



Response to 2020 PWIAS External Review

by the PWIAS Interim Director and the Board of Trustees

November 17, 2020

This document provides a formal response to the 2020 PWIAS External Review Report. This External Review was requested by the UBC Senate in December 2018 in response to the resignation of the Institute Director in November of same year. The Senate specified that Terms of Reference for this review include an explicit mandate to investigate and make recommendations on the Institute's structures and governance (both academic and financial). The external review team included four outstanding international experts with extensive expertise in the governance of Institutes for Advanced Study. This response outlines specific steps that have already been taken, are planned, or are in discussion to address the recommendations.

Background

What University-based Institutes for Advanced Study Do

In their introductory remarks (page 3 of the External Review Report), the reviewers state that University-based Institutes for Advanced Study enhance the reputation of their host universities by

- (1) providing opportunities for faculty, students, and other university-based researchers to generate ideas and research that breaks down the silos of university departments and fields, and*
- (2) attracting major scholars and thinkers from multiple communities and locations well beyond the host university.*

As the reviewers note in their specific recommendations, it is crucial for PWIAS to increase: 1) its capacity for interdisciplinarity and 2) its international stature. One way in which leading Institutes for Advanced Studies world-wide achieve these two aims is through international fellowship programs that bring together local and international scholars from diverse backgrounds to spend a year in residence at their Institution.

Since 2014, the Wall Scholar program has brought together UBC scholars for a year-long residence at the Institute. It has become the signature program of the Institute, but until now it has only been offered to UBC Scholars and has drawn scholars from some disciplines (e.g., Humanities) much more strongly than from among others (e.g., Science, Medicine, and the Performing Arts). Furthermore, since 2017, Wall Scholar cohorts have been limited to 10 scholars. This is significantly smaller than the number of fellows –

from a minimum of 15 up to as many as 40 – that other Institutes for Advanced Study bring together as part of their fellowship programs.

To achieve its goal of becoming a world-class Institute for Advanced Studies, the PWIAS will endeavour to expand its Wall Scholar program to:

- (1) achieve stronger participation across a broad range of disciplines;
- (2) recruit scholars beyond UBC; and,
- (3) create Wall Scholar cohorts similar in size to those other Institutes of advanced studies.

In October 2020, the PWIAS Board of Trustees approved the expansion of the Wall Scholar program for the 2021-2022 academic year to recruit non-UBC as well as UBC scholars from a diverse range of disciplines and to increase the number of Wall Scholars. The 2021-2022 Wall Scholars Program Process and Budget Recommendations, presented by the Interim Director was unanimously approved by the Board of Trustees at their October 15, 2020 meeting. The Wall Scholar program now has a thematic focus. This year the theme is "crisis," next year it will be "complex systems."

As PWIAS moves forward with implementation of the 2020 External Review recommendations, we will also seek to streamline and focus its other programs, in line with the External Review recommendations.

What PWIAS Needs in order to Succeed

The External Review Report notes (page 3) that in order to succeed, PWIAS requires:

- (1) financial and academic leadership stability*
- (2) a vision created in engagement with all the critical stakeholders*
- (3) respect for the academic autonomy of the Institute while recognizing its embeddedness in UBC and the need for support by the university of its mission*

These three key prerequisites for success clearly define the goalposts that PWIAS needs to achieve as it strengthens its governance and academic functioning. With respect to (3) we will also adhere to the specific context of the PWIAS Deed of Trust and its provisions. We are committed to putting all of these conditions in place to foster the growth and development of the PWIAS. Each of these conditions are addressed in more detail below, in our responses to the external review report's specific recommendations.

Specific Recommendations

Academic Mandate

Recommendation: Clarify the unique mission of the Institute

The reviewers note (pages 5-6) that it is critical for the PWIAS to find its unique mission, to strengthen its programs and approach, and to build on its already existing academic mandate. The reviewers also note (page 3) that the PWIAS does not have a sufficiently clear identity within UBC, throughout Canada, and internationally. The reviewers recommend (pages 5-6) that the PWIAS:

- use its funds, people, and networks to take risks, explore uncharted domains, and generate new thinking*
- reach out to a wider range of disciplines to broaden its interdisciplinarity*
- increase its international outreach and participation*
- streamline and focus its programs in terms of its newly defined mission*

The current formulation of the Institute's mission, as presented to the external reviewers and as stated on the PWIAS website, is to "draw together scholars from UBC and around the world to engage in deep and unconstrained research into some of the most profound questions and challenges facing humanity. The Institute seeks to encourage highly innovative, creative, and unexpected scholarship through wide-ranging explorations between disciplines, including the creative and performing arts."

Peter Wall's original intention was that his donation be used to "generate new ideas and initiatives that wouldn't happen otherwise" and "to create a university-based institute for advanced research which doesn't exist anywhere else" (UBC President David Strangway, UBC News, December 12, 1996). This original vision aligns well with what the UBC academic community values about the Institute, as well as with the external review recommendations to find and support the unique place of the Institute within UBC and internationally. We are committed to honouring this original vision.

The Board of Trustees has developed a framework to guide its work and deliberations as follows: "The PWIAS provides the opportunity and means for leading scholars to pursue significant, interdisciplinary, high impact, and innovative work that advances the boundaries of knowledge for UBC, British Columbia, Canada, and the world."

The Institute, under the leadership of the next Director, will engage in an in-depth process of consultation with the UBC academic community and other stakeholders as it moves forward on formulating the Institute's mission.

Governance

Governance Recommendation 1: Governance Diagnostic Review by Watson, Inc.

We recommend that (a) the Watson review be made public and (b), as a matter of urgency, the four recommendations made in the Watson Review be implemented.

With respect to (a), the Governance Diagnostic Review by WATSON Inc. was made publicly available on the Institute's website (External Reviews at www.pwias.ubc.ca) in March of 2020.

With respect to (b), the four recommendations made by the Watson Review were that the PWIAS Board of Trustees:

- I. Establish "guiding principles" that reflect principles of good governance and academic governance;
- II. Develop a written governance framework that outlines in a clear and transparent way roles and responsibilities, procedures, practices, processes and reporting and accountability frameworks;
- III. Develop an authority matrix that brings clarity and transparency to decision making;
- IV. Enhance meeting practices to ensure trustees are engaged and that meetings have a strategic focus.

We are committed to implementing all four recommendations made by the Watson Review. With the help of WATSON Inc., we began work in July 2020 on implementing the recommendations. This work is scheduled to be completed by January 2021 and includes a Governance Framework in a Governance Manual with the following proposed contents:

- guiding principles;
- role descriptions and terms including Board Chair, Trustees, Distinguished Wall Professors, Director, and International Advisory Panel;
- organizational and board stewardship framework;
- board meeting guidelines; and,
- conflict of interest guidelines.

Best practice governance principles will be part of the ongoing agenda for the PWIAS.

Governance Recommendation 2: Committees

The reviewers note that the finance committee is a sub-committee of the PWIAS Board of Trustees and they raise a question as to whether its existence is necessary. As well, the reviewers note that the PWIAS Deed of Trust makes provision for an international advisory panel that has generally not been implemented, except for a 2-year period between 2012 until 2014, and the internal Academic Advisory Board that was appointed in 2019. The reviewers ask what the function of each of these bodies is.

As we move forward, we are committed to putting in place terms of reference for each of the Institute's committees. Throughout the last year, the PWIAS Board of Trustees has made all financial and high-level budgetary decisions; therefore, the finance committee has not met since the summer of 2019. As we move forward, we will consider whether the finance committee is necessary for efficient governance practices.

An Academic Advisory Board (AAB) was jointly appointed by the UBC President, when in the role of Chair of the Board of Trustees, and the PWIAS Interim Director in the summer of 2019 to provide academic advice to the President and Interim Director. The AAB's mandate, specified in the AAB members appointment letters, is to "provide advice and make recommendations to the Institute Director and the UBC President on various matters relating to the Institute, including its academic governance and mandate." In September 2020, the UBC President and the Interim Director re-appointed six of its previous members and appointed three new members with the goal of expanded diversity.

The Board of Trustees was not consulted about these appointments, nor about the Terms of Reference of the AAB. By virtue of their current mandate, this Academic Advisory Board is not advisory to the Board of Trustees. The Deed of Trust makes a provision for the appointment of an Advisory Panel by the Trustees. The current Academic Advisory Board is separate and independent from the Advisory Panel described in the Deed. The roles of the Advisory Panel, as stipulated in the Deed of Trust, and the Academic Advisory Board will be reviewed as part of the governance framework discussions.

Governance Recommendation 3: Membership of Committees

We recommend the development of transparent guidelines around membership and how the chair, secretary, and members are appointed or selected, along with defined terms of office for all members (e.g., three years, only renewable for a further three years).

We are committed to implementing these items as part of the written governance framework for the Institute, scheduled to be completed by January 2021.

Governance Recommendation 4: The President as Chair of the Board of Trustees

The reviewers recommend that President Ono take advantage of the current wording in the DOT and appoint as soon as possible a senior academic from within the UBC community to serve in his place as chair of the BOT.

In September 2020, President Ono stepped down as Chair of the Board of Trustees and appointed Professor Moura Quayle, Vice-Provost and Associate Vice-President for Academic Affairs at UBC, to serve in his place as Chair of the Board.

Governance Recommendation 5: Wall Shares

The reviewers recommend selling the Wall shares for fair market rate and having the resulting funds be managed as part of the UBC endowment, in keeping with standard UBC and not-for-profit organization practices.

The Deed of Trust sets out clear circumstances under which the shares may be disposed of. This requires Peter Wall's approval. We will adhere to those. To date the retention of the Wall Financial Corporation (WFC) shares has provided for significant financial benefits and dividend income stability for the Institute.

Governance Recommendation 6: The Deed of Trust

The reviewers note that there are problematic aspects in the Deed of Trust (DOT), including ambiguous language that does not easily reconcile with the University Act and usual academic/university governance structures. The reviewers note that the current situation at the PWIAS has arisen as the result of a lack of clarity and shared understanding between the management [the Institute's Directors] and the Board of Trustees of their complementary but distinct roles and responsibilities. The reviewers recommend that if it is unfeasible to renegotiate the DOT with the donor, it be supplemented by a second Governance Document, signed off by the Board of Trustees, that will:

- 1) delineate the complementary and distinct roles of the Director and the Board of Trustees*
- 2) articulate a shared and legally supportable understanding of the provisions of the DOT*
- 3) modernize and clarify roles and responsibilities of the Board of Trustees*
- 4) provide clarity on situating the PWIAS within university structures*
- 5) address governance of the endowment and the PWIAS itself*
- 6) establish clear and agreed on processes for strategic planning, budgeting, program evaluation, leadership evaluation, and reporting relationships*

The previously referred Governance Framework and Manual is currently under development. The list of 6 items above will be included. Items 1, 2, and 3 are part of the Governance Framework scheduled to be completed by January 2021. Items 4, 5, and 6 will be developed in consultation with relevant PWIAS stakeholders and will be incorporated into an expanded Governance Framework that will be completed in the Spring of 2021.

Governance Recommendation 7: Risk management framework

The reviewers point out that even though there is awareness of reputational, financial, legal and other risks associated with the PWIAS, there is no risk matrix in place currently to allow for the management of those risks. The reviewers recommend that such a risk matrix be developed for PWIAS, identifying the types of risk and the actions taken to mitigate and manage them. The reviewers further recommend that this risk matrix be reviewed and updated regularly, and that it forms part of the overall UBC risk management framework.

The development of a risk management framework for the Institute will be undertaken in the Spring of 2021 in consultation with relevant constituents, including the UBC Chief Audit and Risk Officer, other senior members of the UBC administration, relevant PWIAS stakeholders, and the broader UBC academic community.

Strategies

Strategy Recommendation 1: Types of academic programs

The reviewers note that the PWIAS has too many programs that are insufficiently focused, synergistic, and resourced. They further note that the programs are largely internally focused, limiting the international impact of the Institute. The reviewers recommend that the PWIAS undertake the development of a new strategic and implementation plan, and then significantly revise its programs in order to meet its mission and enhance its impact and reputation within UBC and internationally.

We have begun work on focusing the Institute's programs to enhance their impact, alignment with UBC's strategic plan, and open them to more international participation. The first step towards this was the approval of the expansion of the Wall Scholar program for the 2021-2022 academic year. We will continue the process of further streamlining and focusing the Institute's programs. A new strategic plan will be developed by the next Institute Director, in consultation with the Board of Trustees and other relevant constituents, including senior members of the UBC administration, UBC Senate, Office of the University Counsel, PWIAS stakeholders, and the broader UBC academic community. The next Institute Director will be appointed by the UBC President, with the goal of beginning their term in June 2021. The recruitment process will be run by the President's Office.

Strategy Recommendation 2: Engage and communicate with key stakeholders

The reviewers note that for the PWIAS to gain high profile and reputation for excellence, it needs to broaden its international reach and communication activities. The reviewers recommend that the Institute devise a stakeholder and communications strategy as part of the development of the new strategic plan.

A stakeholder and communications strategy will be a key part of the Strategic Plan developed by the next Institute Director. To ensure the Institute has the capacity to engage in the most effective and wide-reaching communication strategy, we are considering introducing a new position of a PWIAS Associate Director for Communications. We are committed to implementing these changes in an open, transparent, and consultative manner.

Strategy Recommendation 3: The role of Director

The reviewers note that the long-term uncertainties in decision-making processes relating to PWIAS activities has hampered successive directors in carrying out their responsibilities. The reviewers point out that there is a need to trust and support a director in providing sustained leadership and academic direction for the Institute, as well as in building its international identity. The reviewers state that the role of the director would be to:

- *articulate a clear vision of the aims and objectives of the PWIAS*
- *put in place a strategic plan to realize this vision over a period of three to five years*
- *propose an annual budget and plan for activities to the PWIAS Board of Trustees*
- *provide leadership in taking these activities forward over time*

The reviewers recommend that a job description for the Director be developed that outlines key responsibilities and provides any prospective director with the opportunity to articulate her/his vision. The reviewers emphasize that the appointment process itself needs to be designed to take on board the views of key stakeholders.

As part of the Institute's Governance Framework, we are committed to putting in place a clear delineation in responsibilities and scope of decision-making between the Institute's leadership (its Director) and governance (the Board of Trustees). We agree with external reviewers' formulation of the scope and nature of the Director's role. The members of the Board of Trustees are committed to supporting the academic autonomy of future Institute Directors to ensure they can provide sustained leadership and academic direction for the Institute. A job description for the next Institute Director in line with the reviewers' recommendations is currently under development and will be in place by December 2020. The launch of the search for the next Director is planned for January 2021.

Strategy Recommendation 4: Supportive frameworks

The reviewers point out that it is essential for the Institute to have a robust framework of academic and administrative support for its activities, in order to position it to achieve the highest level of success. The reviewers recommend that UBC leaders and key stakeholders work with the Director to put in place such supportive academic and administrative frameworks.

We will put in place a more robust framework of academic and administrative support for the Director. To bring the PWIAS in line with leading Institutes of Advanced Studies world-wide, we are considering introducing new academic positions as well as increasing the level of academic community involvement in the Institute's academic activities. As we develop an expanded Governance Framework for the Institute, we will give particular consideration to creating a supportive frameworks for the Institute in line with the reviewers' recommendations and in compliance with the Deed of Trust.

Strategy Recommendation 5: Space

The reviews note that the accumulated endowment funds provide an opportunity to invest in a new building for the Institute, or to renovate the current building, in order to:

- *provide an iconic materialization of the Institute's identity as a world-leading Institute*
- *enhance its international visibility and its ability to attract international scholars (including providing accommodation for them)*
- *provide a core social space for the campus which would help bring faculty from across UBC into the Institute*

The reviewers recommend that the Institute and university consider a significant renovation of its current site or the construction of a purpose-designed building. The reviewers note that their recommendation reiterates a similar recommendation made by the 2011 external review report.

To achieve its goal of becoming a world-class Institute for Advanced Studies, and to support the expansion of the Wall Scholars program to bring it in line with those offered by other Institutes for Advanced Studies world-wide, the PWIAS recognizes that it requires substantial additions to its capacities to offer dedicated offices, accommodation, and meeting space to its Scholars, Associates, and visitors. The PWIAS also aims to bridge wide-ranging disciplines, including the performing arts, and will therefore benefit from significant expansion of its facilities to incorporate performance and arts spaces. Plans for renovation of its existing space will be incorporated into the next strategic plan for the Institute. At this time, there is no discussion about the construction of a new purpose-designed building.

Strategy Recommendation 6: Impact assessment

The reviewers point out that it is critical for its success that the PWIAS puts in place mechanisms to evaluate its programs and convey those evaluations to its constituents and target audiences. The reviewers note that some investment in staff and IT development will be required to overhaul and improve the Institute's data management system, so as to establish and maintain a coherent database of Institute achievements. Finally, the reviewers recommend that the PWIAS refresh its model of impact assessment in keeping with some of the innovations now being practiced at its sister institutes around the world.

We agree that putting in place a framework and capacity for impact assessment is crucial for the success of PWIAS. The first large-scale impact assessment was conducted in 2019 and documented the Wall

Scholar program activities and achievements 2014-2019. Plans for expanding the Institute's framework for impact tracking, including staffing and support for the creation of an Institute's data management system, will be incorporated into the next strategic plan for the Institute.

Strategy Recommendation 7: Budgetary processes

The reviewers note the importance of putting in place long term planning and budgeting for the Institute to ensure its success. The reviewers also note that the Board's emphasis on lean administrative expenditures has limited the discretion of the Director to rely on and recruit the necessary expertise and support from faculty or staff. The reviewers recommend that current budgetary constraints be reconsidered and, after good working relationships and governance arrangements are re-established, that the Board of Trustees gives the Director the benefit of doubt in overseeing additional expenditures.

We agree that it is crucial for the Institute to put in place clearer processes ensuring long term planning and budgeting for the Institute. These processes will be incorporated into the Governance Framework to be completed in the Spring of 2021. We will ensure that future Institute Directors will have an even greater opportunity than before with the ability and resources to recruit and rely upon the necessary expertise and support from faculty and staff to enable the Institute to reach its goals.

Conclusion

We thank the four reviewers for their time and expertise in advising us on the future of the Institute. We are grateful for their thoughtful recommendations and are committed to their implementation. We would also like to thank the UBC academic community for their commitment, passion, and contributions to the Institute and look forward to working with all constituencies as we move forward with implementing the recommendations of this external review.

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