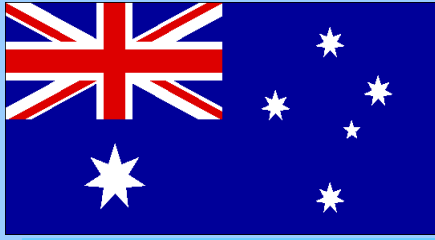


Vietnam National University Hanoi

# Corporate Governance Reform in Australian Universities: The Case of RMIT

**Professor David Wilmoth**  
**RMIT International University Vietnam**

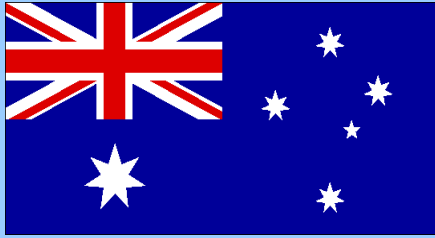
1 June 2004



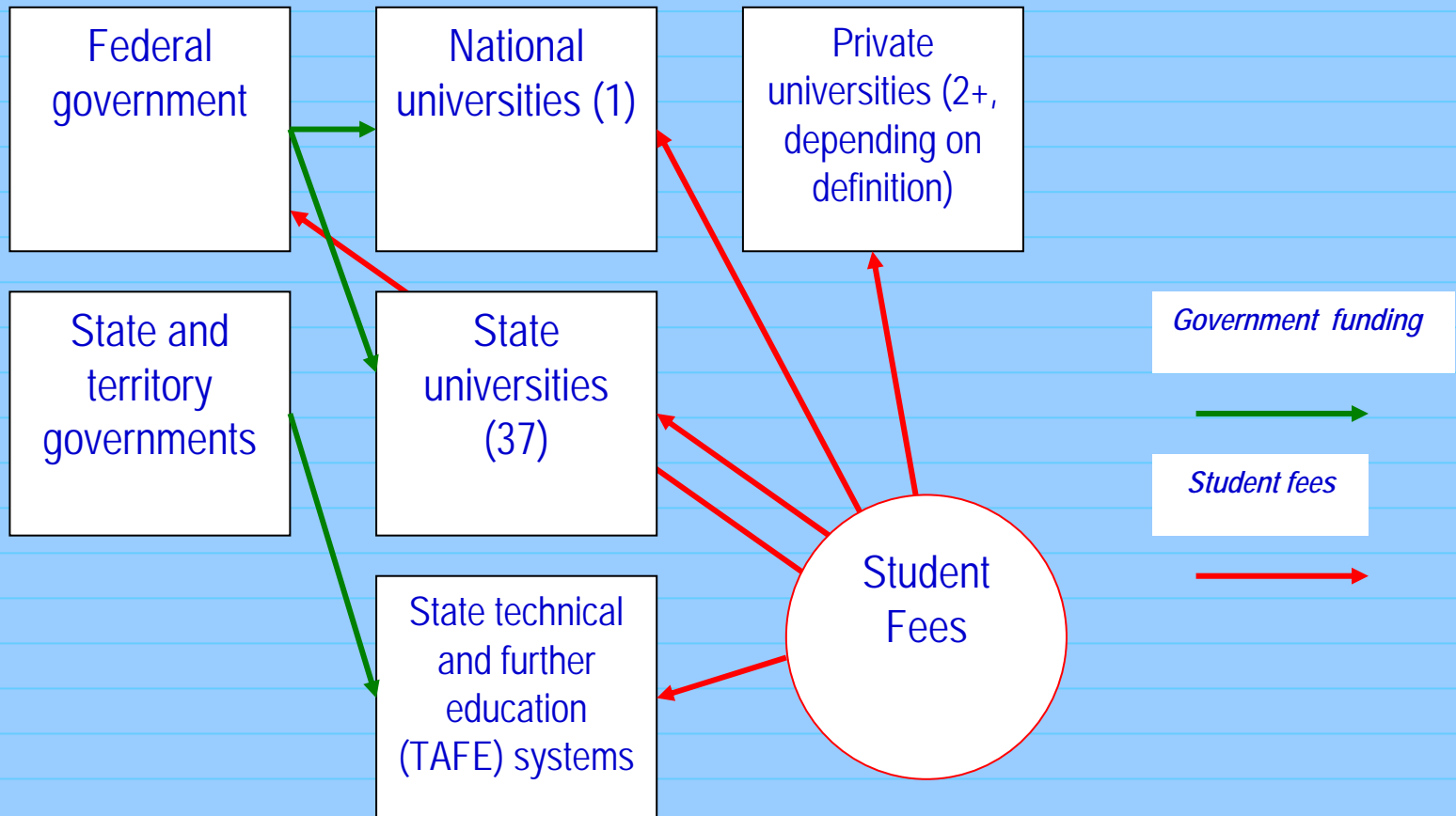
# Purpose and definition

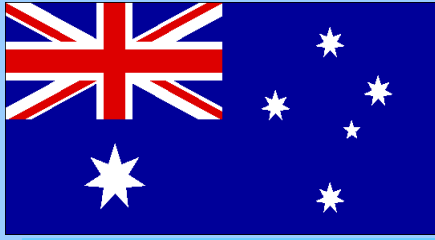


1. Brief review of trends in corporate governance in Australian universities
  2. Case study of RMIT
  3. Discussion of related issues in Vietnam
- Definition: corporate governance is the system by which organisations are directed and controlled.
  - Can apply to public corporations, private companies, state-owned enterprises, government departments non-governmental organisations. Universities can be any of these or a combination.



# Australian University System

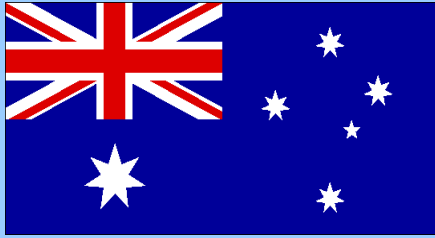




# Reviews of university governance

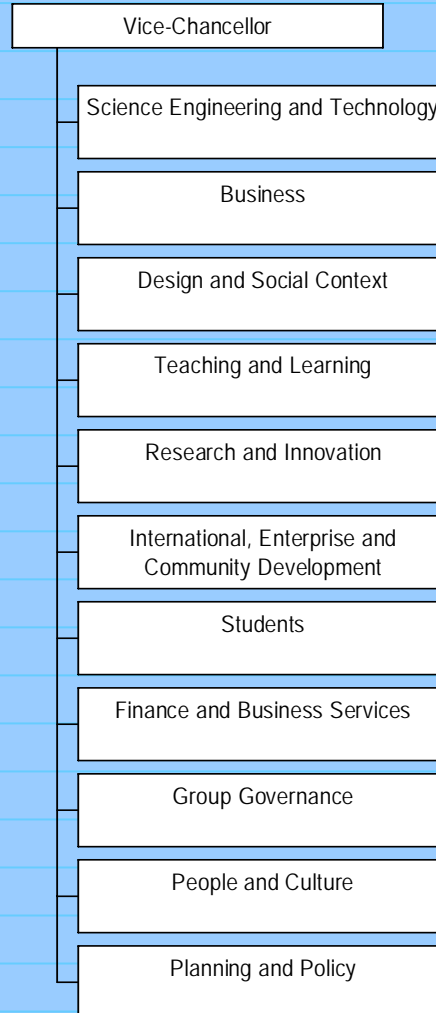


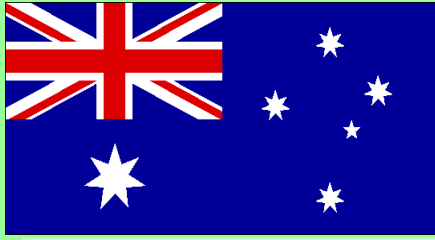
- National governance protocols for higher education institutions in Guidelines for Commonwealth Grant Schemes
- Victorian review of university governance
- Victorian review of TAFE governance
- RMIT Council governance charter
- Australian Universities Quality Agency
- Various state reviews



# RMIT Management Structure

RMIT Management Structure



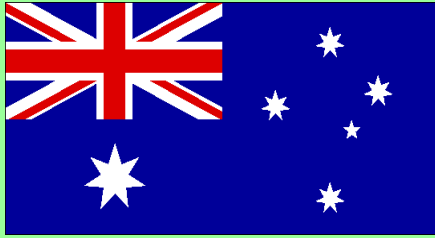


# Corporate governance standards



## Standards

- Foundations for management and oversight
- Structure the board to add value
- Promote ethical decision-making
- Integrity in financial reporting and disclosure
- Respect rights of shareholders / owners
- Recognise legitimate rights of stakeholders
- Recognise and manage risk
- Encourage performance
- Remunerate fairly

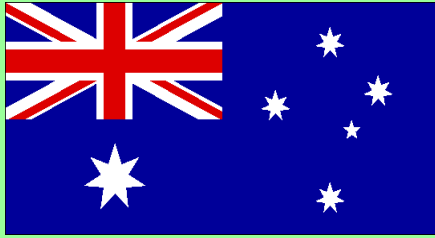


# Corporate governance ethical principles



## Principles

- Accountability
- Transparency and openness
- Fairness and balance
- Honesty
- Dignity
- Legal compliance
- Goodwill
- Ethical resolution of conflicts of principle
- Express as benchmarks, codes, training, regular reporting

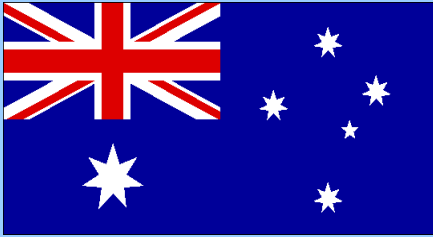


# RMIT's values

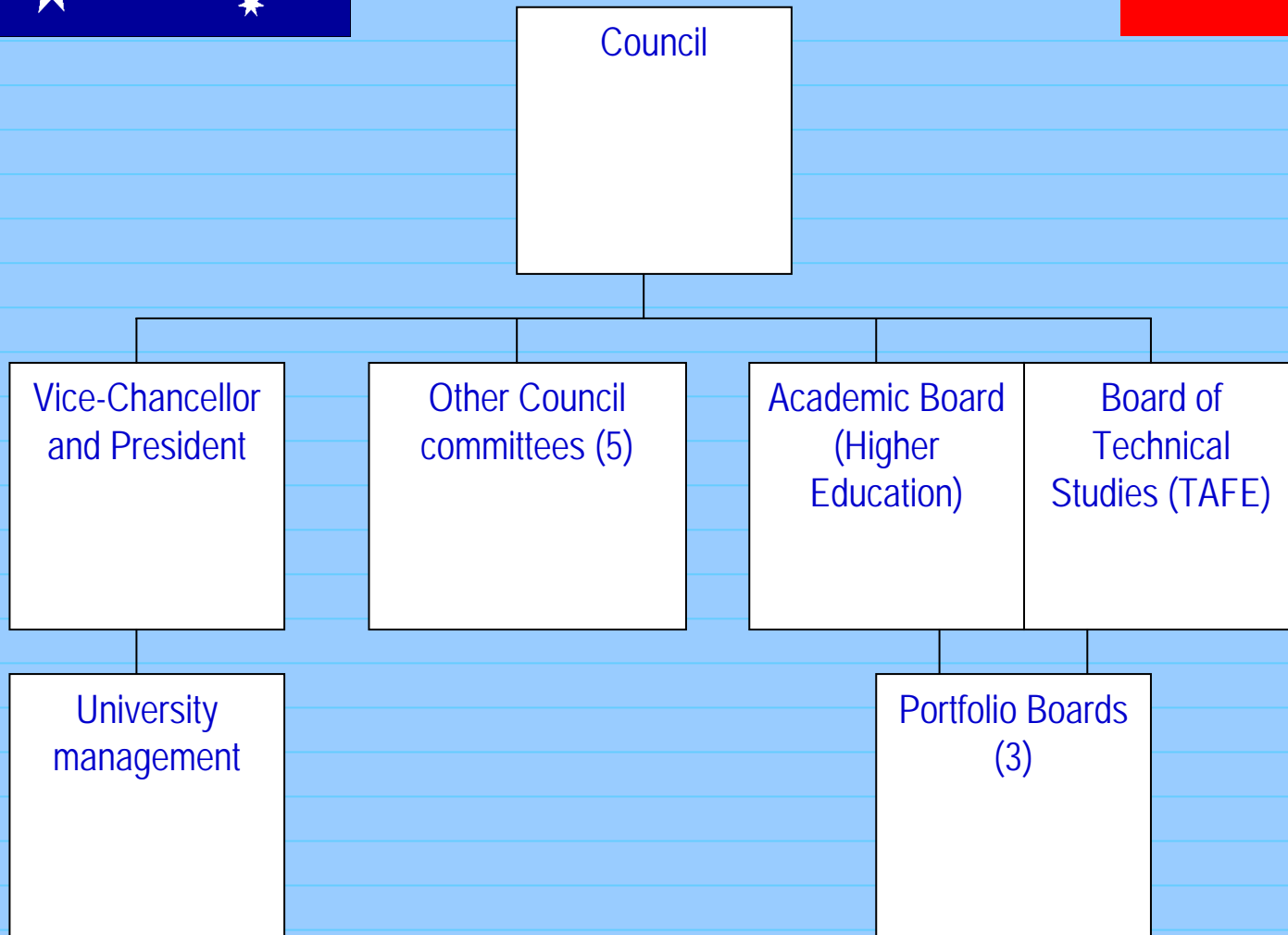
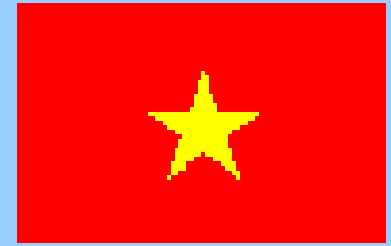


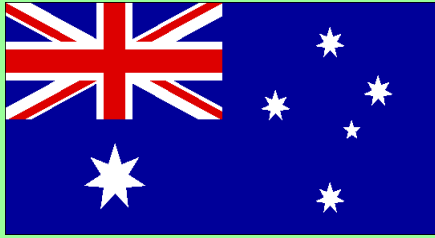
- Client focus
- Quality processes
- Practicality and relevance
- Global imagination
- Cultural diversity
- Fairness to all
- Innovation and enterprise
- Environmental care
- Learning and personal growth
- Ethical behaviour and responsibility
- Technological / professional orientation





# RMIT Governance Structure

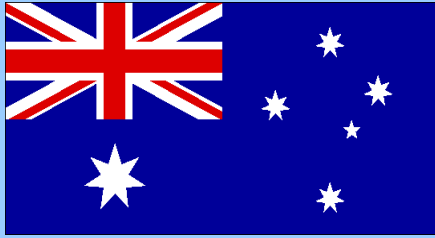




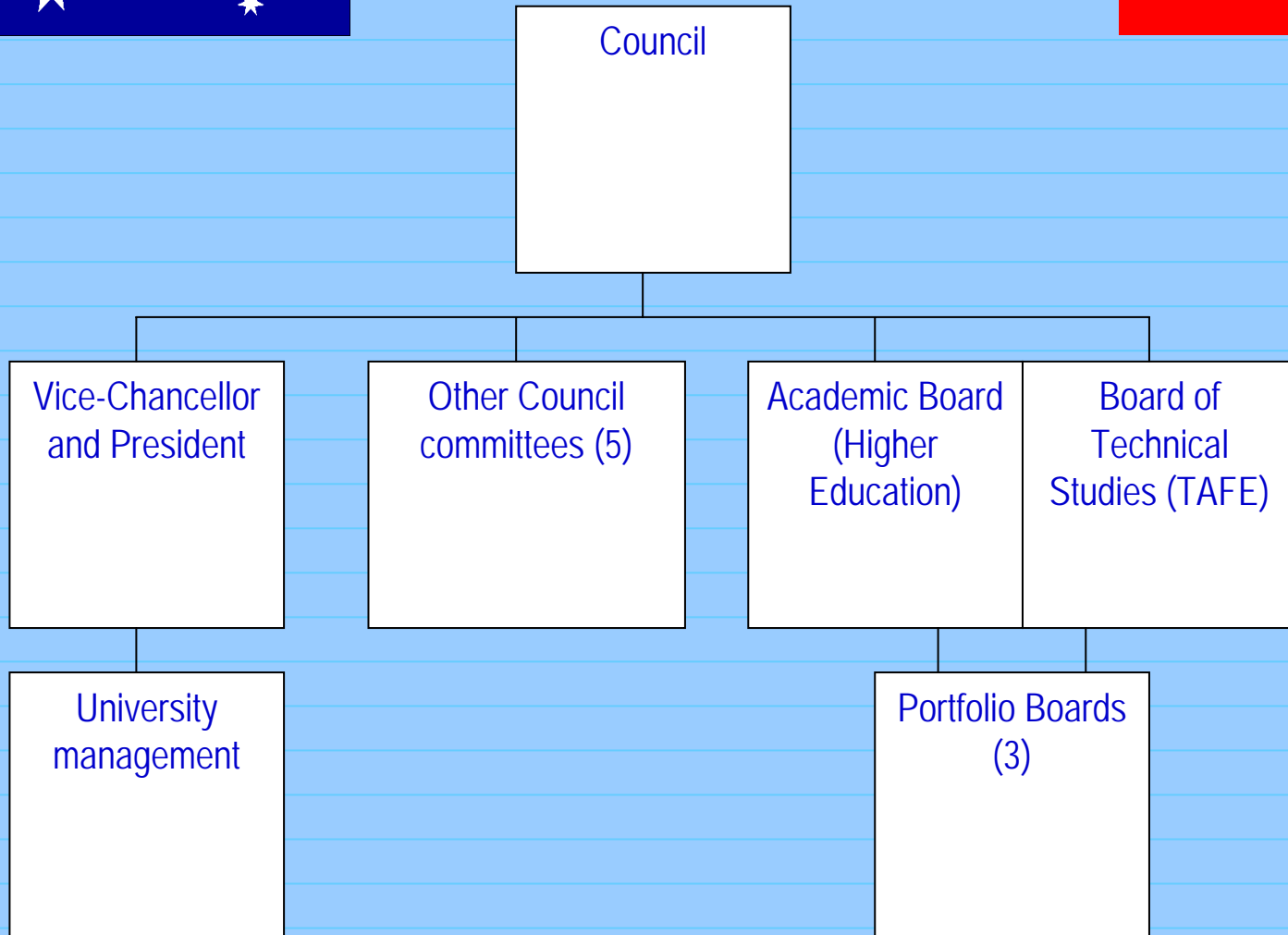
## Risk management and quality assurance

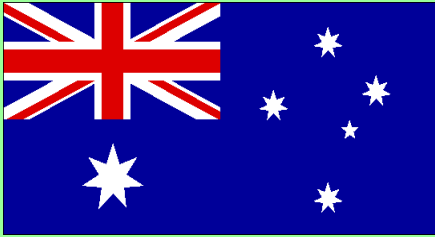


- Risk management strategy annually
- Risk treatment strategies
- Audit and Risk Management Committee of Council
- External QA oversight
- Role of Auditor-General
- Active internal audit program
- Independence of internal audit reporting
- Complaints handling
- Protection of 'whistleblowers'
- Disciplinary procedures
- Legal framework

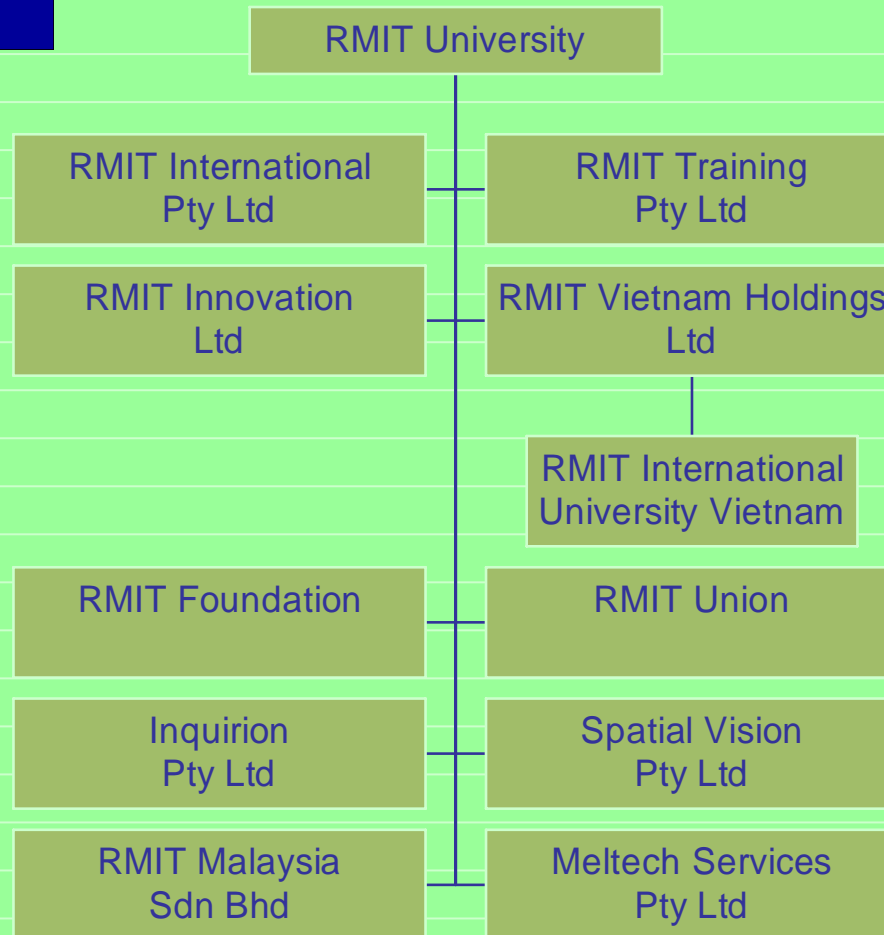


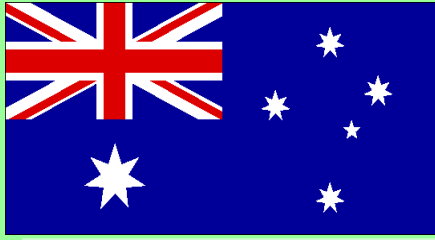
# RMIT Governance Structure





# RMIT Subsidiaries





# University governance issues in Vietnam



- MOET and institutional autonomy
- Role of internationalisation with national universities
- Evolution of university structure and mergers
- Commercialisation and subsidiaries
- Quality assurance
- Teaching evaluation and methods of learning
- Role of external stakeholders in university governance