

Good governance principles for the cultural heritage sector: lessons from international experience

Robert Shipley and Jason F. Kovacs

Robert Shipley is an Associate Professor and Jason F. Kovacs is a PhD candidate, both in the School of Planning, University of Waterloo, Waterloo, Ontario, Canada.

Abstract

Purpose – *The collapse of some prominent corporations over the last ten years has been attributed to poor governance. Not-for-profit agencies are now examining their own governance policies and practices in an attempt to prevent the calamities that have plagued the private sector. Because heritage sites, conservation organizations and heritage-based tourism are significant factors in the social life and economies of many countries, the proper management of cultural heritage initiatives is vital. This paper seeks to undertake the development of a set of good governance principles applicable to the oversight and operation of cultural heritage institutions.*

Design/methodology/approach – *The fifth World Parks Congress, in South Africa in 2003, encouraged the development of governance principles for protected areas based on the UNDP document Governance for Sustainable Human Development. Using these standards as a reference for the cultural heritage setting, UNESCO and ICOMOS charters and conventions, along with documents from National Trusts in specific countries are examined with regard to their relevance to good governance.*

Findings – *A set of good governance criteria and principles including legitimacy and voice, direction, performance, accountability, and fairness, is developed.*

Practical implications – *The paper addresses governance issues and principles relevant to non-governmental and public sector governance in the cultural heritage sector.*

Originality/value – *The paper draws on principles of good governance from several international heritage related agencies, trusts and organizations to develop a set of principles that can be recommended for use in the cultural heritage sector.*

Keywords *Corporate governance, Heritage, Standards*

Paper type *Conceptual paper*

Introduction

The public's attention was suddenly focused on matters of how corporations are managed when the giant American energy company Enron collapsed in 2001. Enron, however, was not alone. Other North American companies including WorldCom and Hollinger and the European-based Parmalat were also affected. How control was exercised within these enterprises seemed to be a large part of the problem. In the case of Enron, for example, it is alleged that the board of directors of the company, who were legally responsible for its actions, knew about poor and even illegal accounting practices but did nothing about it, preferring to leave decisions entirely in the hands of the company's managers (Byrne, 2002). One former Enron official, Michael Kopper, has already admitted guilt and agreed to testify against others. A measure of the impact of this event can be gauged by the passage in the United States of the Sarbanes-Oxley Act in 2002. This legislation imposes significant new standards of operation on companies.

The intent of this study is to relate the events that highlighted the importance of governance issues to the case of cultural heritage sites and institutions. First the nature of governance in

Received January 2007
Revised March 2007
Accepted April 2007

The authors wish to thank Mr Frood of the Historic Places Initiative, Parks Canada, for his encouragement and support for this study.

civil society will be examined, second a set of good governance principles will be outlined, third various cultural heritage documents will be parsed using the good governance principles as a standard and fourth additional ideas for heritage specific governance criteria will be suggested.

Governance and civil society

As defined by the Canadian Institute On Governance (2001, p. 7) governance is a dynamic interaction involving “structures, functions (responsibilities), processes (practices) and organizational traditions that the board of an organization uses to accomplish the organizing mission.” There is general agreement among researchers from across the ideological spectrum that not only shareholders, in the private sector model, but also stakeholders such as employees and customers are important to good governance. As Foster and Jonker (2005, p. 56) point out, stakeholder theory suggests that even corporations “need to engage with stakeholders as they have the power (in its various forms) to influence the achievement of outcomes.”

This concept is not confined to the private sector. As Laufer (2006, p. 239) reminds us, the recent failings in governance among some corporations should be seen in their historical context: “the scandals have also provided improved opportunities to activist groups with a focus on corporate ethics, governance, and good citizenship.” While the so called “good governance citizenship” movement of the 1990s may not have been able to prevent the Enron-type debacles it did raise awareness of governance issues in the not-for-profit or civil society sector. In terms of stakeholder theory, participants in civil society are both shareholders and stakeholders.

Specific work on how civil society can better engage in governance issues has begun to appear. González and Healey (2005, p. 2055) have developed models of power dynamics that illustrate how innovative governance approaches coming from within civil society have the “potential to transform wider governance processes and cultures”. Swyngedouw (2005) has acknowledged recent efforts by large organizations such as the European Union and the World Bank to improve public participation in governance but along with others he also explores some of the more intractable political and social issues that make innovative governance approaches difficult (Gerometta *et al.*, 2005; van Bueren and ten Heuvelhof, 2005).

Cognizant of the problems in the private sector and aware of the concerns of such bodies as the European Union and World Bank, many not-for-profit sector agencies and institutions have begun to question their governance and operating procedures. For example, the World Parks Congress has started to seriously reflect on governance principles for protected (natural) areas. At its Fifth Congress in Durban, South Africa in 2003, one of the conference themes was governance for protected areas and discussion papers were prepared linking governance principles for such areas to different international charters and conventions. Among these was the Institute On Governance publication, *Governance Principles for Protected Areas in the 21st Century* (Institute On Governance, 2003).

Particular importance of good governance in the heritage sector

There are at least three significant reasons why an examination of governance for heritage initiatives, both natural and cultural, but in built and cultural heritage sites and institutions in particular, is important. These reasons include the importance of cultural heritage in economic development, the way in which funding for historic sites and cultural institutions is managed, and the important function of civil society with regard to cultural matters.

First, cultural heritage, especially in relation to tourism, is a major development theme as indicated in such documents as the *European Spatial Development Perspective* (European Commission, 1999) that devotes three sub-sections to culture and tourism. Its role is expressed through such initiatives as the seeking of World Heritage Site status and regional marketing strategies (Hall, 2004). Recognizing this factor UNESCO’s *Muscat Declaration on Built Environments for Sustainable Tourism* (UNESCO, 2005) deals with the responsibility to ensure positive impacts from tourism.

As indicated in the Muscat Declaration, the management of tourism initiatives must be well conceived, professional, and beyond reproach, which leads to the second important concern, funding. The legal responsibility to undertake historic conservation is well established in international law through adherence to several UNESCO conventions (Denhez and Dennis, 1997). But to a larger extent than in the case of other national legal responsibilities, many countries have delegated the direct actions concerning cultural heritage to arms length or independent organizations and agencies (Ashworth and Tunbridge, 1990). At the country level these include national trusts while in many federal states such responsibility is delegated to provincial or state governments. At the local level, many historic sites and museums are run completely by volunteer directed agencies. While government funding flows through these agencies, at least part of their operating budgets comes either from donations or from fees and entrance charges. In virtually all cases, heritage institutions form part of the civil society in the sense that they are governed by citizen boards of directors.

The third reason for taking great care in matters of governance has more to do with political and social culture than with cultural heritage. Approaches common in North America or Western Europe cannot simply be transplanted to other places where there are different traditions. It is vital, however, that where those old patterns involve such things as one party rule, colonialism and privilege that there be ways to challenge such institutions in a constructive way. This is especially true in the matters of citizen involvement and accountability. Are there volunteer boards of directors guiding local cultural heritage institutions? How are directors appointed and to whom do they answer?

Principles of good governance

Research in a variety of fields is increasingly supporting the notion that good governance practices are important for effective organizational performance (Taylor, 2000; Lewis and Mioch, 2005; Nanda, 2006). The concept of “good governance” can be broadly defined as the “mode or model of governance that leads to the social and economic results sought by citizens” or as “the achievement of desired results consistent with the normative values of democracy and social justice” (Institute On Governance, 2003, p. 8; Institute On Governance, 2001, p. 7).

The task of defining good governance remains complicated by the fact that attempts to apply the attributes may cause disagreement. More specifically, good governance attributes such as constitutional legitimacy, administrative competence, public participation and accountability may conflict with one another while excessive emphasis on some attributes over others may lead to adverse results. Despite the inherent difficulties a starting point is needed. The Institute On Governance (2003) discussion paper *Governance Principles for Protected Areas* provides a well developed set of governance principles based on the United Nations Development Program's (UNDP, 1997) list of good governance characteristics. Here we outline these principles that will serve as a basis for developing core governance standards specific to the heritage conservation sector. The principles and their criterion are also set out in Table I.

Legitimacy and voice

This principle has six criteria. The first, existence of a supportive democratic and human rights context, refers to the presence of democratic institutions based on a viable multi-party system, human rights, promotion of tolerance, respect for existing rights, and the absence of discrimination based on gender, race, color, ethnicity or religion. The second, appropriate degree of decentralization in decision-making, necessitates that any devolution is through local bodies accountable to local people and that have the capacity to perform their functions. The third, collaborative management in decision-making, requires the involvement of representatives of all affected parties. The fourth, citizen participation at all levels, involves local levels of involvement and equal gender participation. The fifth, existence of civil society groups and an independent media, is of importance in balancing the exercise of powers granted to political leaders and managers. Finally, the sixth criterion, high levels of trust, requires confidence amongst all stakeholders.

Table I Principles of good governance

<i>Principles of good governance</i>	<i>Criteria for good governance</i>
From Institute On Governance (IOG, 2003)	From IOG (2003) based on UNDP Governance for Sustainable Human Development (1997)
Legitimacy and voice Principle based on participation and consensus orientation	Existence of a supportive democratic context Appropriate degree of decentralization in decision-making Collaborative management in decision-making Citizen participation occurring at all levels of decision-making Existence of civil society groups and an independent media High levels of trust
Added to original list after consideration of UNESCO, ICOMOS and other governance reports	Proper weighting of technical expertise in decision making. Recognize traditions of all peoples
Direction Principle based on strategic vision which includes human development and historical, cultural and social complexities	Consistency with international direction Existence of legislative direction Existence of system-wide plans Existence of management plans Demonstration of effective leadership Leadership free from conflict of interest
Added to original list after consideration of UNESCO, ICOMOS and other governance reports	
Performance Principle based on responsiveness of institutions and processes to stakeholders and effectiveness and efficiency	Cost effectiveness Capacity Co-ordination Performance information to the public Responsiveness Monitoring and evaluation Adaptive management Risk management
Added to original list after consideration of UNESCO, ICOMOS and other governance reports	Involve people with appropriate levels of skill, knowledge, expertise and professionalism
Accountability Principle based on accountability to the public and institutional stakeholders and transparency	Clarity Coherence and breadth Role of political leaders Public institutions of accountability Civil society and the media Transparency
Added to original list after consideration of UNESCO, ICOMOS and other governance reports	Assurance against conflict of interest. Ensure full sharing of new knowledge.
Fairness Principle based on equity and the rule of law	Existence of a supportive judicial context Fair, impartial and effective enforcement of conservation rules Fairness in the process for establishing new conservation sites Fairness in the management of conservation sites
Added to original list after consideration of UNESCO, ICOMOS and other governance reports	Careful balancing of decisions when conflicts occur among different principles

Direction

This principle comprises five criteria. The first, consistency with international direction, requires compliance with international conventions and other guidance documents. The second, existence of legislative direction, requires regulations that set out clear objectives, establish clear authority, provide viable administration, include citizen-participation and are available in written form. The third, existence of system-wide plans, entails the presence of quantified objectives for management, established priorities for planning periods, and citizen participation in their implementation. The fourth, existence of management plans, requires that goals have formal approval by appropriate authorities, clear objectives consistent with legislation, and measurable results within given timeframes. The goals must also be reviewed and updated on a regular cycle, and be implemented through annual work

plans. The fifth, demonstration of effective leadership, requires that politicians and managers provide consistent vision for the development of subject sites, mobilize support, and provide resources for implementation.

Performance

This principle consists of eight criteria. The first, cost effectiveness, refers to efficiency in the achievement of objectives. The second, capacity, refers to the ability of the responsible agency to undertake required functions. It also refers to policy capacity and the adequacy and security of funding. The third, co-ordination, is the ability to synchronize the efforts of players. The fourth, performance information to the public, requires provision of sufficient information for the public to assess progress. The fifth, Responsiveness, refers to an agency's ability and inclination to deal with complaints and public criticism. The sixth, monitoring and evaluation, is the capacity to undertake regular and comprehensive review of progress toward goals, and to respond to findings. The seventh, adaptive management, is the ability to learn and adjust management based on experience. Finally, the eighth criterion, risk management, is the capacity to identify key potential problems and to prepare for them.

Accountability

This principle comprises six criteria. The first, clarity, refers to unequivocal assignment of responsibilities and authority. The second, coherence and breadth, is the degree to which wider concepts of responsibility to the global community, future generations and the environment are integrated with concepts of political accountability. The third, role of political leaders, is the appropriateness of responsibilities assigned to elected representatives as opposed to non-elected officials. It also refers to the absence of corruption. The fourth, public institutions of accountability, means open access to information and the capacity to analyze and report. The fifth, civil society and the media, refers to the effectiveness of non-governmental bodies and the press in mobilizing demand for accountability. The sixth criterion, Transparency, is the capacity of citizens, civil society and the media to access relevant information.

Fairness

This principle consists of four criteria. First is the existence of a supportive judicial context, a legal system characterized by respect for the rule of law. The rule of law encompasses an independent judiciary, equality before the law, the requirement for government to base its actions on well-defined legal authorities, and the right of citizens to seek legal remedies against the government and against their fellow citizens. The second criterion, fair, impartial and effective enforcement of rules, includes the transparency of the rules themselves, the absence of corruption among public officials, and the right of appeal for those charged with transgressions. The third criterion, fairness in the process for establishing new conservation sites, includes respect for the rights, uses and traditional knowledge of local peoples, an assessment of other options for the use of the area, public participation in the process and appropriate balance among protected site objectives. The fourth criterion, fairness in the management of conservation sites, includes achieving a favorable balance of costs and benefits to local peoples, mechanisms for sharing or devolving management decision-making with local peoples, equitable human resource management practices for staff, and processes for recognizing and dealing with past injustices resulting from the establishment of conservation sites.

Principles in relation to international charters and conventions

International organizations such as United Nations Economic, Social and Cultural Organization (UNESCO) and International Council on Monuments and Sites (ICOMOS) have set out important conservation principles and standards in the cultural heritage field. As statements and guidelines for site conservation and management, the charters and conventions have helped to underpin national and international heritage conservation procedures (Denhez and Dennis, 1997). As Taylor (2004, p. 424) argues,

charters have a professional ethics role in directing the manner of international cultural conservation practices: “they invariably now address what is meant by such things as heritage values, conservation, significance, and the steps involved in the heritage conservation practice”.

In the following section we compare the content of UNESCO and ICOMOS charters and conventions to the principles and criteria for good governance outlined above and hereafter called the “reference principles.” The purpose of this exercise is to determine whether the charters and conventions recognize, reinforce and/or amplify the reference principles. It may then be possible to draw conclusions and lessons. For this purpose the charters and conventions are subdivided into the following four categories: charters adopted by the general assembly of ICOMOS, resolutions and declarations of ICOMOS symposia, charters adopted by ICOMOS national committees and ICOMOS charters and other standards. These distinctions have to do with the level of consensus and subsequent standing of the charters and conventions within the international heritage conservation community. General summary comments about the UNESCO documents are made in the text while more detailed points are contained in Tables II to V.

Table II Charters adopted by the general assembly of ICOMOS					
<i>Document</i>	<i>Legitimacy and voice</i>	<i>Direction</i>	<i>Performance</i>	<i>Accountability</i>	<i>Fairness</i>
Venice Charter (1964, 1965)		Consistency with international direction Existence of legislative direction Existence of system-wide plan	Monitoring and evaluation Co-ordination		
Florence Charter (1982)	Expertise and professionalism	Consistency with international direction Existence of legislative direction		Transparency	Existence of supportive judicial context
Washington Charter (1987)	Citizen participation in decision-making	Consistency with international direction	Adaptive management	Clarity Transparency Skills and knowledge	Existence of supportive judicial context Fairness in the process for initiating conservation plans Existence of supportive judicial context
Charter for Protection and Management of the Archaeological Heritage (1990)	Citizen participation in decision-making Expertise and professionalism	Consistency with international direction Existence of legislative direction Good management plans Importance of good project planning	Monitoring and evaluation	Coherence and breadth Public institutions of accountability	Existence of supportive judicial context
Charter on Underwater Cultural Heritage (1996)			Adaptive management Proper expertise	Funding not from sale of artifacts Information sharing	
Charter of Cultural Tourism (1976)	Expertise and professionalism	Consistency with international direction Plans for ensuring appropriate trees are cultivated for replacement		Importance of teaching appropriate skills	
Principles for the Preservation of Timber Structures (1999)					
Charter on the Built Vernacular Heritage (1999)	Recognition of traditions of all groups in a jurisdiction		Fostering traditional crafts		

Table III Resolutions and declarations of ICOMOS symposia

<i>Document</i>	<i>Legitimacy and voice</i>	<i>Direction</i>	<i>Performance</i>	<i>Accountability</i>	<i>Fairness</i>
Introduction of Contemporary Architecture into Groups of Ancient Buildings (1972) Bruges Resolutions (1975)	Need for public dialogue	Critical need for comprehensive town planning Existence of legislative direction	Co-ordination		Fairness in the process for establishing new historic town revitalization initiatives
Declaration of Tlaxcala (1982)	Collaborative management in decision-making	Consistency with international direction Existence of management plans			
Declaration of Dresden (1982)	Expertise and professionalism	Existence of management plans	Adaptive management		
Declaration of Rome (1983)		Consistency with international direction	Co-ordination	Skills and knowledge	
Education and Training in Conservation (1993)	Expertise and professionalism	Consistency with international direction		Skills and knowledge	
Nara Document (1994)	Collaborative decision-making expertise/professionalism	Consistency with international direction Existence of legislation	Monitoring and evaluation Adaptive management		
Declaration of San Antonio (1996)	Expertise and professionalism	Consistency with international direction Existence of management plans		Coherence and breadth Skills and knowledge	Fairness in the process for determining the future of cultural landscapes
Principles for the Recording of Monuments (1996)		Information recording should be part of overall plan	Need to manage and distribute information		
Stockholm Declaration on Human Rights (1998)	Inherent right to know ones heritage				

Analysis of charters relative to reference principles

Examination of the charters adopted by the ICOMOS general assembly (Table II) reveals a considerable resonance between most of them and the reference principles in regard to legitimacy and direction and only slightly less concurrence with accountability and fairness. What stands out, however, is the frequent mention of the importance of expertise and professionalism in conservation matters. That concept is absent from the reference principles. A second aspect that is found in the 1996 Charter for Underwater Heritage is mention of the need to disseminate and share the new knowledge and information derived from heritage projects. A third point missing from the reference principles but found in the

Table IV Charters adopted by ICOMOS national committees

<i>Document</i>	<i>Legitimacy and voice</i>	<i>Direction</i>	<i>Performance</i>	<i>Accountability</i>	<i>Fairness</i>
Deschambault Declaration ICOMOS Canada (1982)	Collaborative management in decision-making Citizen participation in decision-making Expertise and professionalism	Consistency with international direction Existence of legislative direction	Performance information to the public Adaptive management	Civil society and the media Transparency	Existence of supportive judicial context
Appleton Charter ICOMOS Canada (1983)	Citizen participation in decision-making Expertise and professionalism	Consistency with international direction	Monitoring and evaluation		
ICOMOS Brazil Seminar (1987)	Supportive democratic context Citizen participation in decision-making				Existence of supportive judicial context
ICOMOS New Zealand (1992)	Expertise and professionalism	Consistency with international direction Existence of management plans	Performance information to the public Monitoring and evaluation Adaptive management Risk management	Transparency Skills and knowledge	Effective enforcement of heritage conservation rules
Burra Charter (1999 version)	Expertise and professionalism	Consistency with international direction	Monitoring and evaluation Adaptive management	Clarity Coherence and breadth Transparency Skills and knowledge	Effective enforcement of heritage conservation rules Fairness in the process for establishing new heritage conservation sites Fairness in the management of heritage conservation sites
A Preservation Charter for the Historic Towns and Areas of the United States of America	Text of this document is not currently available through UNECSO of ICOMOS on-line sources				

1999 Charter on the Built Vernacular Heritage concerns the need to recognize the traditions of all communities within any given jurisdiction.

The Resolutions and Declarations (Table III) echo the first group of ICOMOS documents in that they mention many of the common points found in the reference principles but once again note skills, knowledge, expertise and professionalism. Mention is also made in the 1996 document "Principles for the recording of monuments," of the importance of record keeping and information dissemination. While the nationally adopted charters (Table IV) are often more detailed and therefore richer in their description of governance matters

Table V ICOMOS charters and other standards

<i>Document</i>	<i>Legitimacy and voice</i>	<i>Direction</i>	<i>Performance</i>	<i>Accountability</i>	<i>Fairness</i>
Athens Charter (1931)	Collaborative management in decision-making Degree of decentralization in decision-making Expertise and professionalism	Existence of legislative direction Existence of management plans Consistency with international direction	Monitoring Adaptive management		Recognizes right of private ownership
Norms of Quito (1967)	Collaborative management in decision-making Citizen participation in decision-making Expertise and professionalism	Consistency with international direction Existence of legislative direction Existence of management plans Effective leadership	Co-ordination Adaptive management		Existence of supportive judicial context
Declaration of Amsterdam (1975)	Collaborative management in decision-making Citizen participation in decision-making	Existence of legislative direction Consistency with international direction	Risk management Performance information to public Monitoring and evaluation Cost effectiveness	Civil society and the media	Existence of supportive judicial context Effective enforcement of architectural heritage conservation rules
European Charter of the Architectural Heritage (1975)	As above – this document is the basis of the Amsterdam Declaration				

especially on legitimacy, direction and performance, it is once more the aspects of skills and professionalism that differentiate them from the reference principles.

Being among the oldest, most formative and most general international conservation statements, it is perhaps not surprising that the Athens, Quito and Amsterdam documents (Table V) are not particularly detailed on matters of governance. Nevertheless, there are clear references in these documents to the principles of direction, performance, legitimacy and fairness, while accountability is only highlighted in the Amsterdam declaration. Expertise and professionalism, as in the other ICOMOS documents, are stressed. All of the mentions of principles in the documents cited are concurrent with the reference principles.

Principles and governance reviews from different countries

Historic conservation agencies and institutions in various countries have responded to the increased concern about good governance by reviewing their own structures and practices. Governance reviews conducted in the US, the UK and Ireland are examined here, with reference to the principles of good governance, and comparisons are made. First we offer description of the subject documents.

The enactment of the Sarbanes-Oxley Act of 2002 followed by a 2003 series of articles in the *Washington Post* on “the nature of conservancy” encouraged the US National Trust to review its governance structure and practices. An *ad hoc* committee of the Board of Trustees was

subsequently set up to address governance issues, especially those concerning conflicts of interest, financial oversight and accountability, and mission conflicts. The principal recommendations of the *Report of the Ad Hoc Governance Committee* (2004) is summarized in Table VI.

The Council of the National Trust for England, Wales, and Northern Ireland appointed a review group in 2002 to report on the governance arrangements of the trust. Nearly all members of the council and principal central committees invited to the first review meeting believed that the governance structure of the trust required improvement. Governance issues addressed over the course of subsequent meetings focused on two key areas of concern: the sheer number of internal bodies and associated decision-making problems, and fairness in the methods by which people were elected and appointed to posts in the trust. The principal recommendations of the resultant *Report on the Governance of the National Trusts* (2003) is summarized in Table VI.

The Council of the National Trust for Scotland established a special panel to review the trust's governance structures in 2002. Over the course of eleven meetings, panel members representing the council, executive and advisory committees, and staff deliberated over three issues regarding the nature of the Trust and its governance: responsibility to members, fiduciary responsibilities and authority, and decision-making powers. The main recommendations of the follow-on report *The National Trust for Scotland Governance Review* (2003) is summarized in Table VI.

The Association Memorandum of An Taisce, the National Trust for Ireland, was modified by special resolution in 2002. Although not a governance review *per se*, the amended *Memorandum of Association of An Taisce* (An Taisce – National Trust for Ireland, n.d.), is a comprehensive review document on the responsibilities and regulations of the Trust. Governance principles implicit in the document are summarized in Table VI.

Review documents compared to reference principles

Table VII compares the principles of good governance set out in the US National Trust review and items derived from the National Trust for England, Wales, and Northern Ireland review, with the reference principles. While not identified specifically as “governance principles,” the list from the UK document corresponds closely with the stated principles from the other documents. The comparison is not exact since the reference principles are grouped differently but what can be seen is a considerable overlap and agreement. This serves to strengthen the assertion that the reference principles are quite complete and comprehensive.

Particularly in the area of direction, all emphasize well-defined mission, competent governing body and good leadership. With regard to fairness each recognizes the need for good employee relations, election of trustees and good treatment of volunteers. There is somewhat less overlap in the areas of legitimacy and voice, and performance with the American document more vocal on the first aspect and the British version stronger on the latter.

Evaluation: governance reviews and governance principles

The US National Trust review committee made a number of pointed recommendations (see Table VI). Some of these referred to such matters as ensuring that the Trust has a clear and well defined mission, openness in fund raising, good financial accountability and fairness in its employee performance evaluation: “The audit committee should also obtain regular reports . . . regarding any legal or regulatory matter that may have a significant impact on the National Trust's operations or financial statements” (recommendation III-a). All of these reinforce aspects contained in the reference principles and also principles that are encouraged by such agencies as the European Union and the World Bank (Swyngedouw, 2005).

The US review, perhaps not surprisingly given the backdrop of corporate wrongdoing that triggered the investigation, stresses the problem of conflict of interest. There were several

Table VI Different governance reviews relative to governance principle

<i>Document</i>	<i>Legitimacy and voice</i>	<i>Direction</i>	<i>Performance</i>	<i>Accountability</i>	<i>Fairness</i>	<i>Observations</i>
National Trust for Historic Preservation (USA)	Conflicts of interest policy and "whistle blower" protection policy Fundraising (foundation of trust)	Mission and program (well defined and effective) Governing body (effective leadership)	Public affairs and public policy advocacy Corporate governance monitoring Full public disclosure of corporate relationships Trustee body should be of a size and composition to enable it to operate effectively Effective co-ordination of functions between trustees, committees and staff Accessible information on decision-making processes to stakeholders Annual performance reports (financial) Annual evaluation of effectiveness of the governing body, council, committees and panels Better risk management More adaptive management Smaller executive committee	Financial oversight Legal accountability Openness to public Fundraising (transparency) Public affairs and public policy	Fair performance evaluation (human resources)	Conflicts of interest policy Better financial accountability
National Trust of England, Wales and Northern Ireland	Degree of external participation in decision-making Stakeholder trust in efficiency and integrity of the charity Governing body composed of people with the most appropriate range of skills and experience	Effective leadership (genuinely in control of charity's activities and strategy)		Identifiable body of trustees who can be held publicly to account	Fair process for electing or appointing trustees and members of committees	Importance of skills and knowledge within governing body Need to balance principles
National Trust for Scotland	Retain regional committee but only advisory Possible absorption of members centers Specialist committees Local association Conflict of interest preventative measures	Membership responsibility Leadership responsible to nation More delegation to senior staff		Charitable trustees need to inform trust's members only about certain matters Leadership has special responsibilities Clarity in responsibilities	Too much governance in decision making More efficient use of volunteer time	Need to balance principles Professional expertise
An Taisce – National Trust for Ireland		In purpose, does not mention UNESCO Legislation	Annual performance reports (financial)			Conflicts of interest policy at discretion of council

Table VII Comparisons of governance principles from different countries

<i>Principles</i>	<i>US National Trust for Historic Preservation</i>	<i>UK National Trust for England, Wales and Northern Ireland</i>
Legitimacy and voice	Conflicts of interest Policies to prevent actual, potential, or perceived conflicts of interest (e.g. "whistle blower" protection policy)	Note: in the National Trust for England, Wales and Northern Ireland there were recommendations on key elements on good governance but, while similar to the other documents, they were not called "principles" or given specific titles
Direction	Fundraising fundraising program should be maintained on a foundation of truthfulness Mission and Program Well-defined mission Obligation to ensure program effectiveness	Effective leadership Identifiable body of trustees who are genuinely in control of charity's activities and strategy Trustee body should have real control over whether the right senior management is in place, and should be able properly to challenge, scrutinize and support that management
Performance	Governing body An effective non-profit board should determine the mission of the organization, establish management policies, assure that adequate human and financial resources are available, and monitor organization's financial and programmatic performance Public affairs and public policy Public education and public policy advocacy	Capacity Trustee body should be of a size and composition to enable it to operate effectively Co-ordination It should be clear which powers and functions can only be exercised by the trustees, and which are delegated to committees or to staff Accountability Identifiable body of trustees who accept full responsibility for strategy and activities of the charity and who can be held publicly to account
Accountability	Financial and legal Sound financial oversight and legal accountability	
Fairness	Openness Nonprofits should be accessible and responsive to members of the public. Information about organization's mission, activities, and finances should be made available to the public Human resources Human resource policies should address both paid employees and volunteers, and should be fair, establish clear expectations, and provide effective performance evaluation	Fair appointment of trustees Fair process for electing or appointing trustees and members of committees

cautions about avoiding conflict of interest both at the board and staff levels regarding policy decisions and financial affairs. The prime contribution to a broader understanding of governance principles from the US National Trust review, therefore, might well come from this focus on improving the reality and optics around the issue of conflict of interest.

The England, Wales, and Northern Ireland National Trust governance review called for effective and genuine leadership with an identifiable body of trustees who should be in clear and accountable control. Annual evaluation of the effectiveness of the governing body, council, committees and panels as well as annual performance reports is recommended. In the review committee's judgment, the process for electing and appointing trustees and specialist committee members could be seen to be fairer. A degree of external participation in decision-making was recommended. These are concerns that are already clearly articulated in the reference principles and are in accord with supporting concepts such as stakeholder theory (Foster and Jonker, 2005; Laufer, 2006).

There are, however, recommendations that emerge as potentially contradictory or at the very least having the potential to cause tension in the organization. The report says that the

trustee body should be of a size and composition to enable it to operate effectively. It further calls for effective co-ordination of functions between trustees, committees and staff. When specific recommendations are made it appears that they call for the size of the controlling board to be reduced, an executive committee formed and more powers given to the senior staff. This could all be interpreted as shorthand for a concentration of power that is suggested under the banner of efficiency but which may contradict the notions of having an appropriate degree of decentralization and collaborative management in decision-making.

One aspect that is stressed in the UK governance review that is absent from the reference principles, and which we have seen emphasized elsewhere, is the need to have an appropriate range of skills represented on the governing body. That is, those guiding the organization should have knowledge and experience in the fields in which the Trust operates. That implies accountants of the finance committee, heritage professionals on technical committees and so on.

Although the National Trust for Scotland special panel on governance issues did not set out specific principles they did make a series of recommendations. A number of these were somewhat like the England, Wales, and Northern Ireland National Trust ideas in that they appear to be aimed at rationalizing the governance structure. The report recommended keeping the regional committees, which had previously exercised some authority, but reducing them to an advisory role. The executive committee is to be reduced in size and more authority delegated to senior staff. Here again there lurks a danger of contradicting the principles of having an appropriate degree of decentralization and collaborative management in decision-making. As with the UK document there is recognition of the need for professional skill on specialist committees.

An Taisce, The National Trust for Ireland, has not recently conducted a study to examine its own governance but it can perhaps stand as an example of what might be done by examining legislative framework, letters patent or the constitution of any national, sub-national, public or private institution set up to conserve heritage. An investigation of the legislation that mandates the Irish National Trust shows that many of the concepts outlined in the reference principles are in fact present. An Taisce has local associations throughout the country, it has enabling legislation, annual financial reporting and a clear set of responsibilities. The An Taisce document is silent on some governance issues from the reference principles but joins the US and England, Wales, and Northern Ireland National Trusts in making provisions to prevent conflict of interest. It states that, “where a situation arises involving a member of the committee of an Association which gives cause for conflict of interests, or of the appearance thereof . . . the Council shall have discretion to require the resignation of that member from the committee” (article 44-h).

Conclusion: good governance in the cultural heritage sector

An examination of literature on governance, along with international charters and conventions that address heritage conservation as well as reports from national cultural heritage institutions (National Trusts) has led to two primary conclusions. First, there exists a good model in the “Five principles of good governance” (Institute On Governance, 2003). The five principles are well conceived, clearly articulated and are themselves based on the UNDP’s “Characteristics of good governance”. Together they form a strong basis for the development of governance principles intended for use with heritage sites and organizations dealing with cultural heritage conservation. We have termed these the “reference principles.” Second, these reference principles, after comparisons with and evaluation against UNESCO and National Trust documents emerge as robust, useful and transferable with only a small number of additions.

The additions to the reference principles focus on six points. First, while there is concurrence between the UNESCO documents and reference principles, there is one area where UNESCO charters are much more vocal and this concerns the need in heritage conservation for skills, knowledge, expertise and professionalism. Public participation, as stressed in the legitimacy and voice principle, good management, called for in the direction principle, and

the need for accountability are all important. However, the irreplaceable quality of heritage resources means that knowledge of their significance and skill in their conservation must be the foundation for informed economic and political decision making. The National Trust reviews from various countries concur on this point.

Second, avoidance of conflict of interest looms as the largest recommendation from the reviews of organizational governance and legislation in both the US and the British Isles. While this value is hinted at in the reference principles under accountability, it is not stressed to the extent found in the review documents. A third and fourth aspect that emerged from this study are that information and new knowledge derived from the study of heritage matters needs to be shared and that the traditions of all people in any given area should be respected. This means that not just the buildings and historic sites of the dominant ethnic or cultural group should be celebrated but those of all the inhabitants.

The fifth aspect is that within the interplay of governance issues the various principles need to be carefully balanced. It is relatively easy to cause new problems in the course of solving old ones. A case in point leads us to the sixth and final caution that emerges from observations of recommendations found in the two British National Trust review documents. The recommendations display what might be called a Thatcherite tendency to reduce the numbers in representative governing bodies and to reduce their power while concentrating authority in smaller executive committees and senior staff. This attention to the principles of direction and performance potentially conflicts with the principles of legitimacy and voice and accountability.

A revised set of good governance principles and criteria is included in Table I where items reflecting the conclusions outlined above are integrated. This set of principles is recommended for use in creating new cultural heritage organizations or setting up the administration of new sites, in monitoring the activities of existing bodies and the management of current sites and in evaluating the performance of all cultural heritage activities.

References

- An Taisce – National Trust for Ireland (n.d.), "Memorandum of association of An Taisce", available at: www.antaisce.org/campaigns/policy_statements/memo-arts03.doc (accessed 27 November 2006).
- Ashworth, G.J. and Tunbridge, J.E. (1990), *The Tourist-Historic City*, Belhaven Press, London.
- Byrne, J. (2002), "No excuses for Enron's board", *Business Week*, 29 July, available at: www.businessweek.com/magazine/content/02_30/b3793720.htm (accessed 27 November 2006).
- Denhez, M. and Dennis, S.N. (Eds) (1997), *Legal and Financial Aspects of Architectural Conservation*, Dundurn Press, Toronto.
- European Commission (1999), *European Spatial Development Perspective: Towards Balanced and Sustainable Development of the Territory of the European Union*, Office of Official Publications of the European Union, Luxembourg.
- Foster, D. and Jonker, J. (2005), "Stakeholder relationships: the dialogue of engagement", *Corporate Governance*, Vol. 5 No. 5, pp. 51-7.
- Gerometta, J., Häussermann, H. and Longo, G. (2005), "Social innovation and civil society in urban governance: strategies for an inclusive city", *Urban Studies*, Vol. 42 No. 11, pp. 2007-21.
- González, S. and Healey, P. (2005), "A sociological institutionalist approach to the study of innovation in governance capacity", *Urban Studies*, Vol. 42 No. 11, pp. 2055-69.
- Hall, D. (Ed.) (2004), *Tourism and Transition: Governance, Transformation and Development*, CABI Publishing, Oxford.
- Institute on Governance (2001), in Gill, M. (Ed.), *Governance Do's and Don'ts: Lessons from Case Studies on Twenty Canadian Non-profits*, Ottawa, available at: www.iog.ca/publications/nonprofit-gov.pdf (accessed 27 November 2006).

Institute on Governance (2003), in Graham, J., Amos, B. and Plumptre, T. (Eds), *Governance Principles for Protected Areas in the 21st Century: Prepared for the Fifth World Parks Congress Durban*, Ottawa, available at: www.iog.ca/publications/pa_governance2.pdf (accessed 27 November 2006).

Laufer, W.S. (2006), "Illusions of compliance and governance", *Corporate Governance*, Vol. 6 No. 3, pp. 239-49.

Lewis, D. and Mioch, J. (2005), "Urban vulnerability and good governance", *Journal of Contingencies and Crisis Management*, Vol. 13 No. 2, pp. 50-3.

Nanda, V.P. (2006), "The 'good governance' concept revisited", *Annals of the American Academy of Political and Social Science*, Vol. 603, pp. 269-83.

National Trust for Historic Preservation (2004), "Report of the ad hoc Governance Committee", available at: www.nthp.org/about/Governance_Committee_Report_May2004.pdf (accessed 27 November 2006).

National Trust for Scotland (2003), "The National Trust for Scotland: Governance review", available at: www.nts.org.uk/web/FILES/GovReview03.pdf (accessed 27 November 2006).

National Trust of England, Wales, and Northern Ireland (2003), *Report on the Governance of the National Trust*, available at: www.nationaltrust.org.uk/main/governance_review.pdf (accessed 27 November 2006).

Swyngedouw, E. (2005), "Governance innovation and the citizen: the Janus face of governance-beyond-the-state", *Urban Studies*, Vol. 42 No. 11, pp. 1991-2006.

Taylor, D.W. (2000), "Facts, myths and monsters: understanding the principles of good governance", *International Journal of Public Sector Management*, Vol. 13 No. 2, pp. 108-24.

Taylor, K. (2004), "Cultural heritage management: a possible role for charters and principles in Asia", *International Journal of Heritage Studies*, Vol. 10 No. 5, pp. 417-33.

UNESCO (2005), *Muscat Declaration on Built Environments for Sustainable Tourism, [Declaration of Oman]*, available at: www.world-tourism.org/sustainable/doc/DeclarationOman-e.pdf (accessed 27 November 2006).

UNDP (1997), *Governance for Sustainable Human Development, A Policy Document*, United Nations Development Program, New York, NY, available at: <http://magnet.undp.org/policy/default.htm> (accessed 27 November 2006).

van Bueren, E. and ten Heuvelhof, E. (2005), "Improving governance arrangements in support of sustainable cities", *Environment and Planning B: Planning and Design*, Vol. 32 No. 1, pp. 47-66.

Corresponding author

Robert Shipley can be contacted at: rshipley@fes.uwaterloo.ca

To purchase reprints of this article please e-mail: reprints@emeraldinsight.com
Or visit our web site for further details: www.emeraldinsight.com/reprints