

Inaugural Address by Dr John Hood, 5 October 2004

I stand before you acutely conscious of the trust and confidence Oxford University's Council, and you, its Congregation, have placed in me, through the invitation to serve you and the University as Vice-Chancellor. Having recently returned to Oxford from New Zealand, some twenty-six years after graduating, I am honoured to be assuming this most challenging and intriguing of roles. Following so many illustrious and distinguished predecessors to the office of Vice-Chancellor is both a daunting and an exciting prospect. In spite of having followed an unconventional path back, you may be assured my passion for the value and values of academia, and for the history, mission and future of this University, has remained undiminished.

In one sense, my fate in becoming a vice-chancellor at all may have been sealed when I was interviewed for the Rhodes Scholarship that first brought me to Oxford. The then Vice-Chancellor of the University of Auckland, Colin (later Sir Colin) Maiden, himself an Auckland and Oxford graduate, prophetically remarked that a second postgraduate degree, in a new discipline, would eventually leave me conditioned for just one job: a vice-chancellor.

I have been aware of the University of Oxford since I was young. Sequential neighbours were returned Rhodes Scholars - Professors Cliff Dalton and Gordon Bogle. They served as Deans of Engineering at the University of Auckland. The links between the two institutions, Oxford and Auckland, have been profound. The redoubtable Dr Jowett had been influential in the early professorial appointments to the Auckland academy. Many were Oxford graduates. By the mid-twentieth century, the University of Auckland was reportedly described as an outpost of Merton College, so obvious in the affairs of the institution had Merton's alumni become.

Over the years, New Zealanders have made notable contributions to Oxford's fortunes. Sir Edgar Williams, of whom my memories are fond, coined the term mafia to describe the network of New Zealanders whom he observed. The English language branch of that mafia has been described thus: '(The mafia) begins with the philologist Pip Arden (an Auckland and Oxford graduate). Arden is followed by Sisam, his star pupil at Auckland University College. Pip Arden was the progenitor. Arden begat Sisam, who begat Bennett and Mulgan, who begat Davin who begat Costello and Davis and Horsman and Burchfield, then came (though untouched by Arden) Duncan Stewart and J. B. Trapp who begat Douglas Gray and Don McKenzie who came to Oxford in 1986 to maintain the succession and died at the counter of the Library in 1999. Don McKenzie ... was the last in a direct line from Arden descending for nearly a century.'¹ Today, I pay my respects to all the New Zealanders who have gone before and to those who are current members of Congregation.

May I acknowledge too my former University of Auckland colleagues who have travelled to Oxford for this ceremony, especially University Kaumatua Emeritus Professor Sir Hugh Kawharu, University Kuia Dr Merimeri Penfold, and Pro-Vice-Chancellor Distinguished Professor Dame Anne Salmond.

¹ McNeish, J. (2003) *Dance of the Peacocks*, Vintage, New Zealand, p. 356.

Ki te whaeo ki te ao marama

Ko nga maunga

Ko nga awa

Ko nga iwi o tenei rohe

E karanga atu ki a koutou ... nga morehu ... nga tihi o te matauranga ...

Ta Hugh me nga Whaea o mutu Merimeri raua ko Dame Ani

Tena koutou, tena koutou, tena koutou katoa, ara Ngati Whatua whanui.

Into the world of light: the hills of this region, the rivers of this region, the many people of this region, they all greet you in unison, you who are the keepers of knowledge - Sir Hugh, Dr Merimeri (Penfold), Dame Anne. I too greet you and all whom you represent, especially the people of Ngati Whatua.

Few would dispute the claim that this University is a great institution. Its scholars and graduates, scholarship and research have been an unparalleled, civilising force through the centuries, not only in this country, but also across the world. Unsurprisingly, the lens through which I have more recently looked in, from outside, is not yet finely polished nor fully focused. Each of you, members and friends of the University, in time and in your own ways, will doubtless play roles in its refinement. Already, I am indebted to so many for so willingly sharing their perspectives. My predecessor, Sir Colin Lucas, whose unique and successful term we celebrate today, has been a wise and generous tutor. Internationally and locally, his leadership is deeply respected and his achievements admired. I am especially grateful for his guidance.

What I have seen through this lens is a University clear about its values and its mission. That mission commits the members of the University: ‘... to achieve and sustain excellence in every area of its teaching and research, maintaining and developing its historical position as a world-class university, and enriching the international, national, and regional communities through the fruits of its research and the skills of its graduates’. On closer examination, I see much more: a federal, collegial enterprise; an interweaving of strong academic divisions, broad in their disciplinary spans, and colleges, intimate and diverse; a matrix-like enterprise that has threaded through its fabric rich academic resources, essential academic services, and entrepreneurial commercial activities that enjoy dynamic engagement with the world.

I recognise too that the special features of the university’s organisation are also its strengths, as long as they continue to meet the singular standard - *excellence* - prescribed by the University’s mission statement. The rub of the fibres in the underlying matrix fosters creative tensions and vigorous debate. As a result the institution has evolved robustly, while its spirit of innovation has remained vibrant. Colleges, with their more intimate scale, established facilities and interdisciplinary environments, provide enriching scholarly learning and life experiences for students and scholars alike. For both groups, the experience is enhanced by participation in Oxford’s distinctive tutorial system.

I observe other important features of Oxford today. The academic resources contained in the University’s museums and libraries, many accumulated over centuries, are global scholastic

treasures; as are the advanced laboratories and their related research facilities. Joint appointments, peculiar to Oxford, have contributed to the research strengths and postgraduate programmes of the academic units, to the undergraduate teaching of colleges, and to the collegial governance of both. Following the recent governance changes, an emerging organisational strength is the responsibility the divisions have for the strategic development of the University's academic units, a responsibility correctly supported by devolution of intra-divisional funding decisions.

When I turn my lens to the environment external to the University, I see a number of familiar themes, among them widening participation, research funding, and the aspiration to remain 'world class'.

Societies are anxious to encourage increasing numbers of their citizens to benefit from tertiary study and training. They are rightly concerned to ensure that all who have the potential are fairly enabled to participate. At all stages and in all respects, tertiary institutions are properly expected to treat equitably their potential and current students. Unsurprisingly, Oxford's responses to these humane objectives, to which I am strongly committed, have been carefully considered and soundly implemented.

An inevitable consequence of increasing levels of participation has been a serious thinning of the resources available to institutions in support of each student. As a result, certain tensions have developed. One of these is between educational quality and its cost. Another, related to cost, is between the proportion of the cost, or the unit of resource, to be funded by the public, and the proportion and the amount to be borne by the student as fees. Each of these tensions has complex implications, immediate and intergenerational, for individuals, families, institutions and societies. Relieving these tensions is essential to Oxford's future financial sustainability.

Another theme in the policy debates of developed nations is the role played by scholarship, research and innovation and how each might be funded. While I do not intend to rehearse the arguments here, I shall make several brief observations. There is intense global competition for the most talented scholars. Over time, an internationally eminent, research university such as Oxford will maintain and enhance its standing only by being a well-resourced, and therefore a sustainable and credible, competitor. Reputations built on the memorable successes of the past do not of themselves provide stable foundations for the future.

This raises many important and interrelated questions that bear on our future. Among them: how much public investment should be committed to research, scholarship and innovation? How should it be funded? How should research leaders and research sponsors engage in setting public research strategies? How should these strategies interface with private sector initiatives and strengths? How should institutions respond to these strategies, when many of the questions to be addressed require complex, interdisciplinary responses? How best should institutions support their eminent scholars and research groups, when trans-institutional groupings, often international in composition, are the preferred organisational response? How should major infrastructure and research training be provided and funded? And, how should universities relate to the private sector for the provision of research services and in the translation of research successes?

These complex issues are being seriously addressed in the public and commercial domains, and in this University. In this context, Oxford's achievements are impressive. Oxford scholars continue to be at the forefront of international scholarship and research. Oxford

University Press is without peer as a university press. Isis Innovation is an acknowledged leader in the management and commercialisation of intellectual property. It is therefore imperative that we continue to engage in the evolution of public policy, to be creative and innovative in our strategic responses, and to develop our resources so that we build strongly on past successes.

Many universities aspire to be ‘world class’. This university’s mission commits its members to develop its ‘historical position as a “world-class” university’. In institutional contexts, the concept ‘world class’ must be judged against the highest international standards. This demands that we are relentlessly curious about the attributes, standards, and achievements of other universities and cognate organisations. What then are the important attributes of ‘world class’ at this stage of the evolution of universities?

Few would argue that the following are among the principal attributes: the international stature of academic staff, the quality of the student body, and local and international demand for student places; the availability of scholarships in support of fair access; the quality and currency of curricula, the effectiveness of teaching and the quality of research, independently assessed; the standing of graduate programmes and their evolution; the University’s bilateral and multilateral institutional linkages, including joint graduate programmes with peer institutions; the comparative quality and the extent of institutional infrastructure, and the richness of scholarly resources; the quality of the student life, its international dimensions, and the benefits of ‘student life’ to students’ futures; the propensity of others to follow institutional innovations; the quality of institutional management and administration; the University’s attractiveness to donors and other supporters; the nature of its engagements with local and international agencies and governments; the strength of its commercialisation activities. It is the summation of these, together with Oxford’s history, the Press’s global reach, and other less tangible considerations that define the quality of the University and create the strength of the Oxford brand.

Other relevant considerations are the ways in which Oxford conceptualises itself within Britain, within Europe, and within the world. Should it see itself fundamentally as a British institution with a compartmentalised set of European and other international elements? Or, rather, might it see itself as a British institution, a leader in Europe, with an increasingly expansive international perspective and a restlessly evolving, international character, all the while remaining conscientiously committed to its British stakeholders? The university’s responses to these questions, along with the manner in which it manages all of the significant contributing elements, will, I suspect, be important in the judgements that will be made about Oxford’s ‘world-class’ position.

‘World class’ has one further significant condition: that the University has the funding support and the financial strength to enable it to resource all of its activities to ‘world-class’ standards. When I turn my lens back on Oxford, I see a university that has achieved mightily in recent times, despite persistent and serious fiscal constraints. The timely governance reforms have been implemented and will soon be reviewed. The University has invested heavily in its physical and research infrastructure. Colleges are continuing to invest in their facilities. Demand for undergraduate and graduate places has remained strong. Research revenues have increased year on year. Graduate numbers have expanded. New academic programmes have refreshed the canon. Research and scholarship successes abound.

Important international academic linkages have been formed with Princeton, Scripps and others. The University has jumped cleanly through increasing numbers of compliance and other public policy hoops. Still, the University's budget remains its most troubling challenge.

In essence, the cost of providing a 'world-class' university and the revenue available to fund that cost are not in harmony. Our obligation as trustees for the next period is to work co-operatively and assiduously to remedy this position. We must increase our income while carefully managing our costs. And we must do this within a well-contested strategic framework that informs a regularly updated, long-term financial plan, thereby allowing accurate operational planning, transparent budgeting and firm financial control.

When resources are scarce, strategies and opportunities in support of the mission must be carefully prioritised. Operating priorities, matched by the available resources, can then be collegially agreed. On the cost side, our responsibility is to understand fully the costs of what we do - teaching, research and administration - and to have the financial systems that readily allow this. Recent progress is encouraging. Further, we must constantly be looking to best practice for all of our organisational processes, seeking and effecting, where appropriate, without compromising quality, economies and efficiencies in the collegial enterprise. Our aspiration for the quality of our governance and our administrative processes must mirror the rigorous international standards required of our academic activities.

The solutions on the revenue side are considerably more complex. They inevitably involve difficult issues such as: the levels of government support, levels of student fees, the composition of the student body, and adequate scholarship and financial support for students. I have followed closely the recent developments in public policy and understand that these are tender issues. How we choose to handle the evolution of these debates will be critical to ensuring fair access for talented students, on the one hand, and to ensuring the financial underpinnings of a 'world-class' university, on the other.

In this context, the ability of the collegiate enterprise to build up its endowment, as well as donations for targeted projects, is important. With committed alumni, collegiate loyalty, brand respect, strong friends and an increasingly impressive history of philanthropic benefaction, the collegiate enterprise is already well positioned for its ongoing development challenge. The endowments themselves must be wisely invested for capital growth, and for agreed, annual distributions to be made.

At Oxford, research contracts are responsible for increasing levels of revenue. As funding streams have become more prescribed and funding privations more apparent, our obligation is to ensure our research and other contracted revenues cover their projects' full costs. Where they do not, we need clearly to identify the separate funding, consciously committed in each case, to provide the necessary subsidies. Finally, on the revenue side, we must prudently manage the University's more risky entrepreneurial activities to optimise their net returns over time.

Throughout the world research universities share scholarly values, yet the characters of the universities vary markedly. These variations are largely attributable to their histories; to their evolution in response to the many and varied demands of their communities of interest. Oxford, with a collegiate system characterised by its own unique features, has evolved to be more complex organisationally than most, if not all.

Organisational complexity inevitably carries with it costs. In this case, it also confers many benefits, some of which I have addressed. In our relentless quest to ensure that Oxford is ‘the most special place it can possibly be’, ‘world class’ in all it does from the totality of its student experience, to its research and scholarship, to its engagements with its multiple communities of interest, we cannot afford to allow our complexity to confuse, obfuscate or confound. Rather, as a collegial community, characterised by implicit trust and respect among its members, we must acknowledge our organisation’s strengths, harness its benefits, and when necessary be ready to revitalise its processes to maintain its standing as a ‘world-class’ institution.

In a sense, each of us, who has the good fortune to be an active member of a university, is a trustee for the period of our activity. Our obligation is to do all we are reasonably able to do to improve the institution for those who accompany us, and for our successors. In this context, I believe the essence of my job is about working with colleagues, and all our other stakeholders, to help nurture an environment where the wonderful talents, within and associated with the University, are able to flourish. I hope you will find my approach open, collaborative and communicative. I shall be curious to understand your hopes and plans and how I might assist with their realisation. Together, they will shape our future. You will find me deeply committed to our mutual cause: to maintain and enhance our position as a ‘world-class’ university, as a great University. I look forward to meeting you, and above all, to working with you.

Ma to rourou

With your efforts

Ma taku rourou

With our collective efforts

Ka ora ai te iwi

Our University will be sustained

JAH

September 2004