

The Relation between Good Governance and Improving Performance in the Higher Education -HE- Institutions

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Abstract

In the current globalized world characterized by advancements in technology, higher education institutions have a significant role to play by providing quality and relevant education. The provision of quality education relies on the governance of these institutions because effective governance is required to ensure that processes, practices, and roles are aligned toward achieving the intended objectives. Thus, this study examines the importance of professional governance in higher education and the way governance affects performance. The study employs a secondary research method in which data is collected from empirical studies. A qualitative research strategy based on an exploratory study design was adopted. Data were analyzed thematically and inductively based on the interpretive paradigm.

The study findings reveal that good governance affects the performance of higher education institutions positively by leading to improved accountability, encouraging participatory processes, promoting inclusivity, and contributing to better resource management. It is recommended that higher education institutions improve their organizational culture before implementing effective governance practices.

Keywords: Governance, Performance, Good Governance, Higher Education, Higher Education Institutions.

Abbreviations:

HE: Higher Education

1. Introduction

Governance is at the core of higher education institutions. It is a vital prerequisite for engaging various stakeholders such as the teaching staff, other staff, students, and administrators in the decision-making process (Ochara, 2021). Institutions must adopt and implement professional and evidence-based governance approaches to enhance their performance. Effective governance supports collaboration between diverse parties and stakeholders while ensuring that institutions comply with requirements, specifications, and quality assurance standards (Lougheed & Pidgeon, 2016). The increasing demand for higher education across the world means that institutions must upgrade their management methodologies and systems to support quality management. Governance is an essential system that can help universities achieve their goals.

Research Problem

Governance is a vital element in higher education because higher education institutions are complicated organizations, which require effective governance to address the needs of diverse stakeholders (Ochara, 2021). Thus, institutions must implement effective governance structures in a way that university leadership focuses on its objectives. For higher education, the objective is knowledge as it is the core business. As institutions pursue knowledge and manage the involved risks, they must become more flexible, independent, and responsive. In turn, this requires governance if these institutions must adapt to an evolving environment. I also noticed some complacency on the part of some universities, especially with regard to graduate studies, in terms of leniency with researchers at the expense of the quality of scientific research, and there is an interest in form at the expense of quality of procedures, so I started to discover the relation between good governance and improving the performance in that HE institutions.

Research Aims and Objectives

The study aims to investigate the importance of professional governance in higher education and the way governance affects performance. The following are the objectives of the study:

To examine the influence of implementing good governance on the performance of HE institutions,

To investigate the way HE institutions can form good governance practices.

Research Question

The study is based on the following research question:

Does implementing good governance in HE institutions affect performance in universities?

Significance of the Study

The performance of higher education institutions is vital because it depicts whether institutions are meeting their goals, using their allocated resources sufficiently, and implementing effective management processes. Good governance promotes improved performance in institutions. The present study contributes to the literature about the role of good governance in enhancing performance in higher education by analyzing the way good governance indicators such as accountability, transparency, inclusivity, and participatory practices among others improve performance. The findings will help the higher education stakeholders with useful insights regarding ways of implementing good governance practices in terms of resource management, accountability, transparency, inclusivity, and participatory practices to meet the diverse need of the various stakeholders. The study findings will also help the stakeholders to understand effective solutions to advance good governance and performance in higher education for different domains.

2. Literature Review

Governance

Governance concerns the ability of an organization to direct the actions and decisions of different stakeholders based on the set objectives and using tools at its disposal by following established guidelines, assumptions, and postures without excluding other stakeholders to achieve its objectives (Huisman et al., 2015). Additionally, governance is defined as the processes and structures involved in decision-making about significant issues affecting stakeholders (Shattock, 2013). In HE, governance is considered as the processes and forms that institutions use to manage their operations or affairs. Several issues regarding governance arise in higher education because institutions focus on research and education as their products, which makes it challenging for university leadership to understand the meaning of good products in detail (Lee, 2017). Additionally, producing research and education depends on professionals including researchers and teachers. Thus professionals largely control the production process. In turn, this creates fragmented organizations (Fumasoli, 2017). For university leaders, guiding the professionals becomes highly uncertain because of the presence of numerous and partially autonomous agents.

Still, the numerous agents must collaborate with colleagues since professors cannot operate entire degree programs alone or engage in research alone while university principals are required to provide the needed resources such as funding and coordinate activities. Therefore, governance in universities is characterized by asymmetrical and mutual dependence between agents and principals and between agents and other agents.

Performance in Higher Education

Performance is about creating value (Carini et al., 2019). Organizations create value using their productive assets (Štofova et al., 2017). Thus, the existence of higher education institutions relies on their ability to make equal or greater value that meets or exceeds their expected value. Productivity is the measure of organizational performance and concerns the ratio of all outputs to all inputs (Rix, 2019). Besides, indicators such as customer satisfaction, market share, and organizational profitability can be used to measure outcomes (Sharma & Sharma, 2018). For higher education institutions, the dimensions of performance include financial service, student affairs and learning, community service, research, development, and innovation (Chukwemeka, 2020).

Governance in HE institutions

Governance in higher education institutions includes the processes, systems, relationships, structures, and policies that in combination offer oversight of and leadership to higher education institutions and their activities including management, learning, scholarships, teaching, and research (Cervantes, 2017). Institutions usually have a single body such as a university board that works with various structures such as sub-committees, academic boards, faculty boards, learning and teaching committees, and course advisory committees (Cervantes, 2017). Higher education institutions also operate in a multi-stakeholder environment when exercising their duties. Generally, each institution is unique, but each usually has several administrative units, faculties, and departments. The institutions are also connected to external stakeholders such as the ministry of education and the department of education and other government and private agencies. There are also different players within the institutions such as staff at different levels and students with each one of them fulfilling various responsibilities and roles.

Therefore, governance in higher education entails the established processes and structures to engage diverse stakeholders. Institutions work with all the stakeholders to support effective coordination. According to Hodgins & Lubelsky (2020), HE governance is not a traditional hierarchy as it involves diverse players in which each institution implements unique governance techniques and structures. The operating environment for these institutions is highly complex as it is characterized by high or low enrollment rates, increasing costs, or reduced public funding, the need to manage finances, and the need to maintain their reputation. These features expose institutions to different risks and require an effective governance system.

Other studies show that higher education institutions comprise diverse and independent stakeholders all working to sustain and support the internal organizational mission of the institution while serving the wider societal objectives (Guthrie, 2019). Additionally, institutions serve diverse types of students with varying capacities, resources, and needs. According to Bevins et al. (2020), governance in higher education institutions focuses on core functions such as monitoring the set objectives, conducting governance performance evaluations, recruiting, and hiring staff, and determining transition and succession. These functions are interdependent and require a clear articulation of responsibilities and roles between the institution board, its leadership, and the various committees and sub-committees. Due to the large sizes of higher education institutions, effective governance systems should be established to ensure that the different actors fulfil their roles effectively.

Good Governance

What then is *good* governance? As regard to Gisselquist, Rachel M. (2012), Working definitions of good governance and the quality of governance more generally, are notable in their diversity. Table 1 gives examples from the major multilateral agencies, including the UN, the multilateral development banks, the European Commission, the IMF, and the OECD. These definitions are drawn either from each organization’s current policy on (good) governance (e.g., the IMF’s *Good Governance: The IMF’s Role*, published in 1997) or its most recent major public statement on the topic (e.g., the entry entitled ‘Governance’ on the UN’s website). With the exceptions of the European Bank for Reconstruction and Development (EBRD) and the Inter-American Development Bank (IADB), all these organizations use the term good governance widely and discuss its promotion among their main objectives. Both the EBRD and the IADB highlight several issues associated with good governance (democracy, the rule of law, human rights, institutional development), but neither frames its work in these terms. As the definitions presented in Table 1 suggest, there are clear similarities across working definitions, but there are also major differences.

Table 1. Working definitions of good governance from selected multilaterals

United Nations	
United Nations	<p>‘In the community of nations, governance is considered “good” and “democratic” to the degree in which a country’s institutions and processes are transparent. Its institutions refer to such bodies as parliament and its various ministries. Its processes include such key activities as elections and legal procedures, which must be seen to be free of corruption and accountable to the people. A country’s success in achieving this standard has become a key measure of its credibility and respect in the world.</p> <p>Good governance promotes equity, participation, pluralism, transparency, accountability, and the rule of law, in a manner that is effective, efficient, and enduring. In translating these principles into practice, we see the holding of free, fair, and frequent elections, representative legislatures that make laws and provides oversight, and an independent judiciary to interpret those laws.</p> <p>The greatest threats to good governance come from corruption, violence, and poverty, all of which undermine transparency, security, participation, and fundamental freedoms.</p> <p>Source: UN website, ‘Governance’</p>
United Nations Development Programme (UNDP)	<p>‘Good governance refers to governing systems which are capable, responsive, inclusive, and transparent. All countries, developed and developing, need to work continuously towards better governance.</p> <p>Good, or democratic governance as we call it at UNDP, entails meaningful and inclusive political participation. Improving governance should include more people having more of a say in the decisions</p>

	<p>which shape their lives’.</p> <p>Source: Remarks by Helen Clark, Administrator of the United Nations Development Programme, at the Fourth United Nations Conference on the Least Developed Countries High Level Interactive Thematic Debate on Good Governance at All Levels, Istanbul, 11 May 2011</p>
Multilateral Development Banks	
World Bank	<p>“‘In the last half-century we have developed a better understanding of what helps governments function effectively and achieve economic progress. In the development community, we have a phrase for it. We call it good governance. It is essentially the combination of transparent and accountable institutions, strong skills and competence, and a fundamental willingness to do the right thing. Those are the things that enable a government to deliver services to its people efficiently’.—Paul Wolfowitz, World Bank President, Jakarta, 11 April 2006’</p> <p>Source: World Bank, <i>Strengthening the World Bank Group Engagement on Governance and Anticorruption</i>, 21 March 2007, p. 1</p>
African Development Bank	<p>‘Good governance is defined in several ways. According to the 2000 Bank Group Policy on Good Governance, governance is “a process referring to the manner in which power is exercised in the management of the affairs of a nation, and its relations with other nations”. p. 2. The policy identifies the key elements of good governance as: accountability, transparency, participation, combating corruption, and the promotion of an enabling legal and judicial framework’.</p> <p>Source: AfDB, <i>Governance Strategic Directions and Action Plan Gap 2008-2012</i> (2008), fn. 1, p. 15</p>
Asian Development Bank (ADB)	<p>‘Among the many definitions of “governance” that exist, the one that appears the most appropriate from the viewpoint of the Bank is “the manner in which power is exercised in the management of a country’s economic and social resources for development”.... Although policy aspects are important for development, the Bank’s concept of good governance focuses essentially on the ingredients for effective management. In other words, irrespective of the precise set of economic policies that find favour with a government, good governance is required to ensure that those policies have their desired effect. In essence, it concerns norms of behaviour that help ensure that governments actually deliver to their citizens what they say they will deliver. ... [I]n formulating an analytical framework for addressing governance issues, the Bank prefers to draw a distinction between, on the one hand, elements of good governance and, on the other, the specific areas of action (e.g., public sector management) in which they could be promoted or their existence enhanced. In line with this reasoning, and building upon the approach of the World Bank, the Bank has identified four basic elements of good governance: (i) accountability, (ii) participation, (iii) predictability, and (iv) transparency’.</p> <p>Source: ADB, <i>Governance: Sound Economic Management</i> (August 1995), pp. 3, 4, 8</p>
European Bank for Reconstruction and Development (EBRD)	<p>The term ‘good governance’ is not in wide use in EBRD documents. Chapter 10 of the 2010 Annual Report deals with ‘Governance and Accountability’, which refers to ‘good corporate governance’ in EBRD’s activities (i.e., ‘All operations, programmes, strategies and policies are scrutinized by independent evaluation, which ensures accountability and allows lessons to be learned’.) Founding documents of the EBRD highlight several issues commonly associated with good governance (‘multiparty democracy, the rule of law, respect for human rights, and market economics’), but do not use the term.</p> <p>Source: EBRD, <i>Annual Report 2010: Securing the Recovery</i> (2010), p. 64</p>
Inter-American	<p>The term ‘good governance’ is not in wide use in IADB documents, although documents highlight several issues commonly associated with good governance (accountability, transparency, democracy, institutional</p>

Development Bank (IADB)	<p>development). It is not highlighted explicitly, for instance, among the five institutional priorities approved by the Board of Governors in 2010 ‘to sharpen [its] effectiveness as a development partner in the region: (1) Social Policy for Equity and Productivity, (2) Infrastructure for Competitiveness and Social Welfare, (3) Institutions for Growth and Social Welfare, (4) Competitive Regional and Global International Integration, and (5) Protecting the Environment, Respond to Climate Change, Promote Renewable Energy, and Ensuring Food Security’.</p> <p>Source: IADB, <i>Development Effectiveness Overview 2010</i> (2010), p. xxv</p>
Other Multilaterals	
European Commission	<p>“Governance” means rules, processes and behavior that affect the way in which powers are exercised at European level, particularly as regards openness, participation, accountability, effectiveness, and coherence. ... Five principles underpin good governance and the changes proposed in this White Paper: <i>openness, participation, accountability, effectiveness, and coherence</i>. Each principle is important for establishing more democratic governance. They underpin democracy and the rule of law in the Member States, but they apply to all levels of government—global, European, national, regional, and local’.</p> <p>Source: EC, ‘European Governance: A White Paper’, Brussels, 25 July 2001, fn. 1 on p. 8, p. 10 (<i>sic</i>)</p>
International Monetary Fund (IMF)	<p>‘Good governance is important for countries at all stages of development. ... Our approach is to concentrate on those aspects of good governance that are most closely related to our surveillance over macroeconomic policies—namely, the transparency of government accounts, the effectiveness of public resource management, and the stability and transparency of the economic and regulatory environment for private sector activity’. (Michel Camdessus, IMF Managing Director, Address to the United Nations Economic and Social Council, 2 July 1997)</p> <p>‘The IMF is primarily concerned with macroeconomic stability, external viability, and orderly economic growth in member countries. The contribution that the IMF can make to good governance (including the avoidance of corrupt practices) through its policy advice and, where relevant, technical assistance, arises principally in two spheres:</p> <ul style="list-style-type: none"> • <i>improving the management of public resources</i> through reforms covering public sector institutions (e.g., the treasury, central bank, public enterprises, civil service, and the official statistics function), including administrative procedures (e.g., expenditure control, budget management, and revenue collection); and • <i>supporting the development and maintenance of a transparent and stable economic and regulatory environment conducive to efficient private sector activities</i> (e.g., price systems, exchange and trade regimes, and banking systems and their related regulations)’. <p>Source: IMF, <i>Good Governance: The IMF’s Role</i> (August 1997), p. iv, 3</p>
Organization for Economic Cooperation and Development (OECD)	<p>‘In its work on public governance, the OECD focuses in particular on the principal elements of good governance, namely:</p> <p>Accountability: government is able and willing to show the extent to which its actions and decisions are consistent with clearly-defined and agreed-upon objectives.</p> <p>Transparency: government actions, decisions and decision-making processes are open to an appropriate level of scrutiny by others parts of government, civil society and, in some instances, outside institutions and governments.</p>

	<p>Efficiency and effectiveness: government strives to produce quality public outputs, including services delivered to citizens, at the best cost, and ensures that outputs meet the original intentions of policymakers.</p> <p>Responsiveness: government has the capacity and flexibility to respond rapidly to societal changes, takes into account the expectations of civil society in identifying the general public interest, and is willing to critically re-examine the role of government.</p> <p>Forward vision: government is able to anticipate future problems and issues based on current data and trends and develop policies that take into account future costs and anticipated changes (e.g. demographic, economic, environmental, etc.).</p> <p>Rule of law: government enforces equally transparent laws, regulations, and codes'</p> <p>Source: OECD, Directorate for Public Governance and Territorial Development, 'Principal Elements of Good Governance'.</p>
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Like the UN, the European Commission and many of its member countries also bind together focus on democracy, governance, and human rights, highlighting both the inherent importance of these topics and their relationship to development. The 2011 'Agenda for Change' on EU development policy, for instance, notes that 'good governance, in its political, economic, social, and environmental terms, is vital for inclusive and sustainable development (Gisselquist, 2012).

This is well illustrated, for instance, in an exchange on governance and growth in the *Journal of Politics* between Kurtz and Schrank (2007a, b) and Kaufmann et al. (2007a, b). Kurtz and Schrank (2007a) define good governance as 'the quality of public administration' and proceed to use the Kaufmann et al.'s Worldwide Governance Indicators (WGI)'s measure of 'government effectiveness' in their reanalysis of the relationship between governance and growth (Gisselquist, 2012).

And as the governance definitions and approach have been expanded during the last 30 years to include public and business fields, we can say that good governance is the quality of public and business administration.

Good and Poor Governance in HE

Organizations establish good governance by establishing a constructive and synergistic association between different stakeholders involved in a higher education institution (Reschiwati et al., 2021). Several indicators are used to demonstrate the difference between good and poor governance. For example, good governance is characterized by accountability, efficiency and effectiveness, equity, consensus orientation, responsiveness, transparency, rule of law, and participation (Ullah & Rahman, 2021). Accountability is an essential requirement of good governance as it involves organizations being responsible to all stakeholders that are influenced by their decisions or actions (Ullah & Rahman, 2021). Efficiency and effectiveness mean utilizing resources sustainably to address the needs of the institution (Ullah & Rahman, 2021). Inclusiveness and equity entail ensuring the participation of all stakeholders in the governance process to make them feel a part of the institution (Ullah & Rahman, 2021). It also entails offering opportunities to all stakeholders including vulnerable groups to maintain or improve their existence.

Regarding consensus orientation, HE institutions have numerous stakeholders and actors with diverse views (Ullah & Rahman, 2021). Good governance in such circumstances involves mediating the various interests to achieve consensus and generate the best decisions that satisfy all stakeholders. Responsiveness involves establishing processes and structures that meet the needs of all stakeholders (Ullah & Rahman, 2021). Transparency entails complying with all requirements, regulations, standards, and laws when making and implementing decisions (Ullah & Rahman, 2021). It also involves ensuring the free and direct availability and accessibility of information. Finally, good governance is based on the comprehensive enforcement of relevant regulations and laws (Ullah & Rahman, 2021). It also supports human rights protection.

Good governance contributes significantly to improved performance in higher education by enhancing the quality of education (Huisman & Stensaker, 2022). The focus of good governance is on the way the institution sets policies, generates funds, uses the funds, prepares teachers, develops curricula, and administers the institution (Greenhalgh, 2015). In higher education, poor governance leads to inefficient processes and structures, which in turn results in ineffective and inefficient service provision. Additionally, lack of accountability, transparency, rule of law, inclusiveness, and equity can lead to inadequate performance and encourage undesirable behaviors such as corruption, poor education services, inappropriate use of institutions for private gain, and poor teaching practices (Huisman & Stensaker, 2022).

How Governance can be formed

Governance includes the processes and structures involved in decision-making. Thus, governance can be formed through creating new structures such as formal roles, positions, and offices in an institution or introducing new processes (Donina & Hasanefendic, 2018). For example, a higher education institution can be granted autonomy regarding the internal organization, finances, personnel, and connections with global and national organizations. Autonomy may involve establishing an independent board of governors, department assemblies, academic commissions, and the senate (Donina & Hasanefendic, 2018). Governance changes may also involve shifting from leadership models founded on shared responsibility to managerial models, creating buffer organizations, and introducing strategic plans based on outcomes (Varghese, 2015). Autonomy may also involve allowing institutions to freely appoint key administrators, adopt service conditions of staff, manage academic curricula and student admission, and manage their finances.

Governance can also be established by adopting results-based management approaches (Macheridis, 2016). This may involve introducing performance contracts to provide operational and managerial autonomy to institutions based on different performance criteria. Thus, governance is formed in higher education by giving institutions more operational freedom while making them more accountable simultaneously. Governance can also be formed by introducing a new and comprehensive quality assurance system, which shifts the responsibility for the quality of higher education from internal processes in institutions to external processes involving peer review by external players such as funding organizations and quality assessment organizations (Leiber, 2019). In turn, this influences the distribution of authority in institutions (Leiber, 2019). For example, it reduces the authority of heads of departments by delegating some duties to the chief executive of the institution and affecting the internal power structure of the institution.

Forming governance may also involve strengthening the executive authority of institutional leaders by transferring power to other players such as Vice-Chancellor and other top administrative actors while reducing the power of the traditional bodies (Moscato, 2017). Governance can also be established by bringing external players into leadership positions in institutions. The objective of such measures is to include people with commercial or industrial experience and reinforce connections to the economy and enhance internal efficiency (Moscato, 2017). The aforementioned changes influence the way higher education institutions conduct their governance.

Impact of forming a good Governance in the HE institutions

Studies demonstrate that governance structures influence the performance and management of an organization (Magalhães et al., 2013). According to Gao and Li (2020), good governance influences the outcomes of systems in higher education institutions and their performance. Therefore, institutions intending to support effective management should consider the association between governance and performance. Additionally, a study by Holliman et al. (2018) shows that good governance affects performance by improving the financial and human resources of the institution and the expected performance. Good governance also helps institutions to realize academic quality by encouraging them to strive to attain academic service performance (Schmidt et al., 2020). Performance in domains such as research and education increase the autonomy of institutions.

The individual performance of stakeholders in higher education institutions constitutes a set of behaviors contributing positively or negatively to attaining the goals of the institutions (Acevedo-De-los-Ríos & Rondinel-Oviedo, 2021). Governance affects performance by influencing the behavior of institutional processes and systems that are involved directly in transforming the organization in terms of product or service delivery (Donina & Hasanefendic, 2018). Studies about the association between governance in higher education and performance show that governance affects stakeholders in institutions by enabling them to monitor management efficiently, which ensures efficient and effective processes and practices while eliminating destructive behavior such as corruption and financial fraud (Tayo Akinleye et al., 2019). Additionally, good governance in higher education enhances performance through safeguarding the interests of diverse stakeholders, encouraging, or facilitating the adoption of better management practices, and resulting in the formulation of better strategic decisions and efficient use of organizational resources (Acevedo-De-los-Ríos & Rondinel-Oviedo, 2021).

Besides, good governance affects organizational culture positively through its effect on the values, norms, and rules shaping the behaviors and attitudes of organizational members (Riyadi & Soeling, 2019). In turn, this results in positive behaviors that help the organization achieve its objectives. Moreover, good governance enhances consistency across the institution in terms of organizational mission and vision, which improves adaptation (Riyadi & Soeling, 2019). For example, institutions with high levels of trust embedded in their culture are more likely to outperform other institutions with low trust levels (Al-Tit, 2017). Elements of organizational culture enable firms to transform learning and knowledge initiatives into positive performance outcomes. Nikpour (2017) demonstrates that organizational culture is related positively to organizational performance. Other researchers show that institutional autonomy and reduced influence of the government in the internal governance of higher education institutions are necessary to allow institutions to be successful globally (Sedláček, 2017).

The relation between Governance and Accreditation.

In higher education, excellence is an essential element because it demonstrates the ability and quality of the offered services and the implemented processes in satisfying stakeholders and ensuring the success of students. Numerous accrediting organizations consider excellence as a tangible element that involves a set of qualitative and quantitative indicators with a focus on improving performance. In particular, studies consider excellence in terms of learning achievements and outcomes, skill improvement among students, research level, resource availability, the quality of teaching, and the quality of the implemented curriculum (Gourlay & Stevenson, 2017).

Operational excellence in higher education also relies on the governance and leadership aspects of institutions (Wood & O'Leary, 2019). Accreditation by external bodies is essential in ensuring that institutions attain excellence in their governance system or processes (Wood & O'Leary, 2019). In particular, accreditation contributes significantly to establishing the required standards for governance structures and best practices to encourage a culture of continuous improvement towards attaining excellence (Gowda, 2020). Regarding the association between accreditation and governance, accreditation is used to indicate the quality to which institutions use it to determine the extent to which they meet specified standards (Gowda, 2020). Accreditation allows institutions to examine their governance system in-depth and address issues that hamper efficiency and effectiveness.

While studies have examined the impact of governance on the performance of higher education institutions, empirical research about this relationship is inconclusive and the findings show that the effect of governance on performance is still debatable. Thus, this ambiguity prompted the current study to explore this association.

3. Theoretical Framework

Effective Governance

The study uses the indicators of effective governance as its analytical framework. In particular, higher education institutions develop effectively through using integrated governance systems involving all stakeholders. Good governance is also essential for quality education in terms of content, level, and value. Universities function properly by transforming their governance in a way that promotes accountability, transparency, and inclusiveness based on the established rules as this ensures improved performance. Thus, governance in higher education affects performance because it helps institutions to maximize outcomes, monitor performance, enhance accountability, implement transparent processes, and involve all stakeholders in decision-making (Ullah & Rahman, 2021).

Governance is not just a system for managing universities. Rather, it is a broader concept focused on promoting high-quality procedures and outputs and enhancing both administrative and academic performance (Ullah & Rahman, 2021). It harmonizes and balances human resources and other physical resources to ensure coherent operations. Generally, governance is based on accountability, participation, and transparency (Varghese, 2015). Governance is essential due to its comprehensiveness and ability to help institutions to modify their external and internal process to ensure efficiency and improved performance. Effective governance of higher education institutions relies on accountable, participatory, responsive, inclusive, rule-based, and transparent processes and systems to realize the institutional objectives.

4. The Research Method

Research Design

While there are three major study designs including explanatory, descriptive, and exploratory, the present study employs an exploratory research design to examine the way good governance improves the performance of higher education institutions (Creswell & Creswell, 2018). The design is appropriate because there is inadequate research regarding the relationship between good governance and the performance of higher education institutions (Gray, 2014). Thus, the design will be used to gain insights into the effect of good governance on improving higher education institutions' performance.

Research Strategy

From the two primary research strategies, qualitative and quantitative, the current study uses the qualitative strategy to collect descriptive information (Patten & Newhart, 2018). The strategy is relevant because it will be used to understand how the topic is affected by its context in which data will be interpreted directly to identify any patterns (Braun & Clarke, 2014). A qualitative strategy is also appropriate for this study because it will help the researcher gain in-depth insights about the topic based on the collected data in form of text (Johnson, 2019). In turn, this will generate knowledge about the contexts of the topic owing to the interpretive nature of qualitative research.

Research Philosophy

The two major research philosophies include positivism and interpretive, which researchers use as the foundation of their studies (Collis & Hussey, 2014). Positivism is usually used by researchers adopting a quantitative research strategy in which a hypothesis is formulated, and empirical results are used to understand the topic (Park et al., 2020). For this study, the interpretive paradigm is employed because the focus is on understanding the topic in its context in which subjective interpretations are combined to explore the topic (Berg & Lune, 2017). The paradigm is used to select the context, data sources, and research objectives and questions for the study. Applying the paradigm to this study involves collecting data through literature search, identifying themes and patterns and their meaning, and interpreting meanings into trends and patterns based on the context (Burdine et al., 2020).

Research Method

Qualitative researchers usually use methods such as open-ended surveys, focus groups, observations, and interviews to implement their studies. The choice of individual methods depends on the study objectives and the research question. For this study, the secondary research method is used to aid in collecting data from empirical studies (Largan & Morris, 2019). The method is relevant to this study because it contributes to collecting diverse information from existing empirical studies related to the topic and combining the information to develop new knowledge and directions for further research.

Data Sources and Sampling

An essential part of conducting any study successfully entails identifying the sources of data and selecting an appropriate sample for the study. Various techniques such as purposive sampling, quota sampling, convenience sampling, and random sampling can be used to select the required sample size (Creswell, 2018). However, since the current study employs a qualitative strategy, the purposive sampling technique is used to select the required empirical articles. The selection was based on the criterion that only empirical studies are appropriate for this study. In turn, this resulted in the selection of 50 empirical research articles.

Research Approach

Since the study is based on an interpretive paradigm, an inductive research approach was used to inform the research design, the research strategy, and to analyze data (Largan & Morris, 2019).

Data Collection

The study collected information from 50 empirical research articles to investigate the way good governance in higher education institutions improves their performance. Internet research on reliable academic databases including EBSCO, PUBMED, Emerald, and ERIC was used to locate the relevant articles. As aforementioned, only empirical studies were selected.

Data Analysis

Owing to the use of an interpretive paradigm, the study uses thematic analysis to analyze data. The thematic analysis technique enables the researcher to identify major concepts, categorize them based on how they are similar or how they differ, and identify dominant themes or concepts (Lochmiller, 2021). The technique is useful because it helps to identify the relationship between data in the relevant context.

Analysis and Findings

The implementation of good governance concerns creating effective and efficient management systems. Good governance in higher education affects the performance of institutions positively. Good governance enhances the performance of higher education institutions in terms of the following indicators: resource management, accountability, and transparency.

Resource Management

Good governance enhances the working condition and status of lecturers, which enhances their performance and contributes positively to the performance of the institution. It also enables institutional leaders to maintain the

institutional facilities and the overall learning environment. In turn, this enhances teaching quality, and student satisfaction, and contributes to improved institutional performance. Good governance also contributes to the proper management of available funds through an enhanced monitoring process to address fraud and corruption issues, which in turn supports efficiency and improves financial performance.

Accountability

Good governance allows higher education institutions to establish transparent and clear regulations and practices for managing institutions, which results in effective and efficient practices that in turn generate improved performance. Good governance also ensures that public funds are protected from misuse and abuse and only used for their intended purposes through practicing openness in terms of offering regular reports about the financial performance of the institution, which promotes accountability and improves performance. Good governance also supports the effective allocation of resources in the institution to improve the quality of learning, which in turn improves student outcomes and satisfaction.

Participatory practices

Good governance facilitates inclusiveness in terms of decision-making to enable all stakeholders to contribute to the education process and enhance the quality of the offered services. Active and effective participation of diverse stakeholders contributes to the generation of the required resources for the institution. Additionally, allowing diverse stakeholders to play their roles in domains such as planning, implementation, evaluation, and monitoring enhances the quality of services including education. Participatory practices also develop a sense of belongingness, which facilitates cooperation and collaboration and contributes to better decisions.

5. Discussion

The results show that good governance enhances the performance of higher education institutions through several indicators including better management of the different stakeholders, improved teaching quality, increased student satisfaction, improved financial management, positive organizational culture, and better learning facilities and environment. Good governance also enhances the quality of decisions by achieving sustainability. Institutions cannot be effective and successful without complying with their principles. Effective governance facilitates and informs decision-making, which allows institutions to prosper and grow (Lougheed & Pidgeon, 2016). Combined with transparency and accountability, governance increases the sustainability of universities in the long term.

The results also show that good governance supports appropriate management in higher education institutions through effective resource management, which in turn affects performance by enabling the institutions to achieve their objectives (Nafi & Kamaluddin, 2019). Better resource management results in improved or quality teaching practices, which results in quality education. It also leads to improved school facilities that promote quality learning environments, which enhances the achievement of educational objectives.

Good governance also enhances accountability across the institution, which leads to effective management of institutions. Indicators of effectiveness include transparency, protection of resources from abuse and misuse, open reporting about financial and academic matters, and effective documentation and updates (Rustini, 2022). These indicators improve quality in domains such as management and education provision, which improve performance.

Additionally, good governance promotes participatory management practices when making decisions, which enhances the effective management of institutions (Paramitha et al., 2018). These practices facilitate procedures that allow the involvement of all stakeholders in institutional processes about enhancing quality, provides decentralized approaches for increasing stakeholder participation, supports active and effective involvement of various stakeholders, and encourages all stakeholders to fulfil their responsibilities in helping the institution achieve its objectives.

6. Conclusion

The present study investigated the way good governance in higher education improves performance. The findings show that good governance improves performance in higher education institutions through promoting effective resource management, enhancing accountability, involving diverse stakeholders in making decisions, and promoting transparency. In turn, this improves performance by resulting in high-quality teaching practices, positive learning environments, and quality education services.

7. Recommendations

The study recommends that:

Higher education stakeholders, particularly leaders, should help other stakeholders to understand their roles in participating and supporting institutions to achieve their objectives.

Higher education stakeholders should also continue providing adequate and appropriate resources and promote efficient and effective management practices to enhance performance.

Efforts should also be made to reinforce accountability within institutions through enhancing access to information for all stakeholders regarding the operations of institutions to promote efficiency and effectiveness.

Stakeholders should also foster participatory practices by involving those who are directly affected by higher education institutions to offer their views and participate in the education process.

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