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## Leadership, Collaboration and the Higher Skills Agenda<sup>i</sup>

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### Abstract

This article considers changes in the UK higher education system and the extent to which the need to build more effective, enduring and equitable partnerships with employers may help inform our understanding of collaborative leadership and our ability to contribute in a positive way towards the development of leadership and management capability in organisations.

*“Universities, at the heart of the UK’s growing knowledge economy, are facing unprecedented challenges. Tasked not only with educating students, whose expectations of education are changing, and with producing cutting-edge internationally recognised research, universities are also being asked to work with local communities and collaborate with businesses. Yet these are significant calls on finite resources and questions need to be raised about how universities and their leaders can best respond to the challenges they are now facing.”<sup>ii</sup>*

The world is changing, or so we are told. Traditional hierarchical and bureaucratic models of organisation are giving way to networked ‘heterarchies’<sup>iii</sup> – fluid and emergent systems based upon relationships and shared interests rather than formal power relations. Whilst hierarchies are concerned with *control*, heterarchies are concerned with *coordination*<sup>iv</sup>.

This shift in organisational forms arises largely from the changing nature of our economy both in terms of the trend away from production to service economies within industrialised nations and the increasing interdependence of countries and their organisations on a global scale. To compete effectively, it is now argued, organisations of all types must capitalise on their ability to ‘add value’ through exploitation of the intellectual and creative capacity of their workers in the generation and effective utilisation of knowledge.

The ‘knowledge economy’, as it is now called, is heavily dependent on the education and skills of employees at all levels and on the organisations’ capacity to harness their abilities towards the achievement of organisational goals. Within such an environment it is hardly surprising that both ‘leadership’ and ‘higher-level skills’<sup>v</sup> have been singled out as key priorities.

Since the beginning of the Blair government leadership has been a central pillar of the reform and 'modernisation' of public services<sup>vi</sup> and the promotion of the 'skills agenda' regarded as one of the primary vehicles by which the economic competitiveness of the UK would be achieved. Recent years have seen increasing emphasis on the pivotal role of the higher education (HE) sector in addressing skills deficits and in December 2006 the Leitch Report<sup>vii</sup> secured recognition of the pressing need for universities to engage more closely with employers.

The HE sector, therefore, now finds itself at the vanguard of the movement for improved leadership in the UK both through an identified need to enhance its own leadership as well as that of the nation's workforce<sup>viii</sup>. The Higher Education Funding Council for England (HEFCE)<sup>ix</sup> identify "developing leadership, management and governance" as one of their eight strategic aims and Department for Innovation, Universities and Skills (DIUS)<sup>x</sup> propose that "in order to reap the benefits of providing relevant high level skills to employers, there must be high level strategic leadership to drive the cultural change necessary to create a new and financially viable business model".

Cultural change, indeed, is what lies at the heart of these proposals. DIUS argue that "we must ensure that everyone's skills and talents are developed throughout their lives so that we have a world beating workforce... [and] a society where no-one is left behind and where ordinary people are given a greater stake in the community in the form of higher wages, higher aspirations and more stable and secure lives"<sup>xi</sup>. These are high ideals and the ability to deliver them extends far beyond the capability of universities alone – the only viable solution, it seems, is collaboration.

The call for HE providers to engage more actively with a diverse range of stakeholders is not new, yet poses some serious challenges<sup>xii</sup>. As autonomous institutions (rather than part of the public sector) there is a wide level of discretion in how universities are managed and run. Whilst the government may vociferously demand them to extend the range of their activities, the viability of possible responses is largely dictated by the market. Furthermore, despite assertions about the extent of the higher skills market for people already in employment (rather than the traditional full-time undergraduate and postgraduate university intake) it remains relatively untested, with the potential for income generation a contentious issue<sup>xiii</sup>. There are also concerns that with a shift to employer-led and privately funded education the broader social contribution of HE may be eroded in a manner that threatens the independence of universities and their ability to engage in non-profit making activities such as 'blue skies' research, social commentary and community development work.

For universities and employers to truly collaborate, deep running reciprocal relationships are required. To use the analogy from the Native American proverb "never judge a man until you walk a mile in his moccasins", universities, employers and other organisations and groups with an interest in the development of a high-skills economy must take time to get to know one another – to develop a mutual respect and appreciation of the unique contribution of (and pressures on) each partner.

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Such understanding, I would argue, is dependent on finding appropriate opportunities for discussion, reflection and the sharing of experience within and between stakeholders. Whilst it would seem that in the current climate a huge amount of effort is being directed towards making universities adapt and respond more effectively to the demands of employers (largely through government-controlled incentives and penalties) far less attention is given to encouraging employers to seriously consider the social and ethical (as well as commercial) imperatives to develop and support their employees. Culture change cuts both ways, as does genuine collaboration.

In the challenging times ahead, developing effective, enduring and equitable partnerships, it seems, will be an increasingly key priority of leaders in all sectors. Despite this, however, remarkably little is known about how to do this. We often pay lip service to 'collaboration' but when it comes down to it old allegiances (and conflicts) are hard to shift. Successful partnerships require the development and articulation of shared goals and objectives and a reframing of identities.

If the Credit Crunch has taught us anything it is that all our futures are linked – that abusive and self-serving practices within one part of society have a knock-on effect across the whole system. It is true, perhaps, that at times the HE sector can be rather inward-looking, risk averse and/or elitist, but similar criticisms can be targeted elsewhere. The next few years will be key in determining the future direction of our universities and their ability to deliver the kinds of contribution expected of them. As institutions with roots that lead right to the heart of our societies (in terms of the arts, science, education, etc.) their future is of significance to all of us and their success dependent on developing a shared and sustainable understanding of their place within society: neither ivory towers nor skills factories! Hopefully we will find ways of harnessing this learning to inform our work in leadership and management development and, as a result, be better placed to determine our own future as well as supporting others in pursuing theirs.

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## References

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<sup>i</sup> The arguments in this paper are informed by a current research project being conducted by the Centre for Leadership Studies on behalf of the South West Higher Skills project. For further details please visit: <http://tinyurl.com/6fadvg>.

<sup>ii</sup> Work Foundation (2008), *The Work Foundation and Higher Education*, London: Work Foundation, p. 1.

<sup>iii</sup> A term first coined by the philosopher Warren S. McCulloch and regarded as a seminal contribution to neural network theory and cybernetics.

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<sup>iv</sup> The arguments in this and the following paragraph are informed by an ESRC research seminar hosted by the Universities of Exeter and Lancaster at the Work Foundation in London on 19<sup>th</sup> September 2007. For further details please visit: <http://www.inter-logics.net/CFO/default.aspx>.

<sup>v</sup> Defined as academic or vocational education broadly equivalent to first degree level or above.

<sup>vi</sup> Hartley, J. and Allison, M. (2000), The role of leadership in the modernization and improvement of public services, *Public Money and Management*, April-June, 35-40.

<sup>vii</sup> Leitch, S. (2006) *Prosperity for All in the Global Economy – World Class Skills: Final Report*. Norwich: The Stationery Office.

<sup>viii</sup> Bolden, R., Petrov, G. and Gosling, J. (2008), Tensions in higher education leadership: towards a multi-level model of leadership practice, *Higher Education Quarterly*, 62(4), pp. 358–376.

<sup>ix</sup> HEFCE (2004), *HEFCE Strategic Plan 2003-2008 (Revised April 2004)*. Bristol: Higher Education Funding Council for England.

<sup>x</sup> DIUS (2008), *Higher Education at Work – High Skills: High Value*. London: Department for Innovation, Universities and Skills.

<sup>xi</sup> Ibid, p. 8.

<sup>xii</sup> For a detailed review of the literature on key issues relating to HE engagement with employers please see Bolden, R. and Petrov, G. (2008), *Employer Engagement with Higher Education: A literature review*. Report compiled for the South West Higher Level Skills Project on behalf of HERDA South West and HEFCE, Centre for Leadership Studies, University of Exeter. (<http://tinyurl.com/66r5ye>).

<sup>xiii</sup> Sastry, T. and Bekhradnia, B. (2007), *Higher Education, Skills and Employer Engagement*. Oxford: Higher Education Policy Institute (HEPI).