

CORPORATE GOVERNANCE AND THE SUSTAINABILITY OF UNIVERSITIES IN ANGLICAN CHURCH IN UGANDA

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Abstract

The thesis of this paper was that whereas the Anglican Church in Uganda has done well to establish universities, there is need to do more in terms of corporate governance. The paper outlines that facts that the Church been involved in education for a long term. It introduced schools in the country. It has a bureaucratic model of governance the functions of a university council are stated and the challenges that universities are grappling with. In view of all the above issues, this paper has proposed a consortium corporate governance for the Anglican Universities in Uganda. Furthermore, it has also been suggested that for better training people for the ordained ministry, theological training of ordinands be relocated to Namugongo Martyrs' Seminary. Universities should remain for those who want to pursue advanced academic programmes.

Introduction

This paper set out to accomplish three tasks. One, to articulate the uniqueness of Anglican founded universities in Uganda. Two, to probe the concept of corporate governance and how it is applied in the Anglican founded Universities. Three, to assess the challenges of corporate governance for the Anglican Universities in Uganda. Four, to advance the consortium corporate governance model for Anglican founded Universities.

The justification of this analysis is based on the fact that the Anglican Universities in Uganda have been dogged by several challenges arising from both within and without.

Corporate governance of Ugandan universities has come under intense scrutiny in the recent past. The scrutiny came in the wake of the closure of universities like Namasagali, Central Buganda and Luwero. Namasagali University was licensed in 1998 by the Ministry of Education and Sports. However, in 2005 it lost its license by NCHE (Bogere and Nabiruma, 2009). Central Buganda University was founded by the Anglican Diocese of Central Buganda and located near the diocesan headquarters in Kasaka, in Mpigi

District. This University and Luwero University were closed in 2008 (Kayiira Kizito, 2009).

Closing a University has far reaching consequences for the institution and the country. After closure it becomes difficult for the institution to win confidence of the public and reopen. Nationally, it implies that the education system is weak. A closure of a university sends bad signals.

PART I

Anglicanism and the Founding of Universities

The Genesis of the Anglican Church

The Anglican Church began in 1534 when King Henry VIII of England split with the Pope of Rome. In that year, King Henry VIII passed the Act of Succession and the Act of Supremacy. These laws recognised the King as the only head of Anglicana Ecclesia or Anglican Church. The King kept the title the pope had bestowed upon him in 1521 as Defender of the Faith.

In 1549 a Book of the Common Prayer was written and enacted by King Edward VI through the first Act of Uniformity. A Liturgy was necessary because Church in England had broken with the authority of Rome. It was a reformation. At this time whoever protested against the Roman Church became a protestant. For that reason, the Church in England also became protestant.

The Book of Common Prayer was revised three times (1552, 1559 and 1604) before it came a standard liturgy in 1662.

In 1662 the Archbishop of Canterbury Thomas Cranmer, re-organised the *Book of Common Prayer and Administration of the Sacraments and other Rites and Ceremonies of the Church, according to the Church of England, together with the Psalter or Psalms of David, appointed as they are to be sung or Said in churches: And the Form and Manner of Making, ordaining, and consecrating of Bishops, Priests and Deacons*. This title is rather too long and for that matter, the Anglican Church uses the abbreviated name “Book of Common Prayer”.

The King of England has three main roles in the Anglican Church in England: (i) to approve appointment of Archbishops, Bishops and Deans on

the recommendation the Prime Minister; (ii) to open the Church of England General Synod every five years; and (iii) to promise, during the coronation, to maintain the Church. This bit of the history of the Anglican Church is given to justify the reason why Anglican church found universities in the 10th century AD like the Catholics did. The Anglican church emerged in the 16th century.

The Church Establishing Universities

The oldest operating university in the world is Al-Karaouine which was founded by the Islamic faith in 859 A.D. by Fatima al-Fihri in Fes Morocco.

In the Christian World, it is noted that the first University was founded by the Catholic Church. That is, the University of Bologna in Italy in 1088. This was followed by University of Oxford 1096, and University of Salamanca 1164, and University of Cambridge 1209. The University of Aberdeen in Scotland was established by William Elphinstone in 1495. A papal bull was given and the Bishop gave his Charter in 1505.

The term University was derived from Latin "*universitas magistrorum et scholarium*" meaning the "community of teachers and scholars". Similarly, was the title "professor" which also began at the same time because those who were allowed to teach in the *universitas* had to profess the Christian faith. That the source of the word University and the word Professor.

The motto of these universities reflected the Christian faith and teaching. For instance: the one for Oxford University is *dominus illuminatio mea* (the Lord of my light); that of Cambridge University is *hinc lucem et pocula sacra* (from here light sacred draughts); that of University of Aberdeen is *initium sapientiae timor domini* (the beginning of wisdom is the fear of the Lord).

Universities founded in the 20th century and later have their motto in other languages other than Latin. For instance, the one of Uganda Christian University has it in Greek language as Ἀλφά και Ωμέγα (Revelations 22:13); Ndejje University has "The fear of the Lord is the beginning of wisdom" (Proverbs 9:10). For Bishop Stuart University the motto is "Our God Reigns" (Isaiah 52:7; Psalm 47:8). We can see that Christian influence is still important for all these church founded universities.

The Anglican Church founded its own Universities including the University of Chester in 1839. In Uganda, the Anglican Church of Uganda established universities in the 1990s. For instance, Ndejje University was established in 1992. Bishop Tucker Theological College expanded and turned into the Uganda Christian University in 1997. Others followed suit.

Reason for Anglican Church's involvement in Higher Education

It is important to note that the Christian church has been in the forefront of establishing institutions of higher learning at least in the modern world.

Generally, universities exist to carry out three primary duties: (a) to disseminate knowledge through teaching. Knowledge is the processed information which can be applied in another setting. (b) to create knowledge through research. Universities carry out research in order to get new information about phenomena, new ways of doing things, etc. (c) to carry out community service. This takes place in many ways like students doing voluntary service, carrying out community projects, etc.

In the Anglican Church, universities are set up to do more than the three primary duties mentioned above. The extra roles are:

- (a) To forestall the complete miasma which is engulfing the Christian identity in the face of the ongoing fundamental metamorphosis. The Anglican Church is interested in maintaining the Christian Identity.
- (b) Anglican University endeavours to keep the Humanities and Sciences human. As the society drifts towards mechanistic and reductive models, Anglican universities, try to ensure that the question who is a human being is asked at all levels.
- (c) Universities train the intelligence in argument and honesty. With this people can engage in public debates.
- (d) The Anglican church seeks to bear a more effective witness in an increasingly educated society (Garner, accessed 2018).
- (e) The Anglican Church in Uganda established primary schools, secondary schools, colleges and offered higher education in some of these institutions. For example, at Bishop Tucker Theological College degree programmes were offered even before that institution was transformed into the current Uganda Christian University.

- (f) The society is becoming increasingly educated. To effectively minister to such society, the church needs to be involved in higher education.

In view of the above reason it is appropriate to infer that there is justification of the Anglican Christianity participating in Higher Education especially at university level. One way of taking part is by establishing institutions of higher learning especially universities.

PART II

Concept of Corporate Governance

The term corporate governance has attracted many definitions. Several authors have described it in a number of ways. For instance, Mathiesen (2002) argued that "corporate governance was a field of economics that investigated how to secure or motivate efficient management of corporations by the use of incentive mechanisms like contracts, organizational designs and legislation". The emphasis here is placed on the financial performance like corporate owners motivating so that corporate managers deliver a competitive rate of return. Others did not agree entirely with above view. So, they described corporate governance as "the promotion of corporate fairness, transparency and accountability" (Wolfensohn, 1999). The three are important values for any organisation or institution like a university. However, the central function of corporate governance seems to have been captured effectively by the Organisation of Economic Co-operation and Development which defined corporate governance as "the system by which business corporations are directed and controlled. The corporate governance structure specifies the distribution of rights and responsibilities among different participants in the corporation, such as the board, managers, shareholders and other stakeholders, and spells out the rules and procedures through which the company objectives are set and the means of attaining those objectives and motoring performance" (OECD, 1999). Directing and controlling the organisation are the primary obligations of corporate governance.

From these definitions, one can easily comprehend that corporate governance is the relationship among various participants in determining the direction and performance of corporations. The primary participants are (a) the shareholders; (b) the management; (c) the board of directors. The

secondary participants may include employees, customers, suppliers, creditors, and the community. In the Ugandan Anglican founded University setting these are Trustees, Council, and Management. These exist to direct and control the University activities.

Every institution of higher learning, universities inclusive, endeavours to fulfil its vision and mission. If that is to happen successfully, it needs three categories of people: the providers of capital, the formulators of policies, and the implementers of policies and programmes. These are stated as follows:

Table 1 Corporate governance

<i>Activities</i>	<i>Category</i>	<i>Roles</i>
Providers of capital	Shareholders	Ownership
Formulators of policies	Directors	Supervisors
Implementers of policies and programmes	Management	Implementation

The above categories of the participants in corporate governance can apply to all sorts of organisations and institutions. In business enterprises the nomenclature of Shareholders, Directors and Management is employed. In academic institutions the nomenclature usually changes. For examples those who stand in for the shareholders may be referred to as Trustees, those who formulate policies and supervise implementers are described as Council members, and Management may still be management.

The roles of the key participants in corporate governance

As already stated above, there are three primary participants who are shareholders, directors and management. These play the role of ownership, monitoring and performance.

Shareholder’s role: shareholders are often regarded to be the owners of a corporation. Ownership of property involves four main elements: (i) the right to use; (ii) the right to regulate anyone’s else’s use; (iii) the right to transfer rights to property on whatever terms one wishes; and (iv) to ensure that the use of property will not hurt others. Ownership therefore is a combination of rights and responsibilities with respect to a specific property. In some cases, those rights and responsibilities are more clearly defined than in others.

Shareholders or stockholders are deemed to own the company in which they invest. However, stock does not translate into specified segments of the university's assets, at least not unless the university has been dissolved something is left over and after the creditors taking what is owed. Therefore, shareholders have limited liability, limiting their responsibility to prevent or redress the university's wrongs.

Ownership has a long pedigree. In every society, the ownership of property has been a major pre-occupation. However, the debate has usually been between individuals versus community; individuals versus family; individuals versus state; and groups versus groups.

In Uganda under Nakivubo pronouncements in 1969, Government took over much of the ownership of companies in the country. Government was the major shareholder. The cardinal focus underpinning the move, just like John Locke (Stanford, 2016) and Adam Smith (tr.2015) had contended centuries earlier, was to contribute to the common good that is the well-being of society. In the recent past, the propensity towards government ownership has been reversed by the policies of liberalization and privatization, which are the overarching economic philosophy of Uganda. Whereas in the wake of gaining political independence it was thought the state had to spearhead development and enable the citizens get rid of the cardinal enemies of disease, ignorance, illiteracy and poverty; currently the concern is about economic development through foreign investments. This is yet an economic experiment whose results could not be ascertained before the dust and the hullabaloo settled.

Education is also seen through economic lenses which is a challenge to universities in Uganda.

PART III

Law and Governance of Universities In Uganda

The law concerning specifically higher education was formulated and promulgated in 2001. Soon after, the National Council for Higher Education (NCHE) was established to execute the roles of regulation as stipulated in the law. Since 2001 the NCHE has actively regulated the establishment of universities and other tertiary institutions in the country. It has given

accreditation to academic programmes of the individual universities in the country. Furthermore, it regularly carries out inspection of institutions of higher learning with the aim of ensuring that quality standards are maintained.

All universities in the country come into the purview of NCHE. The corporate governance of each university is particularly important because the long-term life of a university usually rests on how firmly it is set up.

Corporate Governance and the Law of Higher Education in Uganda

The law that concerns the university education in Uganda is the *Universities and Other Tertiary Institutions Act of 2001*. This law provides as follows:

- (i) Names of the proprietors of a university be given to NCHE (UOTIA, 100 (2) (h)). This provision refers to names of those who are to shoulder the responsibility of ownership or shareholders or founders. For instance, in the case of Ndejje it is the six dioceses of Buganda, or in case of Uganda Christian University, it is the Province of the Church of Uganda.
- (ii) In Part XVII, section 107 of the *UOTIA* 2001, states that “there shall be a governing body for each Private University whose composition, powers and duties shall be specified in its Charter”. The implication of this is that each Private University must have what is commonly known as a University Council. The list of the members constituting the University Council is required to be submitted as part of the application to operate a university the country.
- (iii) The management of a Private University is not categorically stated in the *UOTIA*. However, the law provides that there shall be persons designated officers of the University (*UOTIA*, 2001: 105). Furthermore, there is a requirement for the private University to have a supreme academic body (*UOTIA*, 2001: 108 (1); and faculties, schools, institutes or centres and departments (*UOTIA*, 2001: 108 (2)).

Besides the University Council, there is a University Senate. A University is governed and managed through these two organs. This system is common in Ugandan universities regardless of whether they are public or private.

It is also worth noting that the law as assessed above, requires a public University to have the three arms of governance. These are the ones who play the role of owning, directing and implementing. Although the law provides for the functions that make up corporate governance, it does not give clear information regarding a private university. For that matter, private Universities had to adopt the governance model of public universities. This is important to note because all the Anglican Church founded universities in Uganda are Private Universities. The Anglican founded Universities need to have the model that is not only unique but also emphasises the Christian vocation of teaching people.

Universities in Uganda are still in a state of ambivalence when it comes to structures and nomenclature. The Ugandan universities' systems are rather eclectic. For example, see Table 2 below.

Table 2: The nomenclature in Ugandan Universities

A	B	C	D
	<i>USA</i>	<i>UK</i>	<i>Uganda</i>
Leadership of University	President	Vice Chancellor/ Principal	Vice Chancellor Rector
	Vice President	Deputy Vice Chancellor	Deputy Vice Chancellor
In Academic levels	Professor	Professor	Professor
	Associate Professor	Reader	Associate Professor
	Assistant professor	Senior lecturer	Senior Lecturer
Study periods	Semesters	Term	Semester

In Table 2, Ugandan Universities have adopted names from USA and UK mainly. For the top leadership of a University, the title of vice chancellor was preferred to the USA's President or German's rector. Study periods the Ugandan Universities use American title of semesters and less of the UK word of terms. Universities therefore are trying to find a firm ground.

PART IV

University Governance and Church's Education Policy

The Church of Uganda in 2016 formulated and promulgated the Church of Uganda Education Policy. This is an omnibus education policy. In that spirit it had statements on all levels of education from Kindergarten to University. Higher education has only two sections of five pages. In spite of being rather brief, the policy states that it applies to all Church of Uganda founded Universities and other Tertiary institutions. This terseness of the policy indicates the serious inadequacy of the policy.

As if the brusqueness of the Church of Uganda Education Policy was not enough, it is not clear about corporate governance. It is stated that there shall be a Commission for Higher Education. This Commission was to be comprised of:

- (a) A chairperson (nominated by Archbishop and appointed by Provincial Assembly)
- (b) Two representatives of the vice chancellors of C O U universities
- (c) One representative of the Ministry of Education Directorate of Higher Education
- (d) One representative from public universities
- (e) One representative from tertiary institutions
- (f) One representative from Bishop Tucker School of Divinity
- (g) Provincial Education Co-ordinator as ex officio

All the members of the Commission have to belong to the Anglican faith (*Church of Uganda Education Policy, 2016 pp: 26 – 31*).

Having an education policy in place is welcome development. However, there are some gaps in the policy which render its contribution to corporate governance of church founded universities rather weak. The gaps are addressed later on in this paper.

The objectives of the *COU Education Policy* (a) to establish and develop a system of governing its institutions of higher education; (b) to regulate and guide the establishment of those institutions; and (c) to ensure quality and research in the institutions. To achieve these objectives, the COU appointed a Commission for Higher Education and charged it to promote mission,

vision and objectives of higher education; to set rules and guidelines for establishing, operating disestablishing institutions of higher learning.

The Commission for Higher Education to “ensure that Church participates in governance of higher education” (*COU Education Policy, 2016: 27*). The reference to Church which is rather general. The generality makes effectiveness elusive. The arrangement may have worked for Uganda Christian University but not for all Anglican Church founded universities.

PART V

Governance of Anglican Universities in Uganda

The Universities that were founded by the dioceses of the Anglican Church in Uganda were as indicted in the table below:

Table 3 Universities founded by Anglican dioceses in Uganda

	<i>University</i>	<i>Beginning date</i>	<i>Founder</i>
1	Ndejje University	1992	Anglican dioceses in Buganda
2	Uganda Christian University	1997	Church of Uganda
3	Busoga University	1999	Busoga Diocese
4	Bishop Stuart University	2003	East Ankole Diocese
5	West Ankole Diocese	2005	West Ankole Diocese
6	All Saints University Lango	2008	Diocese of Lango

It is clearly noted that there are currently six Anglican related universities in Uganda. Some of these Universities have campuses in various parts of the country. The implication of this is that the Anglican Church in Uganda has played a big role in promoting higher education in the country.

The fact that the above universities were established by the Anglican dioceses in Uganda, it meant that the Province and the dioceses had a strong say in the corporate governance of each University. For instance, for Uganda Christian University, it became a fiat accompli, for the Archbishop of the Church of Uganda to assume the roles of a chancellor. For the remaining five universities the chancellors are diocesan bishops except Ndejje University. This exceptionality of Ndejje probably arises from the fact that that

particular University was by a consortium of West Buganda diocese, Namirembe diocese, Mukono diocese, Mityana diocese and Luwero diocese. It was deemed plausible to elect a chancellor from people who were not Bishops. This consideration may explain why Dr Stephen of Daystar University was chancellor and currently, that is, in 2018, Dr Wilberforce Kisamba Mugerwa is the Chancellor of Ndejje. Otherwise the rest of the Universities have bishops as their chancellors. These are:

- (a) Diocesan Bishop West Buganda University
- (b) Diocesan Bishop Bishop Stuart University
- (c) Diocesan Bishop All Saints University Lango
- (d) Diocesan Bishop Busoga University
- (e) Archbishop Uganda Christian University
- (f) Lay Anglican Ndejje University

The role of a chancellor of University involves several activities:

It is an established practice that a university has to have chancellor. This officer plays the role of a ceremonial head of the university. The executive head is the vice chancellor. This implies that in the Anglican Universities in Uganda chancellors have no governance role. They are titular head of universities. So, all the Bishops who serve as chancellor have little to contribute to the governance of the Universities. Without another body representing the owners, the corporate governance of the universities apart from Ndejje where there is a Board of Trustees.

In other commonwealth countries like Australia and New Zealand a chancellor besides the ceremonial duties also chairs the University's governing body. In Ugandan case the governing body is the council.

Universities have different reasons for appointing particular individuals as chancellors of the Universities. In the UK such people would be drawn from business or judiciary because the body could be appealed to and resolve disputes. In India a person appointed as governor of a state acts chancellor.

The chancellor in Anglican founded universities in Uganda play the following functions:

- (a) Be visitor to the university
- (b) Preside over all ceremonial assemblies of the university

- (c) Confer degrees and other academic titles at the university
- (d) As a visitor he appoints a visitation committee to assess a university
- (e) To promote the image of the university locally and internationally
- (f) Assist in mobilising resources for the University

The above roles place the chancellor above the managerial functions in a university. Rather it is corporate image and influence where chancellors are expected to do very well in the name of the university. The chancellors of the universities play an important role in the life of a university.

In Ugandan setting the corporate governance of Universities requires the following bodies to be place. The owners of the institution. These sometimes are comprised of Board of Trustees especially when a University is set up and registered as a not-for-profit institution. The owners provide especially the initial capital. In case of the above universities, the Anglican dioceses of the Church of Uganda provided land and buildings that the universities used to open doors to students. Besides the provision of capital, the owners create a vision which informs the strategic plans of the University. As Anglican universities, there is always some endeavour to ensure that some Christian ethos are imbibed by those who work and study in the University.

Ownership of Universities in Uganda fall within the following categories:

- (1) *Government or public universities*. These include universities like:
 - (i) Makerere University
 - (ii) Mbarara University of Science and Technology
 - (iii) Kyambogo University
 - (iv) Gulu University
 - (v) Lira University
 - (vi) Kabale University
 - (vii) Busitema University
 - (viii) Mountains of the Moon
 - (ix) Muni University
 - (x) Soroti University
- (2) *Community Universities*. These include:
 - (i) Nkumba University
 - (ii) Mutesa I Royal University
 - (iii) African Rural University for Women

(3) *Investors in education.* These include:

- (i) Kampala International University
- (ii) Kampala University
- (iii) Livingstone University
- (iv) International University of East Africa
- (v) Victoria University
- (vi) Cavendish University
- (vii) ISBAT University
- (viii) Team University
- (ix) St Lawrence University

(4) *Religious founded universities.* These include:

- (i) Uganda Christian University Anglican
- (ii) Bugema University Seventh Day Adventist
- (iii) Islamic University in Uganda Islamic
- (iv) Ndejje University Anglican
- (v) Bishop Stuart University Anglican
- (vi) Kumi University Presbyterian
- (vii) West Ankole University Anglican
- (viii) All Saints University Lango Anglican
- (ix) Busoga University Anglican
- (x) Uganda Martyrs University Catholic
- (xi) The Pentecostal University Pentecostal
- (xii) African Bible University Presbyterian

There are more other universities which are emerging but the above have been mentioned for illustration purposes.

The function of university councils

The function of directing the university is entrusted to the directors. In case of the Anglican Universities in Uganda, those with such responsibilities are known University Council. The composition of the university council based on representation of different categories of the university's stakeholders. These include: (a) alumni associations; (b) government's ministry of education; (c) the public or community; (d) staff associations; (e) current students' body; (f) university senate; (g) university management; (h) secondary schools; (i) other university; (j) etc.

Table 8: Size of University Councils

	<i>University</i>	<i>Council members</i>	<i>Current vice chancellor</i>
1	Ndejje University		Professor Eriabu Lugujo
2	Uganda Christian University	34	Revd Can. Dr John Senyonyi
3	Busoga University	12	Professor David Lamech Kibikyo
4	Bishop Stuart University		Professor Mauda M. Kamatenesi
5	West Ankole Diocese	17	Dr Mesharch Katusiimeh
6	All Saints University Lango		

Their legal obligations as noted by Colley, Doyle, Logan & Stettinius (2003) include:

(a) The fiduciary duty`

The fiduciary duty of the member of the university council refers generally to being trustworthy in acting in the best interest of those whom the council member represents. For that matter a member of university is a fiduciary who ought to take care of university finances and other assets in a prudent manner.

(b) The duty of loyalty

Under the duty of loyalty, a member of the university council has to ensure that the interests of the university are above those of the member. This implies that conflict of interest is not acceptable. When the two interests meet, the council member is supposed to let the university interests supersede the personal ones. The council member is also required to uphold transparency in all the formal dealings of the university.

(c) The duty of fair dealing

Since members of a university council often make decisions of all sorts, the duty of fair dealing presumes that each member will exercise the principle of impartiality. When impartiality is upheld, it means that the member of council will have handled the matter in a fair were.

(d) The duty of care

The duty of care is considered to be a legal obligation which imposes a demand on an individual member the requirement to adhere to the set

standards. It follows therefore that when formulating university policies and procedures. Furthermore, council members are supposed to tolerate laziness or negligence.

(e) The duty not to entrench

The duty to entrench means that council members have a responsibility of ensuring that all the duties of the fiduciary has taken care of. All the duties of the council members ought to be fully entrenched, that is, to be well understood and complied.

(f) The duty of supervision

The council members play the role of supervision of the management. Council members appoint staff of all categories in a university. This is important because without it the university. The above duties are critical for the University council.

Part IV

Challenges for Anglican Universities in Uganda

Universities in Uganda have a number of challenges they are grappling with minimal success. These challenges include (i) the decreasing enrolment; (ii) Funding gaps; (iii) Competition among universities; (iv) Meagre remuneration;

Challenges of governance and sustainability

(i) *Decreasing enrolment of students:* Student enrolment is a challenge for universities in the country especially the private ones. Whereas in the early 2000s the number of students in universities were growing steadily. Even the number of international students especially those from neighbouring countries like Kenya, Rwanda, South Sudan and Tanzania was high (Kawesa Sengendo, 2012; Kasozi, 2010). However, in the 2010s the number enrolling at universities have been decreasingly noticeably. Private universities including those founded by the Anglican Church. The decrease in enrolment implied losing a competitive edge in the region not necessary due to inferior quality as adumbrated by Kasozi in 2010. Rather there were several reasons including policies of neighbouring countries like Kenya and Rwanda which used to send its nationals to study in Uganda.

The national programme on practical skills for employment. In a way this programme was popularised at the expense of university education in the country. In bid to promote the skilling programme, government borrowed heavily as indicated in table 8.

Table 8: The Funds Uganda borrowed to promote skilling programme

	<i>Loan or grant giver</i>	<i>\$ in million</i>
1	ADB	150.0
2	Koreans	26.8
3	OPEC funds for international development	22.95
4	Islamic Development Bank	27.91
5	Saudi fund for development	12.0
6	Arab Bank for Economic Development in Africa	5.0
7	Kuwait Fund for Arab Economic Development	11.9
8	World Bank	124.0
9	Irish Aid	7.28
10	Belgium Development Agency	6.1
	Total	394

Source: Kwesiga & Masaba, 2018

Most donor institutions and countries prefer to give to or lend to government institutions and not private ones. For that reason, it will be rather hard for Church universities to get substantial funding from church institutions. The donors may also compromise your Anglican teaching. There was a case of donor who withdrew funding to a university because Uganda had a law that prohibited same sex marriage. So, conditionalities especially those that are contrary to Anglican theology, can make it hard to access all possible funding.

Furthermore, it was observed that in spite of the colossal expenses on vocational training institutions, targets were not met. Those who joined these vocational institutes dropped out in alarming percentages. “The institutions of Iganga, Rukungiri, Kitovu, Nakapiripirit, and Kisubi experienced dropout rates of around 20%. Consequently, the 10 – year Skilling Uganda strategic plan which was supposed to produce 450,000 technicians every year, was able to turn out less than 200,000. It is assumed that there is a general lack of interest in education. Young people prefer to

go abroad and do some menial jobs to studying. This theory may explain why students are not filling up universities nor vocational institutions. It is as a challenge for Anglican universities as it is for other categories of educational institutions.

The number of students of in Anglican founded universities is rather low as can be noticed from Table 5. All the 6 universities have less than 30,000 students in total.

Table 9 number of students in Anglican founded Universities

	<i>University</i>	<i>Year</i>	<i>Number of students</i>
1	Ndejje	2014	5000
2	Bishop Stuart	2010	3000
3	Busoga	2007	2500
4	Uganda Christian	2011	10,000
5	All Saints Lango	2010	300
6	Ankole Western	2016	800
Total			21600

Source: institutional websites

For universities that depend largely on students' tuition to meet its financial obligations, the student enrolment is rather low. Although the figures are several years old, there is no guarantee that the number have appreciated drastically. It is a challenge to register a big enrolment of students each intake. The solution to this challenge universities have tried to create campuses in various parts of the country. This render effective management an attendant challenge.

(ii) *Funding gaps*: Almost all Anglican founded universities in Uganda face the challenge of meagre funding. Since all these universities are private universities they are dependent mainly on the tuition fees as pointed out earlier.

The funding for University education has reduced tremendously in Uganda. Before the 1990s students who joined the university did not pay any money instead they would be given some money to cater for their transport. Accommodation, feeding books were given free of charge. In the recent years every student at the university has to pay. Even those on government

sponsorship also pay. The scaling down of funding university education is serious challenge. When students are told to be pay up, they go on strike arguing that they are poor and come from poor families. Yet universities are required to put in place the highest quality standard possible. Government can't pay, families can't and Church can't pay.

To provide quality education one needs to invest substantial amount of money in the University. This coterminous with the principle that the higher the cost the better the quality of education (Mendehall, 2012). This principle is associated with the term harvardisation. Some dissenting voices contend that harvardisation of university education is ruinous (Taylor, 2012). In 2013 the government of Uganda barred at least public universities to increase fees (Namutebi, 2013). Given such a situation it became extremely difficult for universities public and private to raise to a level of satisfying the unit cost of education.

Review of tuition is still hard for most universities in the country. The cost of educating an individual is much more than what students pay in universities. In another research conducted in 2015, academic registrars and admission officers contended that building university reputation costs a lot of money on facilities, staffing, research, publicity and staffing (Mande & Nakayita, 2015). Without good amount of money spent on those items, the ranking of Ugandan universities will remain low.

(iii) *Competition among universities.* The preponderant increase of universities in the country has contributed to intense competition among universities for students and resources. At the time when Ndejje university was established in 1992, there was only private University, the Islamic University in Uganda (IUIU). Most of the universities have been established in the last 25 years. By 2018 there are more 50 universities in Uganda. Consequently, competition intensified for staff and others things. Similarly, vocational institutions have also been established in big numbers to cause more competition for the available students who pass 'A' levels well enough to join further education.

(iv) *Meagre remuneration.* It has been observed that academic staff earn meagre salaries (Asiimwe & Steyn, 2013). On average salaries range between UGX1,000,000 and 2,000,000. This is rather low especially when it is gross

pay. As if to make worse matters worst there is the problem is high taxation. For instance, the Pay As You Earn (PAYE) takes 30%. The consequence of this is for the academics to resort to lecturing in several institutions. This is phenomenon is generally known as moonlighting. Since the light from the moon is never full light, it also means that academics do not give full lecturing and mentoring their students because they have to move on to the next university to teach or to carry out academic management.

The issue of meagre remuneration in private universities can be noted vividly when the salaries are compared with those of public universities. Table 6 shows the salaries of academic staff in public universities and how they have been enhanced between 2016 and 2018.

Table 10: Salary rate for academics in Public Universities

Position	2016 / 2017 FY	2017 / 2018 FY
Vice Chancellor	10,626,364	10,420,783
Deputy vice chancellor	8,377,961	8,983,786
Professor	8,031,761	8,487,707
Associate Professor	7,537,144	7,965,011
Senior Lecturer	6,781,147	7,166,097
Lecturer	6,156,020	6,505,484
Teaching Assistant	4,043,083	4,272,600

Source: Circular standing instruction No.5 of 2017.

The above pay rates were to take effect on the 1st of July 2017. However, it is worth to note that in spite of the fact that government enhanced the salaries of academics, the pay rates were still below what other East African countries paid. For instance, in dollar currency, Uganda pays \$2425, yet in Rwanda a professor is paid \$4,900; in Tanzania the same staff is paid \$3,200. It is only in Kenya where the pay for the professor is around \$2,200 (Nakkazi, 2015).

Even though the above pay rates are relatively low in the East African region, they are way above the rates pay in most private universities.

It is important to realise that whereas in public universities there may be extra pay arising out of the contribution of private students, in private universities that arrangement is not common.

Whereas government have raised the salary scales in public universities, the private universities, where most Anglican founded universities belong, have not been able to raise the salaries of their academic staff.

(v) *Unemployment of university graduates*

The litany of unemployment is well engrained in people minds in this country. University education is always castigated for producing graduates who lack skills which employers want. Incidentally no one tell the universities what skills are needed. Others prefer employees from neighbouring countries even if they those foreigners studied in Ugandan universities they will still be preferred.

Table 11 Unemployment of young people including graduates

Year	Rate of unemployed young people including graduates	National average	Total labour force in millions
2013	3.11	1.91	16.01
2014	3.27	1.91	16.59
2015	3.74	2.15	17.22
2016	4.01	2.28	17.87
2017	4.00	2.30	15.84

Source: *The global economy indicators.com 2017*

The university graduates constitute 36% of the youth unemployment rate (UBOS, 2014). The challenge is that unemployment of young people is partly blamed on university education (Museveni 2016). It is often stated and wrongly that universities teach irrelevant programmes that is why graduates do not get jobs. This raises two fundamental issues. One, confusing education with jobs. Education is necessary in its own rights regardless of the available jobs at a particular time. Two, there is no human resource plan for the country. The last manpower plan for Uganda I have seen was drafted in 1967. This implies that we don't know how many jobs exist and in what sectors. No demand note has ever been given to universities stating the kind of professionals the sectors need.

Given the above challenges, it is important that the Anglican Church founded universities in the country review their approaches to corporate governance. The next section on the best practices of corporate governance indicates that more can be done.

The best practices in University governance

Some of the best corporate governance practices for universities include the following:

- (a) *Composition of the university council:* The majority of the members comprising the Board should be non-executive board members. The University council usually has a composition based on constituencies of alumni, senate, students body, staff association, secondary schools, general public, ministry of education and sports, the foundation board.

The above composition of the university council appears to be a best practice because takes into account all the interests of key groups of stakeholders. However, this difficulty with this approach is that it does not consider competences it only focuses on group interests. It is important to have a council member who has competence to handle some of the university level issues. If members can have both the requisite competences and represent some interests the better.

- (b) *Giving members a code of conduct:* There being a code of conduct for all members in the University. This is lacking in most of the Universities. Sometimes nepotism creeps into the governance. Other times decision making gets blurred. All these may happen if there is not code of conduct for the participants in corporate governance.

A corporate code of conduct serves as a tool that outlines responsibilities members have towards stakeholders and requires each person to comply (Arrigo, 2006). A code covers practically every aspect of the corporate governance role and responsibilities.

- (c) *Accurate accountability.:* In a country that is rife with corruption, accurate and timely accountability is absolutely necessary. It wins confidence from the founders and donors. It is also in line with the Christian teaching on stewardship.

Anglican universities should not stop at generating accurate accountability. They need to add some effective risk management. This requires Universities to regularly identify and evaluate the risks they face. The risks universities encounter fall in the categories of finance, operations, environment, legal and ethics. The University council must develop mechanism of handling risks even proactively.

- (d) *Effective communication*: This is the type of communication which avoids silo effect. It goes in both ways, that is top down and bottom up. It is one which is timely.

Effective corporate governance communication is needed because it helped to promote transparency and accountability.

- (e) *Risk management principles*: Universities would do well to put in place good risk management principles. This is better done by instituting a committee solely responsible for handling risk management issues. At least this should be the first step in the process of managing risks of a university.

- (f) *Evaluation of corporate governance performance*: Effective corporate governance is one where members evaluate their performance every season which may a year. This is sine qua non because if the members have diverse skills, experiences and competences which they bring to the university, there should be evaluation on how each contributed to the attainment of the targets which they must have set initially for themselves.

Most those who constitute corporate governance in the Anglican universities in Uganda do not have arrangement nor tools to evaluate their performance. Best corporate governance for the university demands that the members assess their performance.

The above practices of corporate governance are suitable for Anglican Church founded universities because they are conterminous with the biblical teaching which the church strives to uphold.

PART IV

The Bureaucratic Model of Corporate Governance

In this section it is argued that model of governance that the university adopts significantly explains the performance of the institution. The model which is associated with the current status is bureaucratic model.

The current bureaucratic model of governance in Universities

The model of governance that one would not miss if he visited any of the Universities in Uganda will be the bureaucratic model.

This model has been described as one where networks of social groups are dedicated to limited goals, organised for maximum efficiency, and regulated according to the principle of legal-rationality. It is structure which is hierarchical and welded together by systems of communication (Victor, 1971). The bureaucratic elements in the university include the following: (i) university is chartered by the government;

- (ii) the university is a formal hierarchy with offices and a set of bylaws that specify the workings of the offices. There are professors, associate professors, senior lecturers, lecturers, or chancellor, vice chancellor, deputy vice chancellors, deans and heads of department;
- (iv) there are formal channels of communication which are adhered to tenaciously. For instance, the students' results are communicated through department heads, faculty or school boards, and thereafter to senate for final approval;
- (v) as a bureaucracy, a university has relationships whereby some people give orders, approval, authorisations, and the like to others;
- (vi) there are rules, policies, procedures, and committees that hold the university together. These relate to every university activity;
- (vii) the operations of the university are bureaucratic. That is, every major activity has to have records kept, registration and several approvals. Some activities to be accomplished, formal functions have to be organised. Even the routine activities are also treated bureaucratically.

At the beginning of the 21st century, that is in the last two decades, Ugandan society has developed a culture of litigation. It is very easy for people to sue. Several court cases have been settled in favour of those who accuse universities of one thing or other. With such development, bureaucracy taking its toll on people in the universities.

Take the case where student leader, appointed his own guild government ministers. He did not satisfy the students in the way he handled the guild finances. So, his own guild government censored him. He did not even

report to the University Administration instead he went to high court and sued the university for not protecting him. The court ruled that the university was guilty of failing to protect him from his own government. The university was ordered to pay UGX100million. After that incident, the university concerned decided to have the guild constitution revised so that the students' government actions have to be authenticated by the university administration. However, the students objected to the revision of the constitution. That meant there is intensifying bureaucracy in all Ugandan universities without exception.

Lessons learnt so far about Anglican University governance

- (a) Dioceses have established their own universities.
- (b) The diocesan bishop is also the chancellor of the university
- (c) The diocesan bishop is the chair of the university's board of trustees
- (d) There are challenges which need to be tackled head on
- (e) Society is increasingly litigious
- (f) Limited funding is big challenge
- (g) Engaging in a multi-faith environment is making the Anglican founded universities to slide to a penumbra of secularism.

PART V

Consortium Governance of Universities

As a way forward, this paper proposes that a consortium corporate governance be adopted for the Anglican Universities in Uganda. Consortium corporate governance is the model that brings together chairs of board, chairs of council and vice chancellors.

This model requires each Anglican University to send three representatives to the consortium meeting. The three members: the chair of the board of trustees for each university, the chair of the university council, and the vice chancellor would form a body or Commission of 18 members and chaired by the Archbishop or any other person delegated by the Archbishop. Another 5 members like the Dean of the Province, the government commissioner for higher education, and other eminent Anglican educationists. What is currently the Church of Uganda Department of

Education acts as the Secretariat? So, a Provincial Education Co-ordinator automatically becomes the Secretary.

The consortium governance model is different from the collegial system like ones at Oxford and Cambridge universities in the UK. In collegial system each constituent college has equal authority to participate in decisions which are binding on each of them (Bush, 1994:38).

The consortium governance model would promote the following functions:

- (a) United approach to implementation of the Anglican education policies. This also implies formulating a comprehensive higher education policy for the Church of Uganda. The current four-page policy on higher education can only be referred to as a summary.
- (b) Mobilise funds for the existing universities. It is easier to mobilise funds from Church of Uganda wide than doing so at University level.

Mobilising funds internally and in foreign places require a credible institution behind the drive.

- (c) Sharing resources is possible under the consortium governance model. This may include library resources, research co-operation and funding; staff development; external examiners and expertise.
- (d) Develop the niches. It is important for each University to known as the most excellent university in some area of higher education. The resources which for such could be directed to that university. This would also reduce unnecessary competition among these sister universities.
- (e) Lobbying government and other bodies over education policy matters. If the universities of the Church of Uganda acted together they would have a stronger voice than when a single university acted lobbied unilaterally.
- (i) Create joint programmes and projects. Whether in the area of academic standards, staffing, or assessment of the performance in a particular university, and many more could be negotiated through the consortium governance model

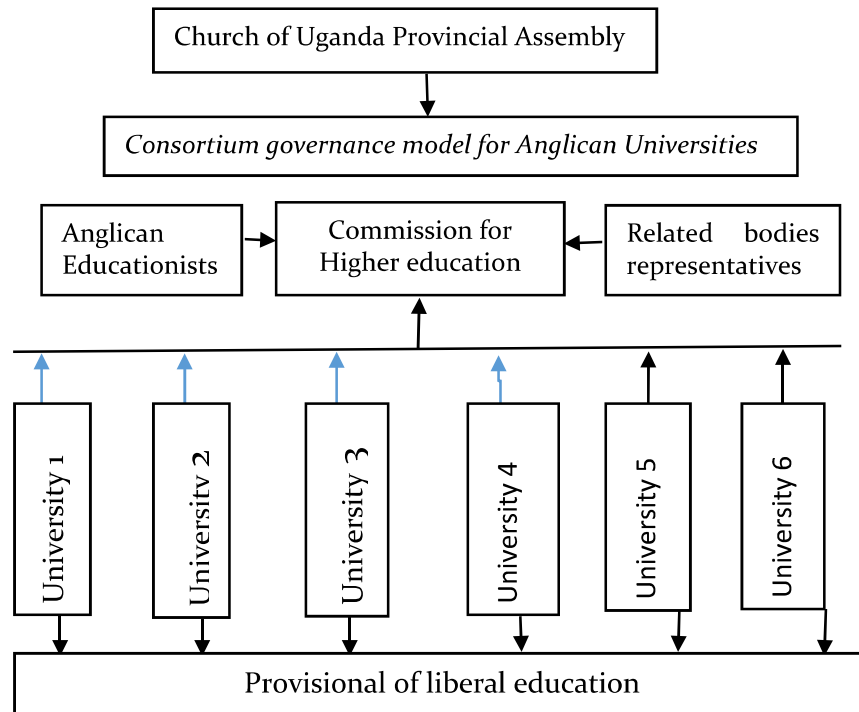
The implications the consortium governance model for universities are: one, the theological training should be offered separately from these secularised universities. Training for the ordained ministry is most appropriate in a theological college or seminary. For that reason, it is appropriate to recommend that an institution like Namugongo Martyrs Seminary becomes the main venue for training men and women for ordained ministry.

Separation of the theological training from university training arises basically out of the philosophical approaches to the term truth in education. Universities ride on the liberal philosophy of education. At first there was religious education. The truth was to be found in the fear of the Lord, hence the mottos of the old universities. In the Old Testament, there is an understanding that God revealed nature and purpose through the history of Israel. As such, education was not only about learning in an academic manner but rather to live according the primary principles of natural law (Aquinas in *Suma Theologica*) or living as people God (Wright, 2004). Religious education emphasised the learners being inducted into an identity and a series of moral commitments (Sack, 1997; Ceetham, 2016). The religious education where training for ordained ministry falls, is grounded in revealed truth human nature, its origin and its destiny.

The 18th century brought with it an intellectual and scientific movement popularly known as enlightenment. This movement emphasised empirical observation and human reason as the only reliable road to knowledge. In a way this criticised the education that had been dominated by the church because it had focused on convention and tradition.

Up to the 21st century, the liberal philosophy of education is dominant in our universities. Where the emphasis is on empirical scientific methods, use of human reason, freedom of individuals to make personal choices about life, and morality being acceptable if conforms to human rights. Religion therefore is a private matter which should not be basis of decisions in an institution of higher learning like a university.

The structure of the consortium governance model for universities



Conclusion

This paper set out to examine the issue of corporate governance for the Universities founded by the Anglican Church in Uganda. It has pointed the fact that Anglican Church in compliance with the great commission of our Lord Jesus Christ, embarked on education ministry. This was intended to promote the principles of living as people of God. In establishing Universities, the church has not been well co-ordinated. This may explain why some church founded universities collapsed and others are weak. To improve the Church of Uganda’s approach to higher education, two propositions have been made. One, that a consortium corporate governance be adopted. Two, that theological training be separated from the university where liberal education is offered.

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Two questions:

1. Adopting the consortium governance model.
2. Archbishop at the level of the Provincial Assembly. Archbishop should not chair a Board of Trustees of a University. He should chair.