Everything that’s wrong with university management

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Rick Morton 22 March 2025

It’s business as usual in the university sector, where exorbitant executive pay, insecure jobs and exploitation of academic staff continue unabated. By *Rick Morton*.

University of Wollongong.
Credit: Mark Syke-VIEW / Alamy

When Professor John Dewar was appointed as interim vice-chancellor of the University of Wollongong by its council in June last year, he was still a partner at the advisory firm KordaMentha, which specialises in restructuring failed businesses.

It was a role he continued to hold unpaid for one day a fortnight, despite the university claiming in public statements he was on “leave” from the company. Three days after Dewar’s appointment, a contract for an “operational review” of the struggling university was inked with KordaMentha by the same governing council and has been linked to the subsequent cut of 10 per cent to the academic workforce, worth $21 million in recurrent annual savings and 91 positions. More cuts are due to be announced soon.

“Change is never easy, but it is essential to secure UOW’s future,” Professor Dewar said in a January statement.

His acting role finished at the end of February and Dewar returned to KordaMentha full time. The report or plans produced by the firm during his brief tenure have never been released publicly. The university’s council claims they are commercial-in-confidence and a spokesperson for UOW said, “KordaMentha’s appointment for two University reviews followed a robust, transparent and competitive tender process, assessed by an independent panel.”

“Professor Dewar was not involved in any part of the tender process, assessment or appointment decision,” the spokesperson said in a statement.

“[He] was employed exclusively by UOW during the term as Interim Vice Chancellor. He did not undertake any paid work for KordaMentha during that period.

“The purpose of the nine-day fortnight provision in his contract was to allow him to maintain a professional connection with his KordaMentha colleagues while serving in an interim executive role outside the firm.”

This saga was uncovered by the local newspaper, the *Illawarra Mercury*, and was recounted at a parliamentary inquiry this month, but has scarcely registered nationally in a sector beset with leadership woes.

At the Australian National University, where former Coalition foreign affairs minister Julie Bishop is chancellor, the new vice-chancellor, Professor Genevieve Bell, continued paid work for the global silicon chip-maker Intel, an arrangement she’d had in place since she first joined the university in 2017. Bell was paid a yearly salary of $1.1 million when she started as VC and took a 10 per cent pay cut last year.

The vice-chancellor’s work with Intel was no secret, the ANU says. Bishop and Pro-Chancellor Alison Kitchen said this year it was “celebrated”, while noting such crossover gigs are common across academia for those with specialist subject knowledge. Bell ended the engagement in November and, responding to a broader question about policies, told an estimates hearing last month she “made an appropriate set of declarations” to her own conflicts register on becoming vice-chancellor.

“When you look at the way that universities are run, it really does reflect precisely that you have an elite class who are completely disconnected from the realities of the workforce.” The management of Australian universities has often been controversial but never more so than in the years since the pandemic, when global forces shattered any illusion that these institutions might have been well run.

Instead, decades of cumulative policy, funding and cultural decisions have exacted a stunning price on the concept of an institution that produces public knowledge for public good.

“When you look at the way that universities are run, it really does reflect precisely that you have an elite class who are completely disconnected from the realities of the workforce, who haven’t stepped foot in a classroom in 20 years, and who haven’t published a paper in 25 years, unless they’ve just been thrown on as an author for nothing, who run the place purely in their own interests,” says Matthew Mitchell, a criminology lecturer at Deakin University.

“And it’s all about making particular numbers on a spreadsheet go up or down, or indeed, actually not meeting their KPIs, and then just kind of failing laterally or failing upwards.”

Mitchell’s is not a lone voice. The noise has become so furious that the Albanese government, on the back of its Universities Accord review, is now seeking to reform the governance of these beleaguered institutions.

Labor Senator Tony Sheldon, chair of an earlier parliamentary inquiry, described the problem as one where a “cabal of individual interests in different universities” has replicated across the sector and “is doing everything that it can to [stop] people … from having a contrary voice that can actually hold them to account”.

The president of the National Tertiary Education Union, Alison Barnes, told the inquiry there continue to be “serious failures in governance sector-wide” ensured by a “toxic culture that fights tooth and nail against accountability and transparency and aggressively tries to silence dissent”.

“We have shown the depth and breadth of these failures. Today we have a sector where unelected corporate influence holds disproportionate power on university senates and councils, where exorbitant executive pay, insecure jobs, wage theft, lavish spending on consultants and hiring-and-firing cycles have become ingrained,” she said.

“This is hurting our staff and our students. Systemic wage theft totals $271 million. But this, we argue, is only the tip of the iceberg, because we know universities have set aside another $168 million.”

At the end of February, the Fair Work Ombudsman (FWO) said it has recovered $180.9 million for 99,000 university employees, most of whom were casually employed and systematically exploited by payroll habits that would have been laughed out of a family-run corner store in the 1970s.

Failure to comply with enterprise agreement provisions is widespread, the ombudsman says. In a submission to the inquiry, the ombudsman said this included “misclassifying duties, roles or qualifications of academics against classification structures; paying casual academics according to piecework ‘benchmarks’, such as time-per student, exam or essay marked, instead of enterprise agreement hourly rates; unpaid time for casual academics; and failing to pay minimum shifts, casual employee allowances and loadings in accordance with enterprise agreements”.

The submission continued: “In 2024, the FWO also secured $74,590 in court ordered penalties against the University of Melbourne, which was found to have taken adverse action against two casual academics for exercising their workplace right to make complaints or inquiries about their work.

“Another litigation, against the University of New South Wales, is currently before the courts alleging failure to make and keep records of hours, rates of pay and details of loadings owed to casual employees; and failure to include lawfully required information on pay slips relating to casual loading.”

In extraordinary testimony before the hearing, Federation University NTEU branch president Dr Mathew Abbott said the institution “has become a very difficult place to work and to teach, with staff now operating in the context of a culture of fear and uncertainty”.

“My own experiences as a staff-elected councillor reflect these problems and, from a governance perspective, reflect what I regard as hostility towards staff members who ask questions or raise concerns about the decisions and behaviour of management. I have been subject to intimidation, vilification, attempts at silencing and what appeared to me to be threatening behaviour from the chair of the council – our university’s chancellor, Terry Moran,” he told the hearing.

“I’ve had my contributions mocked by the chair – the chancellor – who has also interrupted me on several occasions and moved the discussion onward before I was able to share my views and ask questions. Last year, the chancellor sent a letter containing unfounded allegations and serious implications regarding my honesty and integrity – a letter that went to senior staff across the university, including some of my colleagues, supervisors and so on, as well as councillors. I was then unable to exercise a right of reply to this letter, as requests from me that my reply be sent to the recipients of the chancellor’s letter were denied.

“I was once called into a meeting by the chancellor where I was instructed to ‘quieten down’ in relation to my role as spokesperson of the Fed Uni NTEU branch. Those were the words used – I remember them well – as well as similar words to that effect. I found that instruction to be threatening. The chancellor has also shouted at me repeatedly in meetings, and that has also felt like an attempt to intimidate and silence.”

A spokesperson for Federation University said the institution takes “allegations of this nature seriously [and] will be formally responding through the Senate process”.

Other academics and students, who spoke on condition of anonymity, have described similar experiences at other universities where VCs or their “standover men” have been dispatched to have a quiet word with staff who were perceived as “troublemakers” on councils where they have only a token role. Students elected to represent their peers on university councils have also been counselled for raising issues.

Despite the substantial crisis before them, the lobby group for vice-chancellors, Universities Australia, wrote a two-page submission to the inquiry and claimed it had no involvement in governance issues despite having a representative on a newly announced expert council on university governance.

“UA is open to assisting the committee with its inquiry, but it’s important to note that governance and industrial relations matters largely fall outside of our remit,” the group’s chief executive, Luke Sheehy, told the inquiry.

“University councils are responsible for governance, and they are represented by the University Chancellors Council (UCC).”

VCs sit on university councils, however, and *The Saturday Paper* understands a confidential new report delivered to Education Minister Jason Clare recommends a definition of “governance” that bridges the “artificial split” between administrative and council functions, which has been used historically to avoid scrutiny.

“I think that notion that they can step back from it and that they cannot look this governance crisis in the eye is frankly insulting to staff and students, who are, as we know, under intense pressure,” Alison Barnes says. “Universities Australia is the organisation that represents Australia’s vice-chancellors. If they’re saying they’re not responsible for the governance crisis, then who is? Who do we hold accountable?

“I think it beggars belief that they can step back and ignore the governance crisis that we face, and I think it’s partly how we got here, because university management will not look the crisis in the face. They will not deal with how their actions have contributed to it and they won’t take action to bring about change, which would arguably benefit them, their universities, our staff and our students.”

Rick Morton As Australia loses research funding following a Trump crackdown, academics believe the government has failed universities by rejecting multiple invitations to join Europe’s largest fund.

For a sector that is supposed to represent the highest form of education, the illogical nature of some university management decision-making is difficult to understand.

Take as emblematic the response of Macquarie University to the Commonwealth’s casual loophole legislation, which struck fear through a sector where teaching loads have been performed piecemeal by an insecure, underpaid and exploited casual workforce for years.

Last year, the dean of the Faculty of Arts at Macquarie made two statements. First, there would be yet another restructure to make it “more agile” – no cuts this time, but also no rationale. Second, the use of casual teaching across the faculty would be forbidden in 2025.

“This was far more significant as there are approximately 100 casual tutors in the faculty,” a source at the faculty tells *The Saturday Paper*.

“The email suggested that we ‘could’ deal with the shortfall in teaching by doing things such as eliminating long-service leave and sabbaticals, and forcing staff onto higher teaching loads, as opposed to the standard 40 per cent teaching, 40 per cent research and 20 per cent service contracts.”

Long service leave is a legal requirement. Enterprise bargaining agreements also explicitly prevent management from soliciting academic staff to break the covenant of that 40:40:20 split to take on more teaching duties.

Universities have responded creatively to this challenge.

Faculty executives resolutely refused to meet with academics or answer questions about how teaching loads would be handled this year until, just four weeks before the first semester began, they quietly backed down. Some casual staff have already moved on, or even interstate, looking for other work.

On the last day of February, Macquarie University released an academic “blueprint” for consultation that forewarned of another restructure. This time there would be many job cuts, although the university did not put a number on it.

The blueprint, obtained by *The Saturday Paper*, notes that the university needs “work and workforce that is financially sustainable and has the right balance of job families, levels and capabilities to deliver on our core strategies and vision, and is aligned with future teaching and research needs”.

“For many years casual academic staff have been engaged to undertake a significant proportion of teaching and teaching related activities,” it says.

“Recent changes to employment legislation in Australia mean that the university needs to be more considered in how it engages casual staff and in the type of work casuals are engaged to perform, as well as in how it manages expectations of casual staff about the availability of future work.”

The blueprint says its objectives include “addressing the university’s financial sustainability imperatives by right sizing our academic workforce profile with a more simplified coursework suite which meets the needs of our students and makes best use of our available capacity”.

As part of this, academics will be asked to essentially “bid” for the teaching work identified as required by faculty management each year, which some staff suspect is a covert way of getting them to “volunteer” for higher teaching loads.

One academic at the university says Vice-Chancellor S. Bruce Dowton keeps “saying this word lean and sustainable and agile, which, I mean, we know equates to job cuts. We know there are significant job cuts coming, but he won’t say the word redundancy.”

Dowton, whose online biography notes his “ability to clarify complexity” and his “highly engaging personal style”, is known for hosting town halls that staff say leave them understanding less than when they went in. Straight answers are hard to come by.

“It seems to me that what is happening is a desperate attempt to cover-up for a lot of debt that the university executive have entered into and they see teaching and staff as a really easy target,” the academic says.

“So even though arts enrolments are up, they’ll still cut us purely because they have to service this debt.”

Universities have adopted models to get around casual teachers who might demand conversion to ongoing roles by creating the lowest level roles possible – Level A – and making them 90 per cent teaching. The approach varies slightly across institutions after the federal government’s law changes.

In practice, however, it represents an enormous workload.

Such positions can involve dozens of seminars taught by the Level A teacher, essentially a teaching assistant, every week of semester, with each seminar supposed to include two hours of preparation outside of this. On top, the teacher must mark the work of students and still attend to the administrative and service work of the role at the university.

“So it is just egregiously in breach of what is possible to achieve in a working week,” Matthew Mitchell says.

“But because they use this managerial system of saying, ‘Well, this number of hours is this across the year’, they can say, ‘Right, we can essentially get you to work 90-hour weeks for this 10-week period, because you’ve got all these other hours for the rest of the year that you’re not using to do teaching’ and so on.

“They’re so exploitative and also probably very, very harmful to the people in these roles. And it’s terrible for the students.”

While the Commonwealth sets higher education policy and funding, university councils and the universities themselves are legislated by state and territory governments who otherwise have little interest in the field.

The councils are technically elected by state government acts but in practice the names – overwhelmingly corporate – are supplied as preferred options to state ministers who “tick and flick”.

This arrangement also makes it difficult, according to the Tertiary Education Quality and Standards Agency, to “address the governance risks” currently under parliamentary inquiry.

The authority has monitoring powers to require “self-assurance” by university operators against threshold standards in legislation, but its “enforcement functions do not extend to the capacity to use enforcement powers to assess or enforce provider compliance with the Threshold Standards”.

The risks are significant, it says, and near universal. They include: “Limited expertise, over-corporatisation, poor decision-making processes, poor management of conflicts of interest, challenges in exercising sound judgment on complex social, cultural or community issues and insufficient oversight of the management of key risks.”

It took the Albanese government almost a year to establish its expert council on university governance, as recommended by the Universities Accord final report. This body, which includes university chancellors, vice-chancellors, and the Australian Institute of Company Directors, but which does not include the NTEU or students as official representatives, will now come up with some “principles” and recommendations, most likely after the election.

In its submission to the parliamentary inquiry, the Council for the Humanities, Arts and Social Sciences says financial management is a large problem in the sector.

“The effect of universities’ non-compliance with the law has not only been the exploitation of skilled and committed workers but damage to the universities’ social licence in the community,” the submission says. “Universities are now widely regarded as bad employers, even lawless bosses, with inevitable impacts on public support for their activities.”

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