board of directors since 1983, vice president in 1990, director of Region VII, member of Annual Conference Planning Committee, member of the Federal Funding Task Force, a regular presenter for the Resource Development's specialist programme, and director of this programme in 1989.
THE NEW GOVERNING BODIES FOR THE 21st CENTURY

John Graystone
Staff Tutor
The Staff College

INTRODUCTION

This paper examines the new governing bodies of further education colleges which will take their colleges through to incorporation and to the 21st century. It describes the new governors, their changing roles and responsibilities, the legal duties of governors of companies and the impact of governor development programmes. It concludes with comments on the qualities and skills required of successful governors and on the issues facing governors in the move to incorporation.

CHANGING GOVERNING BODIES

The Education Reform Act 1988 gave governing bodies of further education (FE) colleges important new powers and responsibilities over budgets, staffing and the general direction of their colleges. These powers and responsibilities are shared with local education authorities (LEAs) which determine the conditions of service of staff, strategically plan post-16 education in their area, and usually provide between 80-90 per cent of college funds.

To improve their effectiveness, governing bodies were limited in size (the largest governing body in England and Wales is now 23, the smallest 10) and the average size has fallen from 28 to 19. 95 per cent of governing bodies have a membership of between 15 and 20 (Graystone 1991a). Their composition was changed to ensure at least 50 per cent of governors were nominated by employment interests or co-opted on the basis of experience and expertise.
Governing bodies are now primarily business-led, although around one-half are chaired by LEA nominated governors. The LEAs provide the lion's share of the budget but only nominate a small proportion of governors.

The White Paper *Education and training for the 21st century* (DES/DoE/WO, 1991) removes the influence of the LEA. FE colleges become corporate institutions. Nominations to governing bodies from LEAs will cease though one or two LEA members or employees may be co-opted on the basis of their 'individual qualities'. Staff and students – the only elected governors – are likely to lose their places on governing bodies. Governing bodies will therefore be smaller with an average size of between 10 and 15 members.

The new Funding Councils (one for England, one for Wales) will take over the legal duty to provide adequate facilities for further education and will take on responsibility for funding colleges and for decisions on important matters such as mergers.

### COMPOSITION OF GOVERNING BODIES: GENDER AND ETHNIC BALANCE

The Staff College has conducted a number of surveys into the background of governors using data collected from governors and governor development co-ordinators. A study of 73 colleges shows that most governors are male and white with few Afro-Caribbean and Asian governors (see Table 1).

**Table 1: Gender and ethnic balance* of FE governors (from 69 colleges)**

<table>
<thead>
<tr>
<th></th>
<th>White</th>
<th>Afro-Caribbean</th>
<th>Asian</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>1115</td>
<td>6</td>
<td>9</td>
<td>1130</td>
</tr>
<tr>
<td></td>
<td>81.2%</td>
<td>0.4%</td>
<td>0.7%</td>
<td>82.3%</td>
</tr>
<tr>
<td>Female</td>
<td>235</td>
<td>6</td>
<td>2</td>
<td>243</td>
</tr>
<tr>
<td></td>
<td>17.1%</td>
<td>0.4%</td>
<td>0.1%</td>
<td>17.7%</td>
</tr>
<tr>
<td>Total</td>
<td>1350</td>
<td>12</td>
<td>11</td>
<td>1373</td>
</tr>
<tr>
<td></td>
<td>98.3%</td>
<td>0.9%</td>
<td>0.8%</td>
<td>100%</td>
</tr>
</tbody>
</table>

* using ethnic monitoring classification of Commission of Racial Equality (source: Graystone 1991b)
In 81 colleges with 1437 governors, only 10 were registered disabled.

A separate Staff College survey of 117 colleges confirms the gender balance of governing bodies. Of 2151 governors (11 places were vacant at the time), 1780 (82.8 per cent) were men and 371 (17.2 per cent) women.

A further Staff College survey was carried out into the chairs of governing bodies of 219 governing bodies. If those not known are excluded, 94 (46.3 per cent) were chaired by local authority nominated governors and 98 (48.2 per cent) by employment interest governors. Men chaired 196 (90.7 per cent) governing bodies and women 20 (9.3 per cent). Most female chairs were governors nominated by LEAs (see Table 2).

**Table 2: Chairs of governing bodies**

<table>
<thead>
<tr>
<th>Employment interest</th>
<th>LEA</th>
<th>Other</th>
<th>Not</th>
<th>Total known</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>92</td>
<td>81</td>
<td>8</td>
<td>15</td>
</tr>
<tr>
<td>Female</td>
<td>4</td>
<td>12</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Not known</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>98</td>
<td>94</td>
<td>11</td>
<td>16</td>
</tr>
</tbody>
</table>

(48.2%) (46.3%)

The 400 or so maintained further education colleges in England and Wales have approximately 7400 governors. Of these, around 3500 are employment interest governors; 360 co-opted; 1,400 local authority nominated governors; 800 staff governors; 400 student governors; 320 from educational institutions; and 200 from community organisations. Almost 400 principals serve on governing bodies. Only nine governors are nominated as parents. 6120 are men, and 1280 women. 7275 governors are white and 125 are Afro-Caribbean or Asian; and 7356 able-bodied, 45 have disabilities.

In the light of the above figures, the question must be asked whether governing bodies reflect the communities they serve.

**ROLES AND RESPONSIBILITIES OF GOVERNORS**

At present under the Education Reform Act the role of the governing body is as follows:
setting the general direction of the college;

ensuring the provision of courses and other activities and services within the framework set by the strategic planning of the LEA;

managing the college budget, and staffing according the LEA’s scheme and articles of government;

accounting to the LEA for its exercise of delegated functions;

delегating executive responsibilities to the principal;

monitoring the management of the college and securing improvements in its efficiency and effectiveness;

helping structure the college so it meets the needs for a skilled workforce;

helping communication between the college, local employers, and the wider community.

DES/WO, 1989

These important responsibilities are enhanced under incorporation and are likely to be similar to those of boards of governors of polytechnics and colleges of higher education – the higher education (HE) corporations. HE corporations are conducted in accordance with articles of government made by the corporation with the approval of the Secretary of State. Because the composition of the board of governors was determined in the Education Reform Act, HE corporations do not have an instrument of government. Board of governors of HE corporations, as set out in the model articles circulated by the Department of Education and Science in 1988, are responsible:

- for the determination of the educational character and mission of the institution and for oversight of its activities;

- for the effective and efficient use of resources, the solvency of the institution and for safeguarding its assets;
for approving annual estimates of income and expenditure;

- for the appointment, grading, suspension, dismissal and determination of the pay and conditions of service of senior staff, and for setting a framework for the pay and conditions of other staff.

CORPORATE INSTITUTIONS

A corporate institution or company as a legal entity can hold property, deal with money, and assume legal commitments. The memorandum of association will set out the name of the organisation, the articles, and the rules governing members.

FE colleges with delegated responsibilities have gained experience in running their own affairs and managing budgets and staff according to the LEA scheme of delegation. They have moved a considerable way towards incorporation. However colleges lack experience in owning and managing sites, assets and property; they have been protected from the complexities of company law; and they will now have to take on full responsibility as employers of staff. HE corporations have in many cases been able to appoint senior staff to manage the key functions of a corporate company including responsibility for corporate planning, and a company secretary. Most FE colleges, especially the smaller ones, may lack resources to invest in appointing senior staff to these posts; they may have to buy in advice as and when possible.

Colleges will wish to have their companies run under charitable status. The company will be exempt from paying tax on its earnings, companies making gifts may claim tax relief; individuals may make tax-free donations, tax relief may be granted in respect of covenanted contributions to the organisation, and rates payable for properties will be relieved. Disadvantages are slight – companies will be covered by rules preventing charities taking part in political campaigning.

LEGAL DUTIES OF BOARD MEMBERS

Governors will be subject to various Companies Acts from 1948 to 1989; the Insolvency Act 1986 and the Company Director's Disqualification Act
1986. This legislation is intended to encourage governors to take a more active interest and take corrective action at an early stage, and generally improve standards of commercial morality. The Companies Act 1985 sets out 69 indictable offences for companies. Many of these will apply to colleges. They include, for example, failure to keep accounts in conformity with the Act, and company officers making misleading, false or deceptive statements to auditors. The Insolvency Act 1986 empowers the courts to order any director of a company to make a personal contribution if a company has gone into insolvent liquidation when the director knew or ‘ought to have concluded’ that there was ‘no reasonable prospect’ of avoiding such liquidation. The test of ‘ought to have concluded’ is whether the directors took such steps to monitor their company’s affairs as would be taken by a ‘reasonably prudent businessman’.

The legal duties of company directors may broadly be described as follows:

- **good faith**: governors should act in the best interests of the organisation and its aims and objectives as a whole;

- **care, diligence and skill**: governors must exercise the same degree of care which ordinary people might be expected to take in the circumstances on their own behalf;

- **honesty**: governors must exercise their powers for proper purposes only and personal interests must not conflict with those of the organisation; any conflict of interest, e.g. over a contract, must be declared at a board meeting;

- **not exceeding powers**: governors must ensure they do not exceed the powers set out in the memorandum of association or constitution;

- **interest of employees**: the Companies Act 1985 requires that directors have a duty to have regard to the interests of the employees and the organisation in general;

- **financial responsibility**: governors need to ensure that the organisation operates within the limits of its financial resources;
compliance with the Companies Acts: board members have a duty to ensure that the organisation complies with the requirements of these Acts.

Scottish Arts Council 1987

GOVERNOR DEVELOPMENT

The Education Reform Act 1988

Governors contribute to their colleges a wide range of experience and expertise from the world outside and within education. One of the aims of governor development is to ensure that this experience and expertise is harnessed to the benefit of their college.

Before the Education Reform Act, most governors received little or no systematic training. Governors if they were fortunate were given a brief tour around the college by the principal and then left to get on with it. A thick bundle of committee papers, decisions made elsewhere, too many people attending meetings, long discussions on points of detail, and lack of clarity of powers and duties combined to make a governor's job an exasperating one.

The DES commissioned a research project to investigate FE governor training needs in the light of the forthcoming legislation. The Government acted on may of the recommendations of this research project – Effective development of college governance (Kedney, McAllister and Williams 1989). A video package and a handbook, Guide for college governors (Locke and Pratt 1989) were issued free to every governing body.

In February 1989 Industry Matters published a pack entitled New governors for further education: information for industry and commerce (Graystone and Fletcher 1989). The pack explained the new role for FE governors and was aimed at potential governors from industry and commerce.

11 LEAs in England and one in Wales were selected to prepare good practice guides and teaching materials, and explore various ways of working with governors. Their experiences were disseminated to other LEAs at a national conference in March 1990. Consistent themes ran through the
experiences of the pilot LEAs. Governors preferred the terms ‘development’, ‘information’ or ‘support’ to ‘training’. The development of FE governors needed to be kept separate from that of school governors, both administratively and in content. And the organisation of governor development programmes should involve a close partnership between LEAs, governing bodies and colleges. Workshops and conferences should focus on what governors want and take place at times and venues convenient to the majority of governors. And programmes must be carefully monitored and evaluated to ensure they achieve their objectives.

**Recent developments**

From April 1990 until March 1993, local education authorities in England and Wales have been allocated central grants to provide governor development at a level of around £1.9 million per year – roughly £4,700 per governing body or £250 per governor – much more generous funding than the £17 million allocated over a three year period to 1992 for developing the 300,000 school governors (£19 per governor per year) (Parliamentary Written Question 1991).

Most LEAs and colleges have appointed full-time or part-time coordinators with responsibility for overseeing governor development programmes. The Further Education Unit published a guide to support these governor developers in their new role (Graystone and Williams 1990). The guide analysed good practice and outlined the components of a development programme for governors. Methods of delivery, learning outcomes and suitability of materials have been designed to fit in with governors’ needs which change over time as governors become more experienced and face new challenges. Appropriate performance indicators have been selected to assess the impact of programmes.

A typical programme may include authoritative inputs from specialists explaining the complexities of the FE service, key developments facing colleges and the roles and responsibilities of governors. Governors require information on their colleges and on their powers over budgets and staffing. They need to know how to put this knowledge into practice through more skills-based activities; a case of harnessing the skills and expertise of governors to the long-term benefit of the college.

The importance of a governing body working as a team is becoming a focus for governor development. Governors attended external venues for 24 or 48
hours workshops, often over a weekend, with the aim of getting to know each other and their college managers and to tackle important issues facing their colleges. Some have been moved to say that the best governor development takes place over dinner or in the bar.

Workshops have been targeted at different types of governor. There have been events for employment interest, staff or student governors, and sessions aimed at principals and chairs. Governors have attended in-house, LEA and regionally organised courses and those offered externally by bodies such as The Staff College. An interesting development is the accreditation of governor programmes by validating bodies. Credits are awarded to governors for attendance and achievement on courses. This raises the intriguing possibility of some governors ‘failing’ competence-based assignments while others become ‘accredited governors’.

But effectiveness is not improved only by attendance at workshops or conferences. Governors may need support in carrying out their important responsibilities; a person they can turn to for advice; access to other governors from other colleges; availability of readable and relevant written and audio-visual materials. Briefings may be organised around the agenda items of meetings. Governors may learn about their colleges by working closely with or ‘shadowing’ a particular department or section. LEAs and colleges have set up easily accessible resource centres where governors can obtain information and support.

Some problems

But not everything in the garden is rosy. Attendance at sessions has, according to surveys carried out by Her Majesty’s Inspectorate, been patchy, with an overall penetration of about 50 per cent of college governors (Jutsum 1991). A survey of governor development co-ordinators covering 88 colleges showed that 65.1 per cent of governors had attended at least one session (Graystone 1991b). This compares with attendance of two-thirds of school governors on school governor programmes albeit with fewer resources (Parliamentary Written Answer 1991). The most regular attenders at workshop sessions were college principals (100 per cent), staff governors (90 per cent) and co-opted and employment interest governors (73.6 per cent). Some governors are keen to upgrade their knowledge and skills to help them become effective. Others, sometimes those who need most support, are less keen and do not appreciate the importance of development programmes.
Sessions may consist of poorly presented lectures with maximum information and minimum audience participation. Venues and timing may suit the organisers more than the participants. The principal and the LEA may disagree over who 'controls' governor development. Governors may be suspicious of the LEA or college management motives in running workshops yet lack the expertise or will to run their own workshops. The American experience is that governors can organise themselves and plan their own development. The Association of Community College Trustees (ACCT) does just that and, as shown in Ray Taylor's contribution, is a powerful lobbying and training organisation for trustees in the USA and Canada.

GOVERNOR EFFECTIVENESS AND QUALITIES

The Institute of Directors (1990) surveyed the views of managing directors of major British companies about the qualities they looked for in a board of governors. The final report outlined key qualities sought in new appointments to boards of directors of major companies. These were: strategic awareness, objectivity (a willingness to make decisions based on facts), communication skills, individual responsibility, and customer focus.

FE governors, when invited to comment on these during Staff College development sessions, have added: an interest in further education, willingness to devote time to governor duties; and ability to work team. These qualities are vitally important for effective college governance. Development programmes should seek to bring out these qualities. Yet the IoD survey concluded that:

High standards of excellence in the boardroom are essential prerequisites for successful business performance. And yet too few directors in Britain spend sufficient time in raising their awareness, updating their knowledge and improving their understanding on matters of concern to professional directors. It is not surprising, therefore, that many boards do an adequate, rather than an excellent job. (Institute of Directors 1990).

Some factors may hinder quality and effectiveness. Governors are busy people and the lack of time to carry out their duties effectively is a common complaint. Those with important responsibilities in their occupations may only be able to devote up to five full days per year to governor duties. This time must be used effectively. Governors report meetings being poorly run
with over-detailed papers and long agendas, and being asked to make decisions on matters which ought to be delegated to college managers. There have been complaints about the use of educational jargon and reluctance among some college managers to change old ways of working. Some governors feel isolated. Employment interest governors may be discouraged by political in-fighting particularly between LEA elected members, staff governors may feel uncertainty about their role. Governors may lack information on what is happening in their college and often rely too heavily on the interpretation of the college principal and the chair. Some governors may be frustrated because they are excluded from participation in key governing body committees. Some even complain that their college principalship has often already decided matters and reduced governors almost to a rubber stamping role.

The support and development of governors is crucial for improving governor effectiveness. Equally important are measures to improve the circumstances in which governing bodies operate, often a sensitive matter for those working with and developing governors.

SOME ISSUES FACING GOVERNORS IN THE MOVE TOWARDS INCORPORATION

The position of the man or woman chairing the governing body is crucial. He or she must give leadership to the board, be impartial, run meetings in a business-like manner, encourage participation from governors, ensure decisions are clear and acted upon, take action outside and between meetings where necessary, and ensure that the skills of members are drawn out (Graystone 1991c). As noted previously, one half of governing bodies are chaired by LEA-nominated governors. Under incorporation, only one governor may be co-opted as a governor from the LEA on the basis of individual qualities. Governing bodies will need to consider who they wish to place in the chair in the run-up to and following incorporation.

An effective working relationship between governors and college management is crucial. The increased legal responsibilities placed on governors make it imperative that they trust their senior management team, that they receive the information necessary to make effective decisions, and that the college has systems appropriate to incorporation. Governors and managers need to be absolutely clear on who has responsibility for taking what decisions.
In choosing the new governing body for the incorporated institutions, governors must consider the skills required for an effective governing body. Governors need to be of high quality and command respect; be good communicators, be able to co-operate as part of the team, act and think objectively, have an interest in the organisation's activities, take individual responsibility, continually focus on the customer, and be able to devote sufficient time to governors duties. Perhaps most of all they need to display strategic awareness. In addition, a board should have a balance of experience covering knowledge of the organisation, finance, banking, accountancy, company law, personnel and marketing. Governors need to consider what is the most effective size for the governing body. Too large a body may make for unwieldy meetings; too small, and governors may be under too much pressure of time. Governors need to ensure they receive legal advice on important issues. The appointment of a company secretary with a legal background is recommended.

Governors need to set up methods of monitoring their own performance as a governing body as well as that of the institution as a whole. They need to ensure they have set up appropriate procedures for negotiating with staff over pay and conditions. Governors and their managers should be already planning for incorporation, before legislation is presented to Parliament.

CONCLUSIONS

The underlying theme behind the Government's approach to further education has been to give institutions more scope to run their own affairs. Governing bodies have a crucial role to play in ensuring their colleges tackle the challenges facing them.

By the end of March 1993 funding for governor training from the DES will have been completed. Decisions on further funding will come from the new Funding Council which, it is hoped, may recognise the importance of investing in the development of college governors.

Governors themselves may start the ball rolling. Governing bodies may devise a strategy for developing and supporting governors in the period leading up to April 1 1993. Governors may wish to set aside a small proportion of their budget for their own development and ensure that someone takes over responsibility for organising, planning and monitoring pro-
grammes after incorporation. Governors may consider setting up or joining a national governors’ association on the lines of the ACCT to retain control over their own development.

People become governors for various reasons. They may wish to put something back into education, to make colleges more responsive to the needs of industry, or to improve the image of their company. Some may be unsure why they have become governors and others become governors not realising the demands on their time. But every governor wishes to make a positive contribution to the work of their college and should aim to do ‘an excellent rather than an adequate job’. Governor effectiveness can be enhanced by well organised and responsive development programmes. Colleges are in the education and training business and if governors do not believe in the long-term value of education and training, then no one else will.

The main role of a governing body is to set the general direction of the college. To do this governors need to decide with the principal how best governors and managers should work together. They need to agree the information governors require to fulfil their role effectively, and the matters which must come before governors for decision and those which should be delegated to the principal. Clarifying the distinction between governance and management should underpin governor development. If governors do not trust their managers and interfere in the day-to-day running of the college, or if the principal views governors as a nuisance, colleges cannot become successful institutions.

The principal and the chair have a crucial role in determining how the governing body functions and in giving a lead. But governors need to be clear what sort of governing body they wish to be. Do they want to be a rubber-stamping body, or to play a full and active role in setting the direction of their college? What information do they require to carry out their tasks? And how would they wish their performance as governors to be monitored and evaluated?

The changes heralded in the White Paper Education and training for the 21st century (DES/DoE/WO 1991) set the agenda for post-16 education and training for the next decade. And governors will be in the driving seat. Much of the success of colleges will depend on the effectiveness of governing bodies and the qualities of individual governors; both have important implications for the development and support of governors.
REFERENCES


House of Commons Parliamentary Debates (Hansard) 19 March 1991 Parliamentary Written Answer

Institute of Directors (1990) Professional development of and for the board. IOD


Scottish Arts Council (1987) *Care, diligence and skill: a handbook for the governing bodies of arts organisations*. SAC 2nd ed.
College governors will have a key role in implementing the reforms announced in the White Paper *Education and training for the 21st century* (DES/DoE/WO 1991a). The Government has placed FE and sixth form colleges at the centre of its education and training policies. The key change is the creation of a new sector. Colleges will have greater independence and autonomy. Governors will be in a position to make more decisions and to back their own judgements.

The Government has listened to comments about the direction it is taking with regard to FE reforms. We invited all those with an interest to send us their comments on the White Paper. Many did so and we received more than 2000 responses in all. I have now read many of these personally and have been impressed by their quality. Those responses have been extremely useful in helping Government to give the proposals a sharper focus. I hope that you will all feel that, as the policy develops over the coming months, we have done our best to take account of the points you have made. FE is a diverse sector and Government must not overlook any of the problems associated with the historical nature of colleges and the relationships that have developed locally.

Put simply, the White Paper sets out the aims of better education and training for more people. This means more opportunities for people to prepare for work, to gain higher level qualifications and to reach their full potential. We recognise that far too many people have been failed by the school system or have failed the school system. We want more opportunities for people to dip in and out of education and training as appropriate. We are looking to an expansion of the sector, with increased participation based upon a broader and more relevant preparation for life and work.
The White Paper has a lot do with changing the climate and changing attitudes. If all concerned were to place a higher value on more and better education and training then we would have gone a long way to securing the aims which I set out at the beginning. We want to see employers who have an eye to the future and to the higher level of skills and expertise which will be central to our economic well-being. We want employers to back that with investment in people. We want students, and potential students, to recognise the value to them of a greater engagement in education and training. And, in looking at the means of delivery, we want efficient, effective and responsive colleges.

MANAGING CHANGE

It is increasingly recognised in all walks of life that, in the 1990s, the most successful organisations will be those that can respond quickly and flexibly. In the 1980s the challenge was to manage change: in the 1990s the challenge is to manage surprise. We have only to look at world events of the last 18 months to realise how the pace of change is accelerating. Take, for example, the changes that have occurred in Eastern Europe, more recently in the Soviet Union. Who would have expected at the beginning of this year that, by the end, the Baltic States would have gained their independence? Most governors will have accepted technological change, but the pace of political change, which has been so rapid over the past 18 months, may seem unusual. It will, I suspect, come to be seen by historians as symptomatic of rapid evolution in almost all areas of life in the 1990s.

College governors and managers will be at the centre of drastic and unforeseen changes. They will have to respond not only to the White Paper but also to the increasing pace of change. The White Paper marks the beginning, not the end, of this period of change.

In order to seize the new opportunities, and rise to new challenges, organisations need to be able to respond rapidly, flexibly and imaginatively. Large organisations, in particular, need to be able to combine the benefits of size with the greater agility and speed of response of which their smaller counterparts are capable.

All this applies to organisations in the public sector as much as to those in the private sector. With the move to independence, the need for FE colleges to be able to respond rapidly and flexibly and to grasp opportunities will be even greater.
HOW THE COLLEGES FIT IN

What are the challenges and the opportunities facing colleges as they move to independence? At the end I will return to the theme of managing surprise and offer some ideas as to how governors can help.

The key change for colleges is that they will be independent of local government and will be in a new sector of further education. We are saying to colleges: 'You are already demonstrating what you can do, given the opportunity. The way in which you have responded to local management has given the government the confidence to take that a stage further and allow you greater scope to plan your development, to take stock of the resources and expertise at your command and to build on them as you think best'. We are also saying: 'You must not stand still. All of us need regularly to take stock of what we are doing, to consider what we are best at doing and how we can do it better, and to think hard about what more could be done (or indeed what must not be done)'.

NEW ORGANISATIONAL PATTERNS

One of the major opportunities for colleges will be to enter into new partnerships. I would like to see increased collaboration between colleges and higher education institutions and between colleges and schools. There are a number of possibilities for consideration.

For many young people, colleges should be seen as a stage in the progression (not necessarily continuous or uninterrupted) from school to higher education. One possibility to consider is the American community college model. In America, community colleges provide a bridge between further and higher education. They provide the first two years of a four-year degree course and award associate degrees. Students may then transfer to the third year of a degree course in an institution of higher education with which the community college has established agreements. However, a note of caution. It would be a great pity if the result of the connection with HE was 'academic drift' where FE colleges lost sight of their primary strength of delivering post-16 education and training.

Another possibility for consideration is franchising. A number of colleges have already made franchising agreements with polytechnics. Blackburn
College, to take one example, offers the third year of the Huddersfield Polytechnic BA in Business Studies. This is taught as an add on to the college’s own two year HND Business Studies students.

Many colleges are already offering joint courses with polytechnics. A number of examples spring to mind — West Kent College has established a partnership with Thames Polytechnic to provide joint courses for the building industry and for commerce. The programme of joint courses will be expanded to cover all industrial and commercial activities. Blackpool and the Fylde College and the Lancashire College of Agriculture and Horticulture, to take other examples, have developed joint courses with a polytechnic.

I am sure that there is scope for many different types of link. It is, of course, important that such arrangements make academic sense and are entered into for sound academic reasons. At the same time, such arrangements serve to widen access and to make better use of physical accommodation. I am sure colleges could all provide further examples of collaboration.

I am keen for as many schools as possible to offer vocational qualifications to the over 16s. Schools are now allowed to offer BTEC Firsts and we propose to allow them to admit part-time students and adult students and to charge fees for them. Colleges should see this as an opportunity for them to enter into partnerships with local sixth forms. Such partnerships have already started in Kent.

**BREAKING THE ACADEMIC/VOCATIONAL DIVIDE**

Another opportunity for colleges is to help break the academic/vocational divide. We need parity of esteem between academic and vocational qualifications. It is essential that we as a nation recognise and value the full range of skills. Of course, this is a long running issue in this country. But I believe conditions are set at last for tackling it. Employers, unions and all political parties are seized of the need to do so.

The National Council for Vocational Qualifications (NCVQ) is reforming vocational qualifications into a rational, comprehensive system. The White Paper proposes ways of speeding up implementation of National Vocational Qualifications (NVQs). We intend to use reserve powers in section 582.
24 of the Education Reform Act to regulate all full-time education offered to 16-18 year olds in schools and colleges. We see this primarily as a means of requiring schools and colleges to offer vocational options which lead to NVQs. Old style qualifications will be phased out in line with the development of NVQs.

At the same time the White Paper proposes development of General National Vocational Qualifications (GNVQs) within the NVQ framework. These will be directly relevant to the world of work, like the narrower NVQs. But they will relate to a broad occupational sector, not a specific job. The idea was developed with young people particularly in mind. We recognise that they need a broad educational base, so that they are adaptable and can learn new skills throughout working life. General NVQs will also be a good basis for progression to higher education.

Colleges have an important part to play in making people aware of the value of NVQs, both for young people embarking on a career or adults updating their skills or retraining for a new career.

Very few young people leaving school in the 1990s can hope to use job-specific qualifications which they have gained in their late teens for the whole of their working lives. The pace of technological change means that these young people will be retrained two or three times. To achieve this they have to have a level of overall education to enable them to absorb this retraining throughout their lives.

DIPLOMAS

Having reformed NVQs (target 80 per cent in place by 1992/3), we also have to get the message across to students, to higher education, and to employers about the level and quality of these qualifications. Hence the idea of advanced and ordinary diplomas. We propose to introduce new over-arching diplomas which will recognise qualifications from both sides of the academic/vocational divide. The diplomas will not be qualifications in their own right. Advanced diplomas will enable young people to take level 3 vocational qualifications, AS and A levels, or any combination. This will equate, for example, the qualified level 3 hairdresser with the individual who has decided to follow the traditional two or three A level route. Both will be able to apply for the advanced diploma. Diplomas will enable youngsters to take whatever course suits them, and to make sure
everybody recognises the level of that course relative to others. We have recently issued a consultative document (DES/DoE/WO 1991b) on the proposals for ordinary and advanced diplomas. We have asked for comments by 31 October. I hope that colleges will take the opportunity to let us have your views.

THE FE FUNDING COUNCIL

One of the main changes for colleges will be the need to establish new relationships — not least a new financial relationship with the FE Funding Council. I shall refer to it in the singular but there will, of course, be two councils, one for England and one for Wales.

The Council’s main responsibilities will be:

— funding the colleges; and

— ensuring that there is enough further education of suitable quality available, particularly for young people wanting full-time education.

The Council will also support further education provided by PCFC institutions, just as the local education authorities do now.

Other tasks falling to the Council will be:

— allocating capital grants to the colleges; and

— advising the Secretary of State on the need for new colleges, mergers and closures.

Existence of an FE Council will help put FE on the national scene. The Council is not meant to be a dead bureaucratic hand.

It will encourage colleges to be entrepreneurial. It will provide colleges with the flexibility needed to respond to change over the next few years. It will have an interest in colleges’ success.
FURTHER EDUCATION FOR ADULTS

The White Paper sets out a new framework for the further education of adults. Within this framework, the statutory duty to provide all types of further education for adults will remain — but in future it will be split between the new Further Education Funding Council and local education authorities.

The Funding Council, working through further education colleges, will be responsible for providing education leading to academic and vocational qualifications; courses enabling adults to gain access to such qualifications; the acquisition of basic skills; and proficiency in English as a second language. Meanwhile, local authorities will retain the duty to secure provision of all types of further education for adults which fall outside the scope of the Council. This will largely take the form of provision which does not lead to qualifications and is of a more informal kind — though no less valuable for that. Within their respective duties both the Council and the local education authorities will be required to take account of students with special educational needs.

There will, therefore, within the new framework, be important new challenges for colleges. For it is on further education colleges that we are placing the responsibility of delivering that provision for adults to which the Government wishes to give priority.

Of course, adults are by no means a new phenomenon in FE colleges. They are there in large numbers, and at every level. Many colleges will already be catering very significantly for the needs of adults wishing to pursue academic and vocational courses, just as they do for younger students. They will be providing access courses and basic skills provision. I hope our proposed reforms will act as a stimulus to developments in opportunities for mature students in all these areas of priority.

Further education for adults is organised in a variety of ways in different areas of the country. In many LEAs, much provision in the areas eligible for funding by the Council is being delivered alongside recreational and leisure provision in adult education colleges and centres. In some areas it may be organised within a framework of community schools or colleges.

I expect under the new arrangements to see the best use made of facilities and expertise in each area. I also expect to see provision continuing to be
available in convenient locations. Adults wishing to pursue a part-time course — perhaps a couple of hours a day — would not expect to have to travel long distances to their nearest further education college, when they have in the past been able to enrol at an LEA institution closer to home. Indeed the Funding Council will not be fully discharging its duties — nor colleges their responsibilities — if provision is not available in areas accessible to local communities. My vision is therefore of colleges making accessible provision in a variety of convenient locations — on campus and off campus — and making full use of provision under contract from other providers serving local communities.

The White Paper does not, of course, raise issues about adults which are entirely new to colleges. It is worth reminding ourselves of HMI’s report Education for adults (HMI 1991). It drew attention to the changes taking place in education for adults as a result of increased numbers in both further and higher education and the growing demand for retraining and updating. Against this background, providers — including colleges — need to look carefully at aims and objectives for adults and at management, monitoring and evaluation of provision. And collaborate across the whole range of provision for adults, so as to secure accessible and balanced provision and an effective use of resources.

Communication and co-operation between providers will be essential. One of the strengths of educational services for adults is the good network of communication and collaboration between providers. I hope these strengths will be built on. I expect to see strong relationships being forged between colleges and LEAs in the business of working together to fulfil their respective responsibilities.

I would like to look at a subject which has attracted a good deal of attention since the publication of the White Paper — the future of recreational and leisure classes. The Government attaches great importance to all types of further education for adults. We want educational opportunities to be available for life. I have already referred to our own view of priorities. I hope local authorities will share this view. We want to see more adults pursuing courses which update their skills, improve their job prospects and lead to qualifications. But recreational and leisure courses also have a very significant role to play within further education for adults and are highly valued by individuals and communities alike. I therefore want to make it absolutely clear that there is no question of these recreational classes disappearing, or their cost rising excessively, as a consequence of the proposed reforms.
In calculating what resources should be transferred to the new Funding Council for 1993/4, and what should be left within the local authority spending settlement, we are working on the basis that authorities should retain the funds which are currently attributable within Standard Spending to recreational and leisure courses. The message is very clear — LEAs, in real terms, will have available the same money to spend on recreational and leisure courses for 1993/4 as they have for 1992/3. It is, of course, up to the authority whether they spend that money on adult education or not.

We want to get the division of resources right. That will mean seeking the assistance of local education authorities. We shall be asking them very soon to complete a questionnaire on expenditure to help us establish what resources should go to the Funding Council and what should remain with LEAs. This means that local authorities will continue to be able to support such courses as they do now, responding to local demand and taking account of students' ability to pay fees, in the light of their own judgements about priorities and of their own policies. They will retain the flexibility to respond to patterns of demand in their areas.

We want to preserve the best in existing client-centred services, while stimulating worthwhile developments. I am confident that the sharper profile we are giving to the further education of adults will achieve just that. I look to the further education colleges to give attention to their provision for adults and to work closely with LEAs in securing patterns of provision which best suit local circumstances.

GOVERNING BODIES

I come back to the theme of managing change and surprise and the role which governors can play. First, something about the future of governing bodies.

We wish to see the work of governing bodies proceed with the minimum disruption possible. We therefore intend that the majority of governors on college governing bodies will continue to serve after April 1993. There will be some changes to the composition of governing bodies: there will no longer be formal LEA representation. The legislation will, however, remove the provision in the Education Reform Act which prevents people who are local authority members or employees from being co-opted onto governing bodies. Governing bodies will be able to co-opt two additional
members. This means that governors may well combine their public service on the governing body with membership of a local authority, although they will be co-opted for their individual qualities and not as delegates or representatives of the local authority.

We also propose that the existing employment interest governors should be supplemented by a representative of a local Training and Enterprise Council (TEC). This will reflect the TECs’ important contribution to training locally.

Many college governors have experience of managing change and some may work in companies that are in the vanguard of change. I hope very much that, in the difficult transitional stage which lies ahead, these governors will be able to give colleges the benefit of their experience in preparing them to rise to the challenges that lie ahead.

Clearly there is a requirement for effective systems in managing what, for most colleges, will be a multi-million pound business. The Department will be commissioning a consultancy project called ‘Getting colleges ready’ to help identify the needs and point to good practice. The consultants will be visiting some 30 colleges to discuss in detail existing systems and practices and the requirements for the future. The results of the project will be disseminated next year and will, I hope, be extremely useful in helping colleges to prepare for independence.

While it is essential that colleges have in place first class management systems and controls, it is important that their management processes are as simple as possible. Bureaucracy and hierarchy are enemies of the ability to operate swiftly and flexibly. Layers of management which do not add value or perform an essential control function should be avoided. The number of committees should be kept to a minimum and the need for committees which are not decision making bodies should be critically reviewed. This will free staff for more productive activities.

Above all, colleges need to recognise their responsibilities to what, in business terms, would be called their stakeholders. True, they do not have shareholders in the sense of people who have invested money in the institution and expect a return. But they have customers, namely their students, who have invested their future in them, and local employers who have entrusted them with their most important asset. They have employees with a direct interest in their success. They have suppliers whose livelihood de-
pends on their business. And they operate in local communities, including not just employers but children, families and old people. Service to all these groups will be a source of competitive advantage for colleges in the 1990s.

Recognition of the need for a set of common values for a college and for a vision of its future requires first of all leadership and then commitment on the part of all staff. The process of change takes time: it cannot, with the best will in the world, happen overnight. It needs constant encouragement and the role of governing bodies will be crucial in supporting the process. If we are to manage change and surprise, governors will need to encourage and support colleges and, above all, give a clear sense of mission.

The Government is placing a great deal of faith in the colleges and in their capacity to respond. I know that they will all face the challenges of entry into the new sector positively and creatively.

**FURTHER POINTS**

The following section has been added in response to questions to the Minister.

**Level of funding after incorporation**

The White Paper is not about saving money. Its purpose is to increase both the quality and the quantity of post-16 provision. The Minister stated that, far from saving money, the reforms would give colleges a financial incentive to attract more students.

Allocating funds to FE through the Funding Council will have the effect of ‘corralling’ that money and ensuring it is spent on post-16 provision and not spent by the local authority on another area of provision, as can be the case at the moment.

The question of deficits in the run-up to incorporation was also raised. Would colleges have to carry their deficits (many of which will be a direct result of the change over) into the new era? Although this is a question that will have to be resolved by the Funding Council it was thought likely that colleges would not be able to ‘write off’ their debts during the transitional phase.
Regional planning

A question about coherent, regional planning was raised. Under the new arrangements would there still be some form of regional planning to ensure that specialist (expensive) courses will still be provided, many of which are of national rather than local importance?

The Minister stated that there would be regional advisory committees to advise the Funding Council on such issues.

REFERENCES


Her Majesty’s Inspectorate (1991) Education for adults. HMSO
GOVERNING COMMUNITY COLLEGES IN THE US: AN OVERVIEW OF TRUSTEESHIP IN CONTEXT

Dr Ray Taylor
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INTRODUCTION

The purpose of this paper is to present a snapshot of trusteeship in the USA. Within that picture I will try to capture a view of the US community college itself, its governance structure, how its boards of governors associate for their common benefit and the benefit of their colleges, and, finally, provide a view of the issues confronting governing boards in the US today. There are many striking similarities between further education colleges in the UK and community colleges in the US, not only in their development and governance, but in the issues now affecting them.

COMMUNITY COLLEGES — BACKGROUND

Many US institutions have a long tradition of providing educational services to their communities as private, junior colleges. These have primarily served as ‘feeder institutions’, or prep schools for four-year colleges and universities. Many began as public institutions, extending the educational programmes of local public education systems by adding grades 13 and 14, and many began as local vocational and/or adult educational institutions. The oldest of these institutions is generally accepted to be Joliet Junior College in the midwestern state of Illinois, founded in 1901. What is currently referred to as the ‘community college movement’, traces its philosophic beginnings to a report issued by the commission on higher education formed by President Truman in 1947. This report first used the term ‘community college’ (a term used throughout this paper to include
community, technical, and junior colleges), and spoke of the need in the US for responsive, community-based institutions which would provide access to all who desired a higher education. Truman is said to have referred to these as the people's colleges. The economic and social conditions of the 1960s provided a fertile ground for the development of this concept, and the vast majority of the community colleges that exist today, numbering over 1250, can trace their beginnings to this period.

Most community colleges will describe their mission as offering programmes and services responsive to local community needs, and assuring access to those programmes and services for all who can benefit. Functionally, they provide some, or all of the following: associate of arts and science degrees, terminal in nature and preparing students for transfer to baccalaureate degree granting institutions; career and vocational preparatory programmes; continuing education programmes designed to upgrade workers’ skills; and basic, developmental, or compensatory education programmes designed to enable individuals to function more effectively as citizens and workers, or to prepare them for college level work. In addition, many of these institutions will have highly developed mechanisms to integrate the college with local community interests, such as community development, social services, economic development, etc.

There are over six million credit students, and an additional four million non-credit students, studying in US community colleges. 55 per cent of these students are female. Students average 28 years of age, with the ratio of part-time to full-time students being two to one. Students don’t usually attend college until the age of 18. However, a few under-18s can be found on campus participating in joint secondary/post-secondary schemes known as 2+2 programmes. Trends indicate that the student population will continue to age and become increasingly part-time, and student bodies will represent an increasing number of minorities. Of the high school graduates who enter community colleges, 29 per cent transfer to four-year institutions. Community colleges are open admission institutions, and enrol students with a wide range of educational objectives. In a national survey conducted for the Carnegie Foundation for the Advancement of Teaching, it was determined that 36 per cent of the students enrolled in community colleges plan to transfer to a four-year college or university, 34 per cent enrol to acquire skills for a new occupation, 16 per cent enrol to acquire skills for a current occupation, 15 per cent enrol for personal interest, and four per cent to improve basic English, reading, or maths skills.
To attend a community college, the average full-time student spends approximately $3500 per year, part-time students, on average, pay less than $500 per year. Only 35 per cent of full-time students rely on their own income for their college expenses, with other sources being parents, scholarships, and various other forms of financial aid. 20-25 per cent of students receive federal financial aid, averaging approximately $2000 per year. Student fees only account for approximately 18 per cent of institutional revenue, however. 55 per cent comes from state appropriations, 14 per cent from local government, seven per cent from the federal government, and six per cent from other sources.

GOVERNANCE OF COMMUNITY COLLEGES

The approach to governance of these institutions varies by state and within states. Generally speaking, there are three approaches to the selection of governing bodies for community colleges in the US. The first is governance by a state board. In this case individuals are appointed by the governor, often with confirmation of appointments by legislative bodies. A state board will oversee the operation of all the community colleges, and in some cases of all higher education within that state. In most states, however, there are local boards of governors. These boards are constituted by one of two means — either elected by the local constituency or appointed by the governor of the state and/or local governments. The individuals who sit on these governing boards are typically referred to as trustees (individuals holding a public trust) and are broadly similar to college governors in the UK. The number of trustees on a given board of governors varies widely, and this number can be set by state statute or local preference. As few as five, or more than 30 trustees are allowed on a given governing board. Typically, a chairperson is elected by the members of the board. If the board limits the role of the chairperson to the management of meetings, then the position of chairperson is often rotated among board members. If, however, the role of the chairperson is to assume broader leadership responsibility for the board, that chairperson is often retained for an extended period of time.

The generally accepted role of the governing board of the US community college would include:

— establishing the mission and goals of the institution;
— overseeing the educational programme;
selecting, supporting, and terminating the employment of the chief executive officer;
— establishing policy (a general rule of principle, statement of intent, or direction, providing guidance to administration);
— ensuring professional management of the college;
— purchasing, overseeing the construction, and maintenance of facilities;
— evaluating institutional, presidential, and board performance;
— engaging in public relations;
— creating a climate for change;
— managing financial resources.

The extent of the direct involvement of the board of governors in carrying out these and other responsibilities varies widely. The balance between governing board and chief executive officer responsibilities is often a very contentious issue. That balance is a function of the local community and institutional culture, the personalities of individual trustees and the chief executive officer, legislative mandate, and institutional past practice. In addition to the governing board, the institution’s formal governance structure may, as a matter of practice or state legislation, involve not only the chief executive officer and his or her administrative team, but also staff, and students.

THE ASSOCIATION OF COMMUNITY COLLEGE TRUSTEES

Elected or appointed, the trustees of US community colleges come from all walks of life, a variety of educational backgrounds, and varying interests. They hold no particular expertise in education and, generally, serve without compensation. In 1969, recognizing the need for information and educational programmes designed to improve their ability to function as trustees, a Council of Community College Boards was formed as an affiliate group of the National School Boards Association, which serves the interests of the governing bodies of the K-12 system (i.e. kindergarten to year 12) in the US. This was the early beginning of the Association of Community College Trustees (ACCT), which was formally incorporated in 1972, with 125 member governing boards. Today the Association of Community College Trustees has membership in excess of 550 governing boards in the US (85 per cent of those eligible) and Canada, and through them provide educational programmes, publications, and services to more than 5,000 member trustees.
ACCT is governed by a 26 member board of directors. 24 of these are elected — three each from one of the five regions in the US, and the balance at large. Two members are appointed by the president of the board, one representing a minority affairs committee, and the other representing Canada. Each of the elected members serves a three year term. These terms are staggered, to allow for continuity on the board. The board elects its president, and other members of the executive committee, including a first vice-president, second vice-president, and secretary/treasurer. To be eligible for election to the board an individual must be a sitting trustee at a member institution. The board’s authority is derived from its articles of incorporation and bylaws. These have been established and may be modified by voting delegates identified from each member institution. These delegates meet annually at the association’s convention.

The board of directors at ACCT has been engaged in the process of restating the association’s overall goals and purpose. These were approved by the board at their meeting in October 1991. They are as follows.

Purpose

— To provide trustees with the skills and knowledge required to master their role as board members and to execute their responsibilities in the context of a broad understanding of the current and future social, political, economic, and physical environment.

Goals

— To assist boards of trustees in developing and affecting public policy — securing support from the legislative and executive branches of the federal government, the higher education community, other national policy making bodies, corporations, foundations, and the public at large — for the achievement of the mission and goals of their institutions.

— To support the efforts of trustees in the fulfilment of their responsibilities by providing quality, cost-effective services that are responsive to the specific needs of member boards.
To develop and support among the membership a standard of leadership behaviour that is ethical; that values and encourages cultural, gender, racial, and ethnic diversity; and that is dedicated to providing access to quality educational opportunities.

To strengthen the association's ability to serve governing boards through an open, participatory governance structure; effective management and operations; assurance of member access to association programmes, services, and information; and extension of membership opportunities to the governing bodies of institutions with similar missions, regardless of international boundary.

ACCT is headquartered in Washington DC and staffed by an executive director, selected by the board, and 13 additional professional and support staff. The association operates on a budget of approximately $2 million annually, which is derived from dues paid by the boards of member institutions (averaging approximately $1,100 per institution), and additional revenues from meetings, workshops, publications and services. The association's functions can be described as public policy formation and advocacy, educational programmes, publications, and board services.

The association's activity in the area of public policy to date has been focused on federal relations. In this area, the association's staff monitor the activity of the legislative and executive branches of government to keep abreast of pending actions which would affect interests of member institutions. Working with member trustees, the staff develop positions regarding pending actions, and communicate these positions to the appropriate members of congress or staff in federal agencies. In addition, initiatives are taken on behalf of the trustees of member institutions to propose legislation and/or administrative activity which would be consistent with the goals of member institutions. These activities are carried out through constant direct contact between association staff and members of congress and administration officials. In addition, the staff work through individual trustees whose position, contacts, or other activities might result in their having a special influence on particular members of congress and the administration.

In recent times many other groups have appeared at the national level, whose activities influence either directly or indirectly the environment in which community colleges must operate. Therefore, the association plans to expand its public policy efforts, bringing the interests of community
colleges to the attention of organisations such as labour unions, the US Chamber of Commerce, the National Governors’ Association, and the National Association of State Legislatures.

SERVICES PROVIDED BY THE ACCT

The educational programmes provided by the association include an annual national convention, five regional seminars, a national legislative seminar, a quarterly magazine, a bimonthly newsletter, and a programme which certifies individual trustee accomplishment in attending a prescribed array of educational programmes, sponsored by ACCT and others, designed to improve the trustees’ ability to execute their role as members of a governing board.

The educational material presented to trustees through these programmes fall in two categories. The first of these consists of material designed to provide the trustee with a broad knowledge of the social, political, economic and physical environment, and the impact of the trends and issues found in that environment on community colleges. The second area of educational programming could be described as providing trustees with basic skills required to function as an effective board member. These might include information on conducting an effective board meeting, negotiating techniques, or budget analysis, for example.

The association also provides services to member boards. The most extensive of these is the chief executive officer search service. This service assists boards seeking a new chief executive officer by helping them formulate a profile of their preferred candidate; advertising and otherwise soliciting applications for the position; assisting the board in screening and interviewing candidates; and conducting reference and background checks for those shortlisted.

The association has also identified a number of retired chief executive officers who can be made available to member institutions which have a vacancy in the office of president and need someone to temporarily fill that role.

In addition, the association has identified external experts on a variety of topics of interest to boards. The association makes information on these experts available to its members and essentially brokers the establishment of a board retreat or workshop presented by those experts.
CURRENT ISSUES FACING TRUSTEES

To find a place to begin to discuss the issues facing the trustees in today's community colleges is a difficult task. These issues are based in the social, political, and economic environment in which these institutions operate. It is true, and appropriately so, that the turmoil and change that characterises the environment today affects our institutions more than the four-year colleges and universities, since we are the ones who lay claim to the notion of being community-based, and therefore, responsive to current community needs.

The environment in the US is one of concern over the ability of business and industry to compete in the global market place. It is an environment struggling to recover from recession. It is an environment unable to cope with the problems of a growing under class, and it is an environment in which there is a growing lack of confidence in its educational systems.

The community college as an institution is entering a new stage in its development. It has seen the rapid growth and unqualified public support that characterised its early years pass. The majority of these institutions are 30 years old. Young, but old enough to be showing the signs of resistance to change, old enough to have developed into bureaucracies, old enough to have a vested interest in the status quo. This situation adds yet another dimension to the complexity of dealing with the rapidly changing environment.

To summarise, the issues emerging from this environment to challenge trustees include:

- a need to clarify institutional missions;
- state and federal intrusion on admissions policy;
- a need to control admissions through student assessment and to measure institutional effectiveness through student outcomes;
- declining federal, state, and local financial resources;
- increasing student tuition, with its implications for access;
- the need to develop new curricula and acquire new technologies, in order to provide relevant employment training and retraining;
- a need to become involved in community and neighbourhood development and economic development;
- a need to serve growing numbers of under-prepared students;
— a need to redress the shortage of qualified staff in technical fields, mathematics and sciences;
— response to the needs of an increasingly diverse, multicultural population;
— the pressure from staff for shared governance;
— questions concerning the quality and relative special interests of appointed versus elected trustees;
— a need to improve the quality of trustees;
— questions concerning the appropriateness and value of certifying trustees; and finally,
— a need to define standards of trustee ethics.

This certainly does not exhaust the list of issues facing the governing boards of today’s community colleges. It does, however, give us a sense of their seriousness and scope. There is a critical need for trustees to find more effective ways to educate themselves and improve their ability to cope with these issues. In doing so, I believe they will seek opportunities to collaborate with others who share both their role and their dilemma. Therefore, as we look to the future of the governance of America’s community colleges, we will find ever increasing needs for the programmes and services provided to trustees from their national association the ACCT.
GOVERNING COLLEGES — THE EXPECTATIONS OF INDUSTRY

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INTRODUCTION

This paper is in two parts. The first gives an employer's view of some parts of the White Paper Education and training for the 21st century (DES/DoE/WO 1991) and the HMI document Higher education in polytechnics and colleges (1991). These comments are of necessity brief, and provide an employer’s rather than an educationalist’s view. The first part also introduces the subject of commitment, that is commitment from employers and individuals and the role of Training and Enterprise Councils (TECs), in England and Wales, Local Enterprise Companies (LECs), in Scotland and government. The paper indicates the culture and social changes necessary for this to be a success.

The second part, uses the idea of a culture change to introduce the broader aspects of vocational training in a European Community context and the role of colleges in this. This part is aimed at colleges delivering at National Vocational Qualifications (NVQ) levels 4 and 5, although all the ideas discussed are applicable in a different form to lower NVQ levels.

The purposes of the second part are to describe the background to vocational training provision in the European Community and, based on this, to provide an agenda of requirements for industry in the UK. The first section is based in part on the work which is being done by the European Community agency — the European Centre for the Development of Vocational Training (CEDEFOP) in Berlin. The second section represents the results of this analysis applied to the UK and covers areas of training provision which it is suggested colleges should consider.

The EC-focused part of this paper begins with a review of the EC market and then describes the economic background to training provision in
the EC. This analysis is then used as the basis for putting forward UK training requirements which are essential if the UK is to retain and expand its position within EC-based industry.

The paper is intended to provide information, thinking and data upon which to build the future, rather than to be retrospective and alarmist, which is often the case when the EC is discussed. A retrospective view however, is often unavoidable when long-term trends are being discussed.

PART 1: AN EMPLOYER’S PERSPECTIVE OF THE UK

EDUCATION AND TRAINING FOR THE 21st CENTURY

The Government White Paper Education and training for the 21st Century (DES/DoE/WO 1991), provides industry with a clear perspective of current ideas and thinking. For the first time it fuses together initiatives from two Government departments — the Departments of Education and Science and Employment. This is to be welcomed on such an inter-related subject.

Voluntarism

It is clear that there is to be a shift of policy from Government financial backing to the very much greater use of employer resources. Whilst this change is perhaps inevitable, such a change needs to be gradual rather than sudden. The change to voluntarism will require a change of culture in much of industry. Indeed in the construction industry which subscribes to a statutory levy, it is difficult to see how a sudden change such as this can be equitable or suitable in these circumstances.

Whatever the merits of the case for any industry this change of policy will require commitment. It will also require new training structures and a greater involvement of industry in the work of colleges, rather than the passive acceptance of the type and quality of the current education and training provision.

National Vocational Qualifications

The National Vocational Qualifications (NVQ) initiative should be strongly supported by industry. Most industries have well established defi-
nitions of competencies, methods of assessment and qualifications. Many also have a system of continued professional development. Establishing a NVQ framework around this is proving difficult, not because it is intellectually challenging but because it is time consuming.

It is here that the real challenge for much of industry lies. Because it is a time consuming process to develop the new system, its introduction will take place over a long period of time. If the NVQ system is to work effectively it must be accepted by the broad mass of employers. Because it represents such a radical change replacing a well proven and well known system, there is an urgent need for its promotion. There has been general promotion by the National Council for Vocational Qualifications (NCVQ), but there will soon be a need for detailed and prolonged promotion within industry.

Equal status for academic and vocational education

Industry should also welcome the broadening of access routes to higher education and any moves to encourage interest in vocational education in schools. This will result in the need for vocational teachers. If this initiative is to succeed then Government must promote the concept that vocational advancement is an acceptable progress; not second best.

Industry/education links

The White Paper proposes that there should be closer working relationships between schools and colleges and employers. Most employers will subscribe to this view. The White Paper also proposes that TECs will have new opportunities to promote mutual support between industry and education and to extend the influence of employers into education. This, if it can be made to work, will help reduce wastage from college courses.

HIGHER EDUCATION IN POLYTECHNICS AND COLLEGES

The HMI document Higher education in polytechnics and colleges (HMSO 1991), provides industry with useful background information on education and training provision. An employer’s view of this document is perhaps best summarised by borrowing from some of the observations made at the annual conference of the British Association of Construction
Heads, held in 1991. While this is a construction-related organisation, the observations are relevant to much of UK industry.

These observations are not intended to detract from the overall quality of the document and its main thrust, but to provide an outsider's view on some of the issues which the document raises.

Staff shortages

Problems of staff recruitment have long been recognised but may well be mitigated by the current state of the (construction) industry. Short of major changes in employment conditions, there is little that colleges can do to resolve the problems. Staff development is being treated more seriously now than it was a few years ago. Many colleges have staff development policies which remove the voluntary component to which the White Paper refers. Staff development plans are increasingly being used to match staff aspirations with college needs.

Interdisciplinary teaching and learning

Increasingly, colleges are offering opportunities for interdisciplinary study, particularly through group assignments. These opportunities will increase further as staff gain confidence. Modular courses, together with the introduction of NVQs, may provide vehicles for more integration. The introduction of courses having two years of common core subjects is seen as a step in the right direction.

Capital equipment

Capital provision for colleges is grossly inadequate. Capital replacement programmes require careful consideration and a greater sense of urgency for the requirements of the 1990s. Some harmonisation in the equipment, rationalising allocation, and sharing of facilities could result in more effective use of capital allocations. The failure of local education authorities to publish clear policies in respect of capital is seen as a barrier to planning equipment acquisition. Directing capital towards areas which generate income is perhaps not an acceptable method of allocation if this detracts from education.
Quality control procedures

Joint validation/accreditation does not seem to take place for many courses. The professions are tending to use academics on their accreditation panels, whereas it is felt that more representatives from industry should be involved in these activities. Arising from the Audit Commission report (Obtaining better value from further education, 1985), many colleges are addressing the issues relating to efficiency and effectiveness of the service. Increasingly, more objective appraisals are being produced by internal auditing arrangements, on staff development, managing teaching and learning, equipment and resources and recording of student progress.

Links with Europe

Colleges are, in general, actively developing links with Europe at all levels. The pace will quicken as more colleges devote energy to forming these links. The introduction of European studies into many new courses is encouraging.

Wastage

Colleges are concerned at the high wastage rates from UK courses. It is thought that the main reasons are:

- poor delivery of course material;
- lack of interest on the part of the employer.

Delivery systems need to be dynamic, relevant and enthusiastically communicated to the recipients. Employers should be more closely involved with colleges through reporting procedures from the colleges to the employer, and from the workplace to the course tutors. More formal personal tutoring could provide essential advance warning of potential wastage, and structured counselling may be used to reduce the problem.

COMMITMENT

There will have to be a dramatic change of view by employers and individuals on commitment to education and training. With this change of view
will come changes in the way employers and individuals perceive their future to the point where education and training are not seen as someone else's problems and responsibility, but as their own.

Employers will have to upgrade the skills of their employees and make the necessary investment in training. Employers are best placed to specify the job skills and competencies they need. They are also best equipped to change attitudes and behaviours by establishing incentives and pay structures which justify and reward training and education.

So far as individuals are concerned they should be encouraged to take more responsibility for their own training and development. The most formidable challenge is the need to increase motivation, to change attitudes and values and to instil a philosophy of self-development and self-investment. People must be encouraged to see the acquisition of knowledge, skills and qualifications as essential. They must also have access to the information they need to enable them to make choices about their future.

There are two other participants to the process TECs/LECs, and government. For TECs and LECs, and to some extent government, to be successful the demand for education and training generated by employers and individuals as described above, has to be in place.

TECs and LECs will help to transform training provision and encourage local enterprise. This guidance provides a national policy framework. Action must take place at local level where the needs of individuals and employers are best defined and where the interests of customer and supplier meet. Discharging this responsibility will be an onerous task.

Government is required to provide a first class education system, a framework for training and enterprise policy, and quality training and help for young people and unemployed adults. The debate on controls, central policy and finance is another matter, and schemes such as 'Investors in People' are to be welcomed. However, it is probably safe to conclude that in the future employers will be expected to fund training themselves rather than expect government to fund it for them.
PART 2: AN EMPLOYER'S PERSPECTIVE OF THE REST OF EUROPE

BACKGROUND TO EUROPEAN VOCATIONAL TRAINING

The common aim of the EC governments is to create one free market by 1993. No business or individual can expect to be insulated from the new structure of legislation and social and economic change which will result, and education and training provision needs to take account of this.

The combined impact of a declining birthrate and rising life expectancy has caused three major developments in EC social trends. These trends are expected to occur in the majority of the member states during the next decade. When these social trends are combined with a variety of labour market trends within Europe then the factors which will influence the scale of training required within the EC begin to emerge. This section describes these trends, and the factors influencing the scale of training provision.

Social trends

The EC social trends which will have a major impact on training provision are the declining number of school leavers, increasing number of older workers, and rising female participation rates. Fewer school leavers will mean fewer entrants to the labour market and fewer students in higher education. More older workers will mean a working population with obsolete or poor education, certainly when matched with current job requirements, and they will also be the product, in many member states, of an inadequate education system. The third social trend, rising female participation rates, means that the share of women in work will increase, not only in Europe but in other advanced countries as well. Whilst this is welcomed in most developed countries, many women returners have obsolete skills, and retraining is necessary.

Labour market trends

If these social trends are then combined with four labour market trends which are taking place in the EC a picture begins to emerge of the requirements of training provision. The four market trends are:
— ascendency of service industries;
— rising female participation in employment;
— compositional changes in self-employment; and
— significant levels of unemployment.

The ascendency of the service sector of industry is a trend which is common in all post-industrialised countries. Industry structures have changed in most European countries to give an arrangement which is becoming more and more dependent on the service sector. This has resulted in a relative and absolute contraction in primary and production industries with the result that the skills balance required in the workforce has changed dramatically.

Another labour market trend is the ascendency of female employment, particularly in the service sector. In addition, the compositional changes in self-employment as a trend in itself has had a major impact on the way in which a number of member states behave towards training provision. Self-employment has declined in all countries except the UK, but in most EC member states this reflects a contraction in the agricultural labour force. However, there has been an increase in some types of self-employment, particularly in the provision of professional services and retailing. While the increase in professional self-employment tends to be with people who are already qualified, the increase in self-employment in the retail and construction sectors has often led to poor training provision.

There has been a significant change in structural employment in all EC member states, and this labour market trend is worth considering. This has resulted in a persistent problem of long-term unemployment, and many member states are taking steps to alleviate it by means of vocational training in one form or another.

Factors which influence the scale of training

The four labour market trends described above will continue until at least 1995 and, if combined with the social trends, will lead to a significant change in the requirements for educational and vocational training within the EC. The social trends and labour market trends are a visible set of issues that argue for an increase in education and training provision in the EC. There are four factors which influence the scale of training and which must be considered in relation to the above. They are each dealt with separately below.
Technology and industrial restructuring

Figure 1 illustrates the relationship which has existed between output and productivity in the EC over time. This has a bearing on vocational training and should be considered together with the social and labour market trends referred to previously.

Between 1968 and 1975 there was growing output and stagnant productivity. This period generated more output from the extensive use of labour and capital, the two principal factors of production. However, the oil crisis of 1973 and the recession of 1975-1980 generated a new phase in EC development. This resulted in stagnant productivity and stagnant output which resulted in little or no innovation, full utilisation of labour and capital, and little emphasis on vocational training in any of the member states.

The second oil crisis of 1979 caused two events. While output was stagnant there was a demand for growing productivity which was fuelled by innovation and restructuring during the period 1980-1988. It saw the birth of new information and materials technology. The last period shown on this diagram, 1988-1995, shows the position which many of the EC member states are now in. A demand for growing productivity to match growing output. This has resulted in the more intensive use of capital and labour, and economic growth through increased productivity. The consequence of this is a very different workforce in terms of skills, skill requirements and vocational training than that required from the period 1968-1975.

The changing balance of skills development

The second factor influencing the scale of training is shown in Figure 2 which has the same time periods as in Figure 1. This shows occupations and their creation and the growth of human resources development against the conventional labour market/education system driven vocational training. Most EC member states started with the creation of new occupations, largely driven by growing output and stagnant productivity referred to in Figure 1, which resulted in structural changes promoting new occupations in new industries. The consequent effect of this over time was that as the labour market/education system model remained in place, there were changes required in functional content of existing occupations. New technology and working methods resulted in an increase in human relations development in-company.
Figure 1: Relationship between output and productivity in the EC

Growing output

More output from intensive use of labour and capital.

1968-1975

More output from extensive use of labour and capital.

1988-1995

Innovations and restructuring.

1980-1988

No innovations: full utilisation of labour and capital.

1975-1980

Stagnant output

Stagnant productivity

Growing productivity
Figure 2: EC human resource development: the changing balance

Creation of new occupations

- Growth of new occupations through new skills.
- Structural changes promoting new occupations in new industries.

Generation of new skills in search of competitive edge.

Knock-on effect on existing industries through new technology and working methods.

Changes in functional content of existing occupations
This in turn led to the generation of new skills in search of a competitive edge (innovation and restructuring). There is now, within the EC, wholesale creation of new occupations and extensive in-company human resources development generated by the growth of new occupations through new skills. This in itself has provided a considerable challenge to vocational training. When this is considered against the background of social trends and labour market trends previously described, the scale of the problem facing many EC member states can be appreciated.

**Changing occupational structure**

There have also been two changes in occupational structure. These have occurred over the last few years and will continue throughout the rest of this century. Firstly, there have been quantitative changes. These have led to an increase or decrease in the number of employees in identified occupational groups. For example, the decline in the agricultural workforce in many member states is more advanced in some than in others.

The second change in occupational structure has been of a qualitative nature which has led either to re-skilling or de-skilling of the workforce. For much of industry a notable number of occupations will experience re-skilling and by their very nature most of these occupations in the past have achieved re-skilling through on-the-job enterprise based training. This trend is likely to continue in the future more or less across all member states, although it must be said that some are more advanced in this respect than others.

**The problems of the disadvantaged regions**

For the less prosperous member states such as Greece, Ireland, Portugal and Spain, the problems described above will be doubly acute. To some extent these member states contain within them large disadvantaged regions. Firstly, their basic education systems are under-resourced to the extent that the secondary education systems do not provide a sufficiently strong foundation for enterprise based skills development through in-house training.

Secondly, and probably as a direct result, the only way they can retain a viable economic base is by providing low wage jobs which invariably invite the charge of social dumping. Whilst social dumping for many of the disadvantaged regions has the merit of attracting inward foreign investment
that in the short-term provides an economic boost, there is a corresponding risk that many of the resulting jobs fall into categories where work is gradually being de-skilled. Indeed, future automation could even eliminate many of these jobs forever.

Factors influencing the content of future training

As the economies of the member states move towards an intensive use of capital and labour, there will be a requirement for a net increase in the skills of the workforce. This leads directly on to a consideration of the factors influencing the content of future training. This paper so far has identified the social trends, labour market trends, and the four factors influencing the scale of training within the EC member states. The factors which influence the content of training within the EC can now be considered.

Whatever the outcome of the trends previously described, the EC is convinced, irrespective of the policy adopted, that the following development of vocational skills training will take place. These developments are:

- a shift in the skills content of work as a result of competitive pressures — knowhow will increase as prime resources in global competition increase;

- a shift towards high productivity working methods as the economies of the member states move towards more intensive use of capital and labour. This continuous improvement in labour productivity will become increasingly a major business imperative;

- a shift towards in-house training for competitive reasons. There will be a shift in the balance of effort in skills development from educational systems to company-based training systems. This will require greater co-operation between government institutions and industry;

- a shift towards the service sector and their training requirements which are very different to the conventional vocational skills training requirement which has dominated training thinking in the UK for the last 20 years.
The next section describes some training requirements for the UK which it is suggested should form part of current education and training provision. These requirements are based on the analysis of the European dimension described in the preceding sections and are intended to help colleges to take the lead in assisting UK industry deal with the challenges to 1995 and beyond.

**UK TRAINING REQUIREMENTS - BUSINESS BASED**

**Company structure**

Most businesses in the EC are coming to terms with a problem which is going to face industry in the UK at some time, which is whether or not to be orientated towards a business stream type organisation or a country type organisation. In a business stream type organisation, single product lines, such as construction, hire and sale of equipment, scaffolding, waste management etc., are organised across country boundaries. In contrast, in a country type organisation each country controls all of these functions within the country boundaries. These options, and the possibilities for growth, are shown on Figure 3.
The inference which can be drawn from this is that while the problems in both cases are the same, the effects on the management of the company are very different. Before examining these problems it is necessary to look in more detail at how these two organisation structures work and why they are used.

The business stream type organisation requires the integration of functional and line activities behind a product-led business plan. There will, therefore, be as many business plans as there are products. Around each business plan will form the necessary functions and activities, independently from those around other business plans, but crossing the same geographical boundaries. The resulting organisation is decentralised into a number of business streams, each responsible for its own performance across national boundaries.

On the other hand, the country type organisation has a much longer history and certainly for the manufacturing industry, was created on an opportunist policy of seizing market opportunities where they existed. Businesses which organise themselves in this way end up running several product lines in a series of largely autonomous national operating companies, each with a full set of functional activities and each selling mainly to its own national market. Co-ordination of the businesses across borders is likely to be minimal and restricted to such issues as investment policy and major acquisitions.

Within national boundaries each labour market will be different, so that in this sense the problem is the same for each organisation structure. Despite the harmonisation of labour laws, this situation is likely to continue for many years and indeed may never be changed. In terms of human resources, this is the only significant problem, other than the fairly marginal one of mobility, which each organisation type has.

The business stream type organisation will have to deal with and adapt to as many different labour laws as the number of countries in which it operates. In this sense the national company has two roles. Firstly, to conduct the political activities of the company with various national institutions. Secondly, to localise the operations of the business streams. This consists mainly of ensuring that they relate effectively to the local markets.

The national company may be the agent through which the business streams understand the labour markets in terms of legal requirements, pay levels, industrial relations, etc. It may be, of course, that the business stream is so well established and so large within any particular country that it is capable of undertaking these responsibilities itself.
In the case of country type organisations the position is very different. The co-ordination of the businesses across borders is likely to be small. Issues such as legal requirements, pay levels, industrial relations etc. are undertaken by each business in isolation in its own market country. In this case, the national company is required, if it chooses, to replicate itself in miniature in each country in which it operates.

Many companies in some EC member states have lived with these issues for some years; in the UK it is still a novel idea. A significant training contribution needs to be made in this area.

**Entering and developing new markets**

The next training requirement concerns entering and developing new markets and the problems of operating at a distance from customers.

Another way of describing the means of growth for companies in the EC, is shown on **Figure 4**. The business opportunities which Europe offers will require activities to be reorganised if they are to be exploited. Various organisation and business alternatives will need to be considered. The policy choices which are to be faced in Europe or in expanding existing businesses are essentially those between an indirect or direct operation in each country, and are equally applicable to the business stream and country type of organisation, as described in the previous section.

The indirect operation, that is, using local agents, licensing deals, franchising, and minority shareholdings, has a threshold of scale beyond which it is not effective. The indirect operation in most cases has a temporary and contingent status. It minimises risk and also constrains likely returns. Increasing the scale of the operation increases the investment in local administration and in the knowledge required of the local market.

For direct operation, the choice is between acquisition and organic growth, with joint ventures coming somewhere in between. Acquisition is generally seen to be quicker, and less susceptible to competitive response from those already established in the new market. It is also regarded as requiring less managerial resource, although this is doubtful. It also brings an established market presence and customer base. However, the challenge is to judge how far and fast the acquired company should be required to conform with parent company policies. If the acquisition is made as part of a business stream or country type organisation then there is the added complication of trying to understand another business culture in a different country.
Figure 4: Business growth

Criteria for development

Acquisitions
New products
New markets
Ventures
Efficiencies

Forecast existing business

Revenue

Years

0 1 2 3 4 5
On the other hand, organic growth provides none of the advantages described for acquisitions, and forces the national company to rely on its own resources. One advantage however, is that it reduces any threat of cultural clash between organisations.

**Mergers and acquisitions**

To estimate the impact that potential European competitors will have on each others’ market ignores the presence of external competition. Yet in terms of estimating changes in the customer base two features of European competition emerge.

First, companies within the Community forming mergers or collaborative arrangements may bring about a change to customer profiles. It is rare for procurement to be shared proportionally between the suppliers to two or more companies following a merger or acquisition. Second, companies will have to make an effort to become more international in marketing terms. As a consequence they will tend to become more international in procurement.

The combined advantages of a North American and a free EC market will put a number of major European companies on to a competitive global footing with their North American and Japanese competitors. No doubt this will be reinforced by the tremendous financial capacity such a position allows in order to make acquisitions within the EC.

The intensification of business activity triggered by the creation of the single market, will have a number of effects on the shaping of industry structures across the EC. The demise of a number of firms due to competitive intensity is inevitable. This will apply particularly at the top of the market. The relocation of production by companies who need to produce more competitive products, or needing to find lower cost production centres will also take place.

The acquisition by predatory companies of firms located within the EC to provide or strengthen their marketing and manufacturing operations will also happen. This is another means of acquiring essential technology. Acquisition of smaller companies, which may in themselves be at a competitive disadvantage, will also take place. These smaller companies may be attractive enough for them to offer themselves successfully to larger firms.
Safety

We are now witnessing an increasing trend in the employment of nationals from other EC member states, the Pacific Basin and Japan, and North America. Only now, after many years of effort on the part of the Health and Safety Executive are we seeing any measurable improvement in safety standards. Indeed it has taken two major accidents in the UK to focus attention on an even greater effort on safety training. These two accidents were described in the Fennel Report on the investigation into the Kings Cross Underground Fire (Department of Transport 1988), and the Hidden Report on the investigation into the Clapham Junction Railway Accident (Department of Transport 1989).

However, our safety training culture in the UK is often stronger, and very different, to that elsewhere. What can be said with certainty is that this difference is going to pose a formidable challenge. Not only are nationals of other countries going to need education in our standards, but so too will organisations and customers. Also we will find it difficult to export our safety standards when working in the rest of Europe.

Competitive challenge

The competitive nature of UK industry is worth examining. It is surprising, bearing in mind what is often written and talked about with regard to UK industry, that the UK is second largest on the list of top 50 European Companies by aggregate turnover, with 25 per cent of the top 50 companies.

UK TRAINING REQUIREMENTS - CUSTOMERS

Customer base and perceptions

Not only will industry be affected by increased competition, but the emergence of new market entrants is inevitable. The intensity will change both customer buying habits and where industry restructuring occurs, it will also change the profiles of the customer base. For companies to determine the impact of competition on their business, they must focus on their customers as well as their competitors.

Survival for a firm may well depend more on meeting its customers’ competitors needs than persisting in meeting product specifications for the needs of an uncompetitive customer. The car industry in the UK was a good
example of this. The industry nearly disappeared some years ago which crippled many component manufacturers not clever enough to have developed a market with their customers' competitors. The UK industry may well find itself in the same position in the EC.

Figure 5 shows in diagrammatic form the principle features of customer perceptions, the nature of which we must instil into our staff. The demand side is represented by customers. Over time, probably since the 1970s, the demand side expectations of the supply side's ability to perform has increased. This has occurred throughout northern Europe and in all industries, particularly retailing.

![Figure 5: Demand and supply expectations](image)

Unfortunately, in some EC member states including the UK, the industry's supply side performance to meet these expectations has certainly increased, but not sufficiently to match the demand side expectations. In some EC member states the two lines shown on Figure 5 are closer together than for the UK. We must train our staff with everything at our disposal so that the gap can be narrowed, otherwise we will be at a severe competitive disadvantage.
UK TRAINING REQUIREMENTS - CULTURE

This is perhaps the most significant and the most intangible of all the subjects which form part of the UK training requirements. It divides itself into two parts. First, there is the culture change which must take place in UK industry if we are to survive and compete. This is no easy task, and for companies and employees alike, the evidence exists for change. Some have been mentioned in this paper; the remainder can be witnessed every day. Training is only part of the solution, the rest, which is largely a state of mind, cannot be taught.

Second, there is the culture change, more aptly described as culture shock, for those working in the rest of Europe for the first time. This cannot be taught, only experienced. Some survive and make a success of it; some survive and do not make a success of it; some staff do not survive. This is not a challenge for training but one of selection and supervision.

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GOVERNING COLLEGES: THE ROLE OF TECs

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INTRODUCTION

Training and Enterprise Councils (TECs) are, as we all know, a relatively new phenomenon. Although there are now 82 TECs covering England and Wales, they have only been with us since April 1990. Indeed, many are much younger and have only been around a matter of months.

TECs, like FE colleges, are embarking upon a journey into new territory. It is probably going to be a long journey, modernising the education and training system is going to take time.

But what is the role of the TECs in this? We in the Training, Enterprise and Education Directorate (TEED) are trying to focus on this question.

It is worth noting that TECs are a permanent feature of the landscape. I do not see anybody in any political party saying anything about sweeping away TECs in the future.

THE ROLE OF TECs

So where do we start from? Many of the programmes run by the Department of Employment over the last 15 or 20 years have passed to the TECs, programmes typified by that long series of acronyms, YOP, YTS etc. Many governors will already be working with TECs, a lot of TEC directors have been on college governing bodies for some time in a personal or other capacity. All of the TECs have taken some account of education interests locally. There are educationalists on TEC boards, education sub-committees of TECs and so on and so forth.
The purpose of this paper is not to go into the detail of the White Paper proposals on the formal involvement of TECs in the new further education funding mechanisms, but rather to indicate to TECs that they need to plan carefully, and work competently to organise their input into FE to best effect. The TECs have of course, a very wide remit to stimulate training and vocational education in their areas, which stems from the prospectus that government put forward over two years ago. The education side of that remit got rather overlooked at the time. TEED has been endeavouring to remedy that. More recently of course, apart from the White Paper and all it had to say about bringing education and training together, a very specific focus has emerged in the shape of national education and training targets launched by the CBI and endorsed by the government Towards a skills revolution (CBI 1990). The Government has asked TECs to take the lead in July 1991. They were based largely on the CBI's document stimulating and maintaining the commitment of education and training providers to implementing those targets over the next few years.

Against that background can be put what TEED is saying to TECs about the way they might approach their involvement in education and particularly FE. This does not amount to startling revelations, rather it is a matter of common sense, but we all know that we sometimes need to look rather hard for common sense.

So what are we saying to TECs about how they should approach their role in the education sector? First and foremost TECs are a major player in the education and training scene, but they are not there to run the education service. They have an important contribution to bring locally, in terms of a strategic view of the local labour market and the way it is developing. TECs are well placed to understand employer needs and how they are developing. Increasingly TECs are beginning to develop networks of local employers to bring that focus together. TECs should develop local forums in which all the main actors, and that includes the further education sector, can come together to survey the scene, co-ordinate strategic development and especially to agree on steps for securing those education and training targets established by the CBI.

There are some more specific points that TEED is putting to the TECs. First and foremost, we are stressing to them that they must set clear objectives to their relationships with the education sector and with FE in particular, and to understand what it is they want to achieve from those
relationships. We want them to think through what they can bring to the education sector from their unique position in the labour market. For example, in identifying an employer's need for skills in particular occupations and in developing better links between schools, colleges and the world of work. We would hope that colleges would take advantage of the local labour market information that all TECs are now producing. It is extensive, it is available, it is generally free, and someone has done the work. It is a valuable source of information.

Secondly, we are encouraging TECs to ask themselves what contribution the education sector can make to the successful development of TECs. We do not see TECs as being there to do it all on their own. Of course, the obvious step after asking themselves is to go and ask everybody else, and hopefully get some agreed views. We want them also to think very carefully about how to develop relationships with the extensive and complex network of organisations in education. Too many employers do not know what goes on inside education, hopefully that would be a decreasing problem, although it is going to take time. We want TECs too to reflect on how they can best use the various instruments that are available for them to develop their work in the education/business sector. The approach they take to education/business partnerships, is going to be central to that.

There will be such a partnership in every part of England and Wales in every TEC area, by the end of this year. We have had a tremendous response on that. And importantly we want TECs to work out what support they are going to need to help them understand what the education sector, at every level, is trying to do. This is not something TECs can tackle at the level of lay understanding. It seemed to me long since that most of us who read our newspapers think we know all about education. We all went through it, we have had our kids in it. You do not know all that much about education if that is your only involvement.

That amounts to quite a substantial agenda for TECs. Some of the points just made may be adaptable to the FE context as it embarks on the journey towards incorporation.

TEED hopes to see TECs and FE colleges working closely together. Together they are a potentially very powerful combination with some common objectives about producing the better qualified workforce we are all going to need.
REFERENCE

I for one welcome the White Paper Education and training for the 21st century (DES/DoE/WO 1991), and I believe that the new corporate sector of further education, tertiary and sixth form colleges will follow the polytechnics and higher education colleges which have been so outstandingly successful over the last 10 years. That success was not the result of the severing of local authority control, which only took place two years ago. It was achieved through clarity of objectives, effective financial incentives and imaginative leadership both in the institutions and for the system as a whole. That is the lesson for the further education sector which should be drawn from the experience of the polytechnics and higher education colleges.

What is the problem we face? It is not, I assert, primarily one of resources. I invite you to contrast two quotations. First, one from a boy – a school leaver – from Bristol two or three years ago who said this: ‘I was made to feel a fool at school, I will not go to college to be made a fool of again’. And then this quotation from the Secretary of State for Employment, Michael Howard: ‘The Government is fully committed to the creation of a learning society in which everyone will be encouraged, motivated and helped to find opportunities to improve their skills and knowledge’. I think those two quotations are where we need to start from. The RSA ‘Learning Pays’ project is attempting to understand and close the gap between the Secretary of State whom I have quoted, and the boy from Bristol whose words are engraved upon my heart.

We shall shortly be writing the final report of the ‘Learning Pays’ project which I want to call ‘Carrots and Culture’, but which the RSA is trying to discourage me from so that I can find a more appropriate (and boring) title.

What we are trying to do in the RSA is to understand and help to find a response to something that is a world-wide phenomenon. The new chal-
Challenges is not confined to the United Kingdom, and has certainly not arisen during the course of one government. There is a world-wide concern about education and training. Whatever country you go to, the same questions arise. And the questions are these: ‘How can we make more and better educational and training opportunities available to our people? We want something different because what we have got at present is not quite what we want.’ It is an interesting combination of critical uncertainty about what is on offer at present, and a strong wish for more. In this country that great debate was inaugurated as long ago as 1976 when Jim Callaghan made his Ruskin speech; which proves at a stroke that the issue is not one of political colour: it is a general issue right across the political spectrum. Moreover, it is not just a question that interests developed countries like ours. I have heard tell of a T-shirt worn by people in Botswana which reads quite simply ‘Education: chainbreaker, nation-maker’.

THE FIVE REVOLUTIONS

Let me set the context of debate with what I call the five revolutions which are overtaking the world of learning – of education and training – at the moment.

The first is the revolution of access. In higher education in the early 1960s the Robbins Report (House of Commons Committe on Higher Education, 1963) said we should make places available for all who were qualified and willing. And that famous phrase ‘qualified and willing’ has in some ways governed the (post-compulsory) educational system ever since. But as long ago as 1985, and to the great credit of Keith Joseph, whose Green Paper it was, the Government decided to change ‘qualified and willing’ for the much more liberal and generous formulation ‘those with the ability to benefit and who wish for higher education’. You may wonder why I introduced a higher education note in this further education paper. It is because that formulation – we must offer education to those who want it, and are able to benefit from it – is the force that is now driving UK post-compulsory education and indeed. I believe, education in the world generally. Everyone can learn beneficially. Indeed you can go straight back to Robbins and read the crucial chapter on the pool of talent and ability in our society, which comes to this remarkable conclusion: the pool of talent is like the widow’s cruse in the Old Testament, which was literally inexhaustible. That extraordinary claim, published in 1963 and proved over and over again since then, is at the heart of our work. The number of people who can
learn beneficially is literally inexhaustible in our society. To prove this you should just ask yourselves whether you believe you are incapable of further useful learning. Of course you can still learn beneficially, and so of course can everyone else in our society.

The second revolution is the revolution of lifelong learning. Our education system is built around a fallacy, the fallacy of the idea that an initial education can ever be sufficient. Simple to state, difficult to challenge and change. St. Paul said: 'When I became a man I put away childish things'. Much thinking about British education is built around the principle that somehow when you grow up you don’t have to learn any more, which only has to be stated for its absurdity to become clear. As yet we have not managed to think through clearly the revolution of lifelong learning and the importance of adult and continuing education. Those who are concerned about adult education and the implications for it of the White Paper, should rather argue that adult education has never had such good publicity as it has had since the publication of the White Paper which has put it firmly on the agenda as a major national concern. They should make the best of it: they will never again be quite so much in the public eye. St. Paul was wrong, John McEnroe was right. John McEnroe said, as he dropped out of Wimbledon: ‘Well, life is one long learning experience’. I thought those were the wisest words he had ever uttered.

But, if we all take the idea of lifelong learning seriously much will change. Who has a personal learning plan and has written it down and has it monitored by a second person? As is clear, we still have a long way to go.

The third revolution is the revolution of curriculum and qualifications. It is summed up in the phrase ‘more means different’. It is the debate about core skills, the debate about an incomplete curriculum. We can no longer teach young people, even adults, all that is usefully known about subjects. We have to create a curriculum which helps them to learn to face the unknown, because we don’t know what the world will be like in the next century for which we’re preparing them. There is no lifetime career anymore. And that is an enormous challenge to education and training. In terms of qualifications it has led us into a debate about General Vocational Qualifications (GVQs), the Government’s proposal for new diplomas, and the Opposition’s alternative proposals.

I would invite you to catch the idea of the revolution of curriculum by reminding you of that extraordinary claim published in the London Under-
ground during the last three or four months. It tells us all the things that happen during a period of 91 days. 91 days, it says, is the length of an English autumn. But it goes on to claim that during 91 days you forget a quarter of what you learn at school. What an astonishing claim. But what does that mean for the design of curricula if in 91 days we manage to forget a quarter of what we learn at school?

The fourth revolution is the revolution of the learning process, responsible learning, student-led learning, works; we know that. Those of us who are teachers know the truth of that, and yet we are continually designing set curricula, subject-led, teacher-led. We must confront that contradiction. The new technologies of learning work, but they are slow to develop in our colleges, universities and schools. What about productivity? It is a concept relatively unfamiliar in education. The only sure measure of success in services is whether your customers come back and ask for more, and the same is true in productive industry. We in education don’t use the concept of ‘sell-on’ as a quality measure of our own work. And we don’t often ask ourselves about productivity. Are you confident that we have made any productivity gains during the 20th century in the realm of education? It is interesting that the question can even be asked, and that people should be doubtful about the answer; because where else in human affairs during the 20th century have we not obviously made productivity gains? We shall have to do so in education.

The fifth revolution is the revolution of resources. Is it a problem of adequacy, or of application? Is it more a problem of inadequate resources or of the misapplication of what we have available to us? I am coming to believe that it is the misapplication of resources that is the more serious issue. Student:staff ratios, which the DES tells us should in further education achieve a norm of 11.4:1, contrast strangely with student:staff ratios in polytechnics which have moved from 8:1 over a period of eight years.

As for the use of our buildings – I’m sure none of your colleges have a summer closure, but if we put education on a war footing, would you be able to use your buildings more intensively? Yes of course you would. Make no mistake about it: the nation needs to put its education and training services on a war footing. As for sixth forms, I understand that there are 300 in England and Wales with pupils numbering less than 50. I ask myself whether they can achieve the critical mass that enables economic education to go on, and provide a sufficient range of choice of courses. If we can allow ourselves that critical comment of the sixth form sector, then of
course there is a question for us; whether we have achieved the critical mass that allows us to operate effectively and economically.

What I particularly wanted to underline on resources is this. No nation or society in the world today is satisfied with a system of education and training (or a government) which allows resource constraints to ration provision. We can no longer take refuge in the excuse that we have not got enough money. We are going to be made to provide what is needed. I believe that both the adequacy and the application of resources need attention.

THE FIVE Ms

The challenge we face is the challenge of the five Ms. They are:

— mission;
— marketing;
— monitoring;
— money;
— management.

Mission

The first is a challenge of mission. What is the mission of our sector? I like to think that we shall pick up some of those splendid CBI targets published in World class targets (CBI 1991), building on the earlier report Towards a skills revolution (CBI 1989). The CBI tells us that by the year 2000, 50 per cent of 19 year olds should have achieved NVQ 3 or the academic equivalent, and 50 per cent of the employed workforce overall should have achieved the same target. Will further education colleges, as they become corporate, set themselves a mission which builds those targets in for their own locality, or varies those targets in terms of what their own locality can reasonably be expected to achieve? I hope above all that colleges will set themselves criterion-referenced missions and not the usual norm-referenced missions which add up to nothing. Simply saying that your college strives to be an excellent college of further education, or an outstanding college of further education, does not mean anything. I want to sum up the challenge of mission with this phrase, 'there are only two causes of failure, they are unformulated objectives and the lack of will'. In the years ahead it will be those two things that bring colleges to their knees, not the lack of resources.
Marketing

The second M is marketing. I am the Chairman of the Further Education Marketing Unit based at the Staff College. The FEMU is trying hard to work for the whole sector. We need a national marketing unit and we need very aggressive and effective local marketing. The question we should be asking ourselves is 'what is the story we're telling?' We provide for 16 to 19 year olds, we provide for adults, we provide access to higher education, we provide useful qualifications. What distinguishes further education? As we attempt to develop a clear answer to this question, while constantly adjusting our work to respond to Ray Payne's cogent analysis of changing employment needs, it will be important never to forget the old saying: 'the customer (or client) is always right'. Who is the client? – the boy from Bristol. Who are the customers? – the taxpayers and their elected representatives.

Monitoring

The third one stands for monitoring. The importance of speedy and effective Management Information Systems (MIS) is a commonplace of both business and education today. The reality is often different. The new Funding Council for FE will inevitably take time to set up its own management information systems and monitoring system. What it does will not be consistent with what is in place in every single college. There will be confusion and delay. Colleges need now, and will need even more certainly in future, good systems of management information and monitoring. But in my experience such things are never perfect, and are often slow and inadequate. But decisions have to be taken on time. My advice is to 'trust in your dreams, not in statistics'. In other words, remember the mission.

Money

As the system begins to come to terms with the new arrangements, certain key questions will emerge. They are: the balance between public and private funding, the balance between LEA, TEC, EC and Funding Council funding, the balance between grant and student provided funding (fees, credits, etc.), and so on. The Funding Council is likely to adopt a formulaic approach in the first instance, recognising the differential costs of programmes (e.g. engineering, business studies, languages) and the variety of modes of attendance (e.g. full-time, part-time, sandwich). Will it, and should it, also try to build in variables for level of work (e.g. GCSE, BTEC
National, and so on) and regional or local factors (e.g. London weighting, split-site working, rural isolation, etc.)? In the 1980s the National Advisory Body, faced with issues like these, found it essential to create a public FTE-based formula, since the imperative of ‘fairness’ was irresistible. But ‘fairness’, however defined, cannot be achieved overnight. We decided to limit the rate of change by arbitrarily imposing a rule that year-on-year no college should experience more than +25 per cent or -5 per cent in its NAB-controlled funding. Something of the sort will no doubt happen again. In any event, as Dickens puts it in the penultimate chapter of *The mystery of Edwin Drood*, ‘a gritty state of things comes on’. For a time both planning blight and confusion is unavoidable. But I urge you to distinguish your transitional problems from the long-term drifts of policy which are the ones you should be paying attention to: The transition will pass. I don’t believe even those colleges in the most serious straits of transitional problems are going to go under, and the long-term developments are all for the better. But remember the old adage, resources follow coherent purpose. Not immediately, but in the end, resources always follow coherent purpose.

**Management**

My last M is management. One of the sadnesses of the end of the National Advisory Body for Public Sector HE (NAB) was that it was abolished by the Government just as it produced perhaps its best report, entitled *Management for a purpose: the report of the good management practice group* (NAB 1987). It was read for a time in the polytechnic sector, but NAB was yesterday’s flavour and the report has been largely forgotten. However, I would urge college managers to find a copy of that report and read Chapter six. It addresses many of the issues that you are facing: it is still worth reading and has a lot of sensible things to say.

**CONCLUSIONS**

People issues are the hardest. The creation of an employment negotiating body, the development of new contracts which we all see as necessary, the maintenance and enhancement of staff morale, and the provision of leadership during this difficult period, are the most difficult questions of management that governing bodies and principals face. Colleges should assert responsible independence early on. Responsible independence is what college governors and managers should be seeking. Colleges would do well to remember that after incorporation, there will be no one to blame but themselves.
Colleges must also prepare for further changes. There are new demands from employers. We have a seriously de-stabilised system, and the White Paper will not re-stabilise it but just lead to further change. The sixth form issue is unresolved. Further education must win the battle to be a stage in the education of all people. So long as further education is thought to be for other people’s children, so long will it be seen partly as a Cinderella sector. Whether the Training and Enterprise Councils (TECs) are a success, as we hope, or the failure which they may turn out to be, it will come as a surprise. And there will be much that needs to be done in consequence.

Europe is of course the final item on the list of further changes we must confront. But the exciting changes are the ones that we can’t face, the ones we can’t see, the unknown surprises, and there will be several. Above all, beware the higher education analogy. There are real differences between further education and higher education. Now that higher education has successfully developed a corporate sector, there is a danger that we might simply assume that we should do the same again, and merely copy the practice of higher education. But FE is different. Further education is unbounded, higher education is bounded. I remember the head of a further education college who asked me years ago, ‘do you know what FE stands for? – it means For Everyone’, and I like that. FE colleges are taking a much bigger leap in the dark today than the polytechnics and colleges of higher education did. Remember that they went through a seven year period of partial corporate status. FE has no prestige model whereas higher education had the traditional university model as its goal – though as things have turned out it has not proved to be the best model for the future. Colleges of FE are much more local than any institution of higher education. Perhaps the American community college model is the model they should be seeking to emulate. But all those differences mean that the higher education analogy will break down before long.

Let me sum up with this one comment. I am a governor of a polytechnic. I repeatedly ask myself: do I know our priorities? Have I helped to make effective choices? Those seem to be the questions governors must ask themselves; do you know your priorities? Have you made effective choices? I hope so.
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