ACADEMIC FREEDOM, SHARED GOVERNANCE AND LEADERSHIP
IN EXCELLENT ACADEMIC INSTITUTIONS

Richard Miller

Abstract

World class universities are, without exception, the result of a community of world class scholars and teachers driven by a passionate and unhindered pursuit of truth. Assembling this exceptional community and establishing a sustained culture of excellence-driven by a shared vision and marked with openness to new ideas and innovation-is the responsibility of leadership. Governance is responsible for defining the purpose and goals of the university, recruiting and supporting the leadership team, and assuming fiduciary responsibility for all assets of the institution. The relationship between faculty, leadership, and governance is highly complex and unlike that in any other enterprise-largely because of the fundamental role of academic freedom and shared governance. The principles of leadership characterized by a *"command and control"* culture (typical of the military and certain for-profit corporations) works against academic freedom, limits innovative research and the establishment of teams of world class scholars. Academic freedom requires a different culture characterized by trust in the faculty and taking of reasonable risks.

This paper presents some practical lessons in leadership and governance learned during the establishment of Olin College of Engineering in Massachusetts. Olin College embraces academic freedom and shared governance, but does not offer tenure to faculty members nor does it maintain academic departments. Governance is by a Board of Trustees that includes both Founding Trustees (who provided all initial financing and may serve for life) and others who have fixed term limits. Several topics are examined, including: the continual need for board education in academic culture; avoiding micromanagement by the board on one hand, and disengagement by the board on the other; and the problem of establishing shared values and vision. Leadership is an art, and is vastly different from management. Governance is also an art, requiring patience, wisdom, and a willingness to take reasonable risk in order to achieve world class results. There is no certain formula for success. It is a complex human process requiring constant improvisation, intense commitment and patience, and a healthy measure of good fortune.

People and Culture

The context here is the establishment of a leadership and governance environment designed to a promote world class university. I begin with an observation that world class universities are, without exception, characterized by world class people, and also a special culture that results in widespread excellence and continual learning.

Since universities are about ideas and people, the quality and impact of a university is determined fundamentally by the quality of the people affiliated with the university. One way of thinking about the many aspects of a world class university (finances, facilities, location, leadership, etc.) is that their ultimate purpose is to attract and retain world class people. No matter how good these others aspects are, nothing can compensate for the absence of truly excellent people.

But having talented and motivated people is not enough. In addition, the university must also establish a culture that results in the continual focus on learning and on collaboration. As stated by Dr. Charles Vest, former President of MIT and of the US National Academy of Engineering:

"Making universities and engineering schools exciting, creative, adventurous, rigorous, demanding and empowering milieus is more important than specifying curricular details."

Academic Freedom, Intrinsic Motivation,and Management

At the heart of this special culture-which is undoubtedly the most difficult aspect of creating a world class university-is the notion of academic freedom. Academic freedom provides the freedom for all members of the academic community to pursue the truth, wherever it may lead, without fear of retribution. It allows them to think broadly and deeply about whatever excites them, to be driven solely by curiosity, and explore multidisciplinary aspects of problems in pursuit of a more complete understanding. Balancing this freedom is the expectation that the results they produce will be marked by rigor, quality, and impact. This expectation for high standards is powerfully enforced by a system of *"peer review,"* where the academic rank and general respect of every individual in the university is determined by a process of very serious and confidential peer review of all the academic work (scholarship, research, artistic creations, etc.) produced by each individual.

When properly established, a culture of academic freedom thrives on achievements and pursuits of faculty and students that are driven by intrinsic motivation, rather than extrinsic motivation.When people are driven by intrinsic motivation, they simply do their best work.As reported in the recent book Drive: the surprising truth about what motivates us (Pink, 2011), when objective assessment of art works produced under commission is compared with the assessment of similar work by the same artists motivated instead by self-interest, the intrinsically motivated art is consistently judged to be of higher quality. Simply put, people do their very best work when they really care about the subject and are deeply motivated from within. This principle almost certainly applies to research and scholarship, too. And when the goal is to achieve world class standards of excellence across a university, each faculty member should be motivated intrinsically to get world class results. Hence, academic freedom is essential for the culture of intrinsic motivation to thrive.

However, academic freedom also presents some very challenging problems in decision-making and management. If everyone in the university is independently pursuing their own ideas and following their own passions, coherence and institutional direction are very difficult to achieve. Perhaps instead of determining a precise direction for the university, the best that can be achieved is an alignment of values and interests among members of the academic community.

The Clock Speed Problem

In practice, shared governance - or the engagement of all members of the academic community in major institutional decisions - is necessary to attract and retain world class faculty members, who expect to be treated as senior stakeholders in any important changes at the institution. This shared governance can take many forms, but it always involves extended conversations characterized by lengthy discussions at all levels, rather that abrupt memos that direct others in what to think or do. In short, it takes much longer to make a significant

change in a university with academic freedom and shared governance than it does to make a change in a top-down managed organization, Like the military or some tightly-managed corporations.

The contrast between the time to reach a conclusion within an academic institution and a corporation is often profound. For example, it may take only a few days for a corporation to make a profound strategic decision that affects all members of the organization; for example, to stop making a certain product and terminate the employees working on that product. In contrast, it is typical under shared governance for a university to take up to an academic year to make a final decision on a new strategic direction, such as a strategic plan. This difference in lapsed time may be considered a *"dock speed"* problem in a university.

When properly implemented, the result is a culture where each member of the community reports that *"I have never worked this hard in my Life, but there is nothing else I would rather be doing*   This phrase is frequently heard among students at Olin College, where surveys by Princeton Review have repeatedly identified our students among the top 5 in the US for the category *"students never stop studying,"* while simultaneously identifying Olin students among the *"happiest"* students in America.

A Culture of Interdisciplinary Teamwork

Another important dimension to leading edge innovation is that it typically involves the cross-fertilization of ideas from one academic discipline (or research laboratory) to another. This aspect of the culture is better illustrated by corporations that have a great track record of major innovations than it is in universities, where faculty members have so much autonomy that they often evolve a working environment that minimizes inconveniences for them. One such inconvenience is interacting significantly with people who are not familiar, or engaging with a problem where you need to admit that your expertise is limited.

Some corporations whose culture provides a good example of this inherently interdisciplinary and team-based approach to problem solving include 3M Corporation, Bell Laboratories. Apple Computers, Google, Pixar, I DEO, and facebook. Although each company has a unique culture, these particular companies all share the characteristic that they encouraged cross-functional approaches to research and product development. (Professional colleges and academic departments within universities, unfortunately, often provide substantial barriers to this behavior.)

Interdisciplinarity and Education for Innovation

The term *"innovation"* is so over utilized today that its definition has become unclear. To focus the discussion here, I will define Innovation as the process of having original ideas and insights that have value, and then implementing them in ways that result in significant change in the way people live. A really profound innovation is one that changes life so profoundly that few people can remember life before the innovation was introduced.

This broad definition of innovation intentionally includes non-technology innovations, which are likely to become fundamentally important in the 21st century. For example, I propose that every profound innovation involves the simultaneous occurrence of three independent aspects: feasibility, viability, and desirability. Nothing happens in this world unless it is consistent with the laws of natural science (i.e., feasibility). Among all those

things that are feasible, only those that are also viable - that is, that are financially beneficial by producing more value than they require to make - are the ones that investors might be willing to attempt to produce in large quantities. Finally, among all those things that are both feasible and viable, only those that are also desirable to the society at large are likely to be chosen over competing alternatives in order to become widely accepted.

Some examples of profound innovations in the last one hundred years include the automobile, the airplane, the telephone, the radio, television, computer, internet, space travel, etc. Each of these innovations is now so widespread that few people in the developed world can remember life before they were introduced. But these innovations all involve the invention and widespread implementation of some new technology.

Innovations have also occurred that do not involve technology, at least not as the central feature. These include, for example, the credit card. The credit card, which is a relatively recent invention, has changed profoundly the way people live and behave. Another example is perhaps the iTunes business model for distribution of music through Apple products. This music distribution systems, which is fundamentally a business process innovation, has completely changed the music recording industry and now threatens to change the book publishing industry.

Finally, innovations may also include more abstract things, like Facebook. What does Facebook sell, exactly? I believe Facebook provides the opportunity for all people to tell their story. All humans apparently have a fundamental need to tell their story to friends, perhaps to compensate for the transition to a globalized world in which the nuclear family and local communities are much less influential in the lives of young people today. Another example might even be religion, which changes the personal identity and relationship between people on a large scale.

What do we learn from this framing of the concept of Innovation about educating the next generation? Well, first we see that innovation involves the simultaneous intersection of three independent domains (feasibility, viability, and desirability). But higher education in the last two hundred years has separated these domains into distinct specialty schools on Large campuses. For example, *"feasibility"* is the primary domain of engineering and natural sciences. Viability is the primary domain of business and management. And, desirability is the primary domain of psychology, art, and design. Our educational system tends to isolate students in each of these sub-disciplines, minimizing their opportunity to see the intersections. This over-specialization is very likely to create barriers to innovation. The graduates of our traditional academic programs are good specialists in their disciplines, but the insights and opportunities that lead to big innovations lie at the intersections, not in the center of these domains.

To compensate for this, our educational model should change to encourage, or require, a greater degree of interdisciplinary learning. Experience on heterogeneous teams drawn from very different disciplines has proven in innovative corporations to accelerate the production of innovations. Our educational models should learn from this and prepare our graduates accordingly. (This is why Olin College does not have academic departments, and students work on 10 - 20 team design projects during their 4-year engineering degree program.)

Can Innovation Be Taught?

A recent study at Harvard University (Wagner, 2011) followed the early life and career of several exceptional innovators to discover the characteristics most responsible for their

education and success. The themes that emerge are (1) unstructured play during childhood, (2) development of personal passion that fuels an obsessive time commitment necessary to develop real expertise, and (3) identification of a purpose in life in the later career, that drives a commitment to use the expertise to make a positive difference in the world. (This book contains an extensive description of the learning model adopted at Olin College of Engineering.) The conclusion is that creativity is more a product of the learning environment than a person's DNA. As a result, careful attention to creating the right environment is an important contributing factor to the development of innovators.

The learning environment should allowfor unstructured experimentation and experiential learning, cultivation of intrinsic motivation, and an ultimate focus on making a positive impact on the world.

The essence of learning to innovate is the skill or practice of improvisation. Learning to improvise, when faced with unexpected challenges, is a central aspect of preparing innovators (just as it is in preparing jazz musicians, as compared to classical musicians, who learn instead to perfectly reproduce the notes written centuries ago by someone else).

Now that we have outlined the type of education needed to become world class, and the learning culture necessary to cultivate world class academic achievement and innovation, we can turn our attention to the problem of structuring the leadership and governance necessary to create and sustain such an organization.

Who Is Responsible for Attracting the People and Building the Culture?

It all starts with the President. Leadership is of critical importance to the establishment of culture and of attracting the right people. The President should establish and live the core values of the institution. S/he must create a culture and organization that values academic freedom and shared governance. To insure that the entire institution understands on an emotional level as well as an intellectual level that the President is authentic in her/his motives, the President should let her/his personal passion shine brightly and infect others in the organization. Charisma is a very useful tool of effective leadership.

The President's task starts with attracting the right people. These are people who are not only world class in talent, but motivated not to seek personal gain or recognition, but rather to make a positive difference for others. In my opinion, the true measure of greatness of an individual is not seen in their accumulations, but rather in their contributions. This spirit of commitment to a cause greater than themselves is fundamental to building a world class institution.

Finally, the President must be or become the change you wish to see in the world, as demonstrated by Gandhi in India.

What is the Primary Role for Governance?

The primary role for governance is to define the purpose and goals of the university, to recruit and support the president, and to assume a fiduciary responsibility for all assets of the institution. This includes responsibility for all forms of inter-generational equity.

Trustees in the best universities are unpaid volunteers who willingly donate their time and treasure for the long-term benefit of the university.

It is critical to note that the governance board is NOT responsible for managing or leading the university.The leadership team manages the university, while the Trustees simply govern.

Governance * Leadership * Management

It is also critical to note that Governance is not the same as Management, which is also distinct from Leadership. These are all three separate and distinct roles that are played by separate and distinct people in the university.

For example, Leadership should ideally be provided by the President, or Chief Executive Officer. The CEO is primarily responsible for *"doing the right thing."* This often involves making decisions that may be inconvenient and/or unpopular, but important for the long-term welfare of the university.

One example might be to give highest priority to factors that affect quality, while simultaneously managing the less important factors of cost and schedule. Most leadership decisions have consequences on all three of these factors. but leadership requires prioritization. If a world class institution is the goal, then quality must be given higher priority than either cost or schedule, most of the time. (Ten years after a key decision is made, no one is likely to remember whether the budget was balanced initially, or whether the project remained perfectly on schedule, but everyone will notice whether the overall quality turned out as high as planned. It is the leader's responsibility to meet the quality goals.)

On the other hand, the Vice Presidents, or management team. are responsible for managing the university and executing the decisions made by the President. This team constitutes the group of operating officers that must *"do things right."*

Finally, the Governance Board is responsible for providing oversight, not decisions or implementation. This means asking general or strategic questions, judging the judgment of the President, and changing the President when needed. Ideally, a key responsibility of the board is to do whatever it takes to support the leadership of the president, rather than undermine it.

In addition, the governance board must exemplify the utmost integrity and avoidance of even the appearance of a conflict of interest. The honesty and integrity of all member of the board should become a beacon that inspires others to demonstrate the highest level of ethical behavior in building the honor and reputation of the university.

Teamwork Between Governance and Leadership Team

The maintenance of a positive relationship between the governance board and the Leadership team (including the President and Vice Presidents) is essential for the university to operate successfully. Experience shows that this requires a delicate balance involving constant attention.

Best practices in this area involve a special relationship between the President and the Chair of the governance board. Ideally, there should never be any secrets between them (Chait, et al., 2004)

Between the leadership team and the entire governance board, there should be no surprises. The leadership team should make sure to consult with the governance board before making any decisions of long term or strategic importance. *"No surprises"* is the fundamental rule. Of course, the same applies in the opposite direction. The governance board should never surprise the President or the leadership team with any decisions of long term or strategic

importance. In fact, most decisions should be made by the President, and the governance board should be in the position or approving or denying proposals made by the President and the leadership team (Sample, et al., 2003) and then supporting these decisions.

The leadership team has an equal obligation to engage with the entire academic community before making any major strategic decisions. Communication with the community should ideally be so good that the community also feels informed and engaged in all major strategic decisions. *"No surprises"* applies in this area, too.

Experience shows that many of the problems that develop in leadership and governance of universities are the result of problems with communication. One rule for handling this is the following: *"It doesn't matter what you told them, it only matters what they heard!"* It is the responsibility of each member of the leadership team to communicate so well that they personally insure the right people actually received and understood the message in every case, not just that they told then in some way. It is not acceptable to refer to the fine print in a memo, which no one read or understood.

Another useful rule for leaders to hear is this one: *"First, tell them what you are going to tell them. Then, tell them. And finally, tell them again what you just told* f/?em."The conclusion is that you cannot communicate too often or too much! When operating successfully, it should feel to the leadership that they are over emphasizing communication.

In conclusion, successful establishment of world class universities involves exceptional people; academic freedom and a culture of innovation; the President sets the vision and establishes the culture; the leadership team manages the implementation; and the governance board provides oversight and support. World class universities are characterized by a complex dynamic ecology of excellence in leadership and governance which is an exquisite art requiring constant attention and improvisation, not a science that can be precisely codified in an algorithm.

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