

Maturity Matrix for Governing Bodies in Higher Education

Good Governance Institute (GGI)

This maturity matrix is specifically designed to support governance of institutions in the higher education sector.

It is a **practical, developmental tool** which provides a structured means of assessing organisational performance against a range of indicators of good governance. These standards are based on knowledge and evidence gained from the higher education sector in the UK, together with research and benchmarks drawn from other sectors, both at home and internationally.

Purpose

The matrix is intended to be used either as a framework for **reflective self-assessment**, or as part of an independent review of governance, whether to meet statutory requirements or to provide a stock-take for other reasons.

The matrix allows progress to be assessed in a nuanced, consistent and effective way over time. For example, an initial assessment will provide a clear indicator of the relative maturity of governance. The Governing Body can then put in place a developmental programme intended to strengthen institutional governance and leadership over a longer period of time.

Structure

The matrix is structured around **9 Themes** and **5 Levels** which represent the main building blocks of effective institutional governance.

Each cell sets out statements against which an assessment can be made. These cells are progressive in terms of maturity from **Fundamental** to **Excelling**. A single assessment is made for each theme on the basis of an assessment of maturity.

Process

It is recommended that a sub-group (possibly the Governance or Nominations Committee) of the governing body takes overall responsibility for the review process and its quality assurance.

Choices around who undertakes the assessment are important. There needs to be a spread of different perspectives preferably from both inside and outside the institution.

Scorers should be encouraged to rate the institution's level of maturity against each key element from their perspective, but also be prompted to use evidence rather than just rely on opinion. **A single assessment score** should be reached and the most appropriate cell for each theme circled. The level of maturity is likely to be different for each theme.

In some cases institutions may also want scorers to make an assessment of ambition, that is the level of maturity the organisation would want to achieve within an agreed period (from six months to within two years).

The collated results should be presented in a facilitated discussion. This will allow differences in scores to be debated and an **overall consensus** to be developed, both about the assessment and about possible action which would strengthen governance. This process of quality assurance and consensus-building is in itself developmental.

The matrix can be used also to gauge the level of understanding and insight of key stakeholders inside and outside the institution, by including them either as assessors or as part of the quality assurance process. Feedback and engagement in this way can provide a worthwhile opportunity to explore relationships and possible areas of joint development of governance with partners and stakeholders.

Outcome

If undertaken with conviction and authority, the matrix allows an **informed judgement** to be reached which both provides immediate constructive challenge and insight, and the basis for longer-term governance development.

The matrix can also be used beyond the governing body itself. For example, the same principles can be adapted to apply to Senates and Academic Councils.

We hope that institutions find this a useful tool to support Governing Body development. For further information on the use of the matrix please visit the Good Governance Institute website:

www.good-governance.org.uk

This includes more practical advice and tools, together with contact details for support on undertaking governance and effectiveness reviews.

MATURITY MATRIX FOR GOVERNING BODIES

in Higher Education

PROGRESS LEVELS

1
FUNDAMENTAL

2
DEVELOPING

3
STRENGTHENING

4
SUSTAINING

5
EXCELLING

CULTURE AND BEHAVIOUR

Consideration of culture of both institution and GB itself is a regular part of formal GB business
Published Governance Code of Conduct sets out institutional values and behaviour expected of everyone involved in the governance of the institution
GB members are inducted to understand their role in setting cultural standards for the institution

PURPOSE AND LEADERSHIP

Collective purpose, values, priorities and key drivers of GB are set out in written form
Annual cycle of induction and development supports member contribution to statutory obligations and strategic impact
Leadership responsibilities and accountabilities for each key strand of the institutional strategy at GB and Executive level is set out publicly and kept up-to-date

STRUCTURES AND BUSINESS FLOW

Formal governance structures and working arrangements between GB, Executive and Senate / Academic Council are defined, in place and publicly reported.
Effectiveness of the structure and remit of GB and its sub-committees is subject to regular review and open to external scrutiny
Annual cycle of business is agreed by the GB which sets out the expected contribution of GB and its sub-committees to the institution's strategic objectives

Effectiveness of interface between Chair and VC, between GB members, and between GB and senior officers is regularly assessed
Value of student and staff voice is reflected in business processes, committee membership and GB conduct
Formal cultural assessment process used to ensure compliance by GB and Executive with the Code of Conduct, individually and collectively

Respective leadership roles and responsibilities of GB, Executive and other key elements of the institution are clearly stated in public and linked to institutional strategy
GB ensures purpose and vision of institution is shaped and understood by key stakeholders, including students, staff and external stakeholders
Delivery plans in place for both the institution and the GB, with progress against clear set of performance measures reported openly

GB is able to focus its time on strategic issues as a result of effective delegation to sub-committees
Responsibilities and contribution between sub-committees is balanced and makes best use of members' skills
All GB and committee papers include a short Executive Summary connecting their purpose to strategic purpose and risk
GB is clear about how risk appetite and tolerance informs delegation to sub committees

Steps taken to strengthen culture of governance at all levels of the institution routinely evaluated by GB
Regular independent assessment made of GB effectiveness in increasing equality and diversity against external standards
Ethical issues relating to the social, economic and environmental impact of the institution on the world considered regularly by full GB

The leadership role of members, their background and contribution to the University is promoted publicly and impact evaluated annually
GB decisions are evaluated rigorously in terms of contribution to stated purpose and vision
GB ensures strategic decisions made by Executive, and component elements of the institution, are aligned, measured and reviewed in accordance with agreed strategy and priorities

Effectiveness, composition and size of the GB and its committees have been assessed independently as fit for current and future purpose
Digital governance and technology are used effectively to reduce bureaucracy and enhance the impact and value of time spent on core business.
A systematic review of decisions made is used retrospectively to refine business practices.

GB tracks cultural alignment of the institution and that of stakeholders using measures agreed in advance
Delivery of fairness and transparency in culture and operation of the institution is reviewed formally by GB
Retrospective review by GB of decisions taken to increase learning, accountability and effectiveness, involves stakeholders

Assessment processes show all levels of the institution are aligned to priorities and values as a collective purpose.
GB spends formal time together reviewing the changing operating environment and how this affects strategy, institutional leadership and culture
Effectiveness of strategic communications and engagement in improving leadership, visibility and reach of GB regularly reviewed and assessments of GB role and impact received from stakeholders

Investment has been made in technology to support joint working and integrated reporting across organisational and professional boundaries.
Potential internal and external system failures are identified in an open and transparent way and used directly to improve the efficacy and integrity of the organisation

GB can evidence institution's influence on culture and effectiveness of governance in the HE sector by its advocacy and action
Institution has reputation for ethical integrity and advocacy for its own clear values and integrity amongst peers, in the HE sector and in the world

Decisions have been reviewed retrospectively and learning from this process has been used to shape future strategic direction, plans, processes and relationships.
GB demonstrates continued achievement of strategic goals over life-time of the strategy
Institution receives consistent external recognition for the quality of its leadership and governance.

Audits consistently show that intelligent data is used effectively to drive strategic decision-making.
Systems are in place which enable joint information-sharing, risk-assessment and assurance with key stakeholders and partners.

KEY ELEMENTS

PROGRESS LEVELS

1

FUNDAMENTAL

Skills and capacity of GB is subject to full Board discussion on at least annual basis
All appointments to GB are subject to open competition and due process
Formal induction is in place for all members and completed quickly on assumption of role
Register in place which identifies skills needed to create a balanced GB and to meet equality and diversity requirements

2

DEVELOPING

Oversight of development of skills, capacity and culture is formal responsibility of a sub-committee
Structured governance development programme supports individual understanding and skills of members, and a wider culture of collective and equal contribution.
Commitment of time by members reflects a balance between the demands of formal business, gaining understanding of the institution informally and making a wider contribution

3

STRENGTHENING

Mix of skills to meet governance requirements of GB is kept under regular review, with formal processes in place for changing or removing members if required
Members from all backgrounds spend time together away from formal business
Skills and contribution of each member is periodically assessed using a recognised effectiveness tool

4

SUSTAINING

Clear processes for succession planning are in place for committee chair roles
Governance is strengthened by well-established relationships with specialist sources of advice and expertise which are integrated effectively within governance arrangements
Independent assessment shows that the skills of members of the GB are used to maximum effect

5

EXCELLING

Members of the GB play an active role in improving the governance of the sector at a national and international level
Institution is seen as setting a standard for equality and diversity, embodied in its GB

SKILLS AND CAPACITY

Roles and responsibilities of the GB, its committees and individual members in respect of financial performance have been identified to all members
Financial training has been provided which matches these roles and responsibilities
GB as a whole receives concise and complete financial information which allows members to fulfill their accountabilities
Members understand accountable officer responsibilities in the institution

FINANCE AND RESOURCES

GB has developed a financial strategy with a clear link to service quality and potential future high-impact changes.
Strategic and investment decisions are made by GB using objective assessment criteria set in advance
Resources are transparently allocated in line with strategic priorities and audited accordingly
Reporting by accountable officers to GB ensures its governance requirements are met, including delivery of value for money, sustainability of the institution as a going concern and effective asset management

All GB papers set out the strategic and financial consequences of decisions and proposed actions
Investment decisions are considered by GB in a way that explicitly balances business considerations with wider academic, social and reputational criteria
Audit is used strategically, with decisions on all audit reports made in a timely manner with timed actions
GB is able to confirm long-term financial stability of the institution as a result of its effective oversight

Impact of institution on the wider economy in terms of finance and resources is properly quantified and has been effectively promoted to key stakeholders
Institution is regarded as a sector-leader in its planning of finance and resources and has been rated accordingly

RISK AND AGILITY

Risk appetite statements which match the institution's strategic intent and ambition are used to guide the work of the GB and the Executive.
Governance Code of Conduct sets out institutional expectations around risk-taking and innovation by individuals and teams

Sufficient time and space is allocated to focus on strategic risks collectively and in depth in full GB business
Reputational risk consequences for all significant litigation involving the University are considered in formal GB business
Business continuity plans and 'what if' scenarios are regularly used to develop greater understanding of collective responsibility for risk

Formal time of GB is devoted to considering risk as a driver of dynamic change, agility and sustainability, as much as an issue of compliance.
Development of overall governance of institution is audited as a long-term strategic priority at all levels of the institution
Joint risks have been identified with partners and corrective action taken

GB uses audit strategically to assess that risk appetite has been set at the right level. Audit is used to support innovation and change, through improved institutional controls, forward scanning, preparedness and responsiveness.
Risk culture based on anticipation and prevention is well-established at all levels of the organization with GB receiving evidence this is so.

There is evidence of strategic risk-sharing between the institution and strategic partners reflected in an agreed joint assurance framework.
The GB and its partners take the lead in the sector on pushing back regulatory restrictions by demonstrating joint assurance, competence and effectiveness.

KEY ELEMENTS

PROGRESS LEVELS

1

FUNDAMENTAL

Formal acceptance of legal duties is recorded for all GB members prior to commencement.

University Secretary formally reports to GB on the levels of understanding of both responsibilities and standards needed by members to meet responsibilities

Register of interests is maintained and reported in public

GB formally signs off governance arrangements for institution as meeting all statutory requirements, codes and standards, including estates and services, on at least an annual basis

STEWARDSHIP AND

2

DEVELOPING

Accountabilities for quality of academic provision including those of GB, are defined, captured, published and reviewed regularly

Schemes of delegation and conflicts of interest are clearly defined and recorded in relation to formal and informal business conducted by GB members

Processes which ensure compliance with statutory obligations placed on GB are subject to formal audit and reported openly.

Agendas balance full GB time spent on core governance issues, strategic risk and business continuity with forward planning and investment decision-making

ENGAGEMENT AND VOICE

Membership, structure and conduct of business in GB and its committees enables voices of students, staff and other stakeholders to be reflected, respected and valued

A strategic plan for the continuing engagement with internal and external stakeholders has been agreed by GB and is understood by all members

Strategic direction of institution is shaped by transparent processes which ensure effective involvement of students and staff internally, and identified stakeholders externally

IMPACT AND REACH

GB has a shared understanding of its contribution to the institution and what this means for what individual members do

Impact and effectiveness of GB, individual members and those holding roles of office, including chairs of committees, are supported by a formal annual development programme

Key indicators for all parts of the university business are in place

3

STRENGTHENING

GB Assurance Framework is used to enhance governance of the institution, with agreement on the level of maturity aspired to, and clarity on measures of effectiveness and progress

Work of both GB and Senate/Academic Council informed by a shared dashboard of measures of quality for academic standards and practice

GB ensures all business cases and partnership agreements meet rigorous due diligence processes, agreed in advance.

Benchmarks used for setting remuneration levels are for genuinely equivalent organisations

Results of student and staff surveys consistently confirm visibility and connectivity of GB to the institution and its responsiveness to their concerns

Processes for raising serious issues of concern about institutional intent and practice are open, clear and linked to formal GB business

Role of individual members in execution of the stakeholder engagement strategy is agreed and reviewed periodically as part of GB goal-setting and member assessment

GB uses a clear set of measures to assess and report its added value, performance and impact

Due diligence of partnerships and business relationships, in which the institution is involved, include an assessment of consistency with the institution's stated values

GB has developed relationships with others to increase its impact in measurable ways.

4

SUSTAINING

Connection between decisions of GB and effectiveness of the institution is tracked routinely in GB business

Lessons learned from both success and failure is part of the culture of GB and institution as a whole.

GB regularly reviews the effectiveness of staff and student engagement in quality assurance

Potential internal and external system failures are identified and jointly mitigated

Integrated report is published setting out institution's social, economic and environmental impact and the GB's role in achieving that impact

Joint governance arrangements are in place with key strategic partners, linked to shared objectives and management of major opportunities and risks

GB minutes set out where and how its members, the Executive and internal and external stakeholders identify strategic needs and develop joint strategic responses to them

GB benchmarks its impact against other comparable organisations inside the sector and outside

Levels of understanding of the role of GB and its visible leadership in the institution by staff and students are well-established

Institution is recognised by external stakeholders as being an influential partner in achieving regional and national goals of social and economic value

5

EXCELLING

GB secures a consistent standard of stewardship with strategic partners from all sectors in the UK and internationally

Institution contributes actively to the integrated reporting of its partners and visa versa.

Stewardship of the institution is seen by stakeholders as having a positive impact on social, economic and environmental issues, as well as narrower measures relating to resources, teaching and research.

Members play a proactive advocacy/ambassadorial role with national organisations and regulators in support of the institution's strategic priorities and of transformational change in the local region and in the HE sector

Institution is identified by national stakeholders, including academic and student representative bodies, as an exemplar in its approach to respecting and developing voice

GB commissions and makes public an independent assessment of its impact and reach, at least once during each strategic planning cycle.

Overall impact of the GB and institution have been assessed against standards of international best practice beyond the sector, setting a recognised 'industry standard'

KEY ELEMENTS