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# The "New Managerialism": Experiences of Introducing Formal Management Education into the Public Sector Through the Mechanism of the MBA Dissertation

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#### **Abstract**

This paper reflects upon our experience of supervising dissertations on a public sector executive MBA programme run for a large metropolitan council. The research method is based on participant observation and reflection whilst directing the work undertaken by the MBA students in carrying out their dissertation. We assess the benefits that accrue to staff teaching on the programme and reflect on the new opportunities, in terms of career development and better management practice afforded to executives who have participated in the programme.

Academic staff benefits include: interesting and stimulating work which sometimes leads to refereed publications at conferences and in journals; consultancy & significant applied teaching materials and improvements to the applied knowledge base of teaching staff. Lessons have also been learned about good practice in supervising dissertations. Executive benefits include progression to promoted posts & gaining new insights into better or best working practices. Organisational benefits include cross fertilisation of ideas produced through interaction between programme members. This paper discusses how the MBA programme meets the demands of various interested parties.

#### Introduction

## **Council Perspective**

In the early part of the 21<sup>st</sup> century, the metropolitan council sought to change the way public sector services were delivered. As a consequence, it adopted a new approach to learning and development. The new approach possesses a behaviour-based focus, which includes post-graduate MBA and Diploma programmes.

Senior management identified an absence of general management capability within the organisation. Although managers were technically proficient within their particular fields they often lacked management skills of a high order. The council's performance indicators had been unsatisfactory when compared against other metropolitan authorities and the problem was compounded by the fact that the council was experiencing substantial financial difficulties in balancing

revenues with expenditures. To solve the problem, it was decided to downsize the top-heavy management structure as a step towards creating a much leaner and fitter organisation. It was recognised that any such down-sizing would put extra demands on its remaining senior managers and that the latter would need to possess the skills to manage the gaps in the organisation structure created as a result of downsizing.

The MBA was selected as an appropriate means to enable the council to invest in and develop its key managers, thereby enabling them to help bring about the desired changes. Chester Business School was selected as a key partner to help the Council develop the programme.

# **Academic Perspective**

The MBA programme helps to develop new ideas regarding "managerialism in the public sector" and assists in developing theory in what is often considered an emerging discipline. The dissertation supervision team supports students to produce a dissertation through ensuring that the allocated supervisor has the up to date practical and theoretical knowledge of the specific topic area in which the student expresses interest. The supervisors actively participate in & advise on the research proposal design. This involves working very closely with the student (executive) at key stages in the production of the research proposal and development of the subsequent dissertation.

The three year in-house MBA programme for senior managers (two years taught plus one year to complete a dissertation) seeks to improve management practice in the organisation by:

- promoting modern management ideas and techniques
- > showing how practitioners can turn new knowledge into better workplace performance (Page et al., 2000)
- enhancing networking opportunities with other managers (Page & Ogley, Forthcoming)
- > stimulating managers to implement newly acquired knowledge in their place of work (Page & Ogley, Forthcoming).

# **Background**

Freeman (1984) argues that the identification of stakeholders in an organisation and how it responds to their interests is critical to the organisation's overall success. Reavill (1998) employs a stakeholder model approach using the UK Higher Education System. Such a framework offers a logical viewpoint from which to partition stakeholders into interest groups. Srikanthan & Dalrymple (2003) recognise four main stakeholder groupings within higher education:

- Providers
- > Users of the product
- ➤ Users of the output
- > Employees of the sector

Considering these in turn: *providers* are the funding bodies and the community at large who expect "value for money" as far as spending of the money in the public purse is concerned; the *users of the products* are students, whose main concern is getting the best job on completion of their studies; the *users of outputs*, identified as the employers who expect projects and programmes to deliver value in terms of helping them achieve their own aims and goals; and, the *employees of the sector*, which includes academics seeking high levels of respect through remuneration and recognition.

This suggests that the educational institution providing an MBA programme needs to be sensitive to a range of interests - not just those of students and senior management initiating the programme, but also those of other stakeholder groups.

### The Research

The analysis is based on our reflections of the dissertations that we have supervised, since much of the value of the MBA can arguably be expressed in the elaboration of the dissertation. Dissertations have covered a wide range of areas, *inter alia*:

- ➤ Business Process Re-Engineering of Local Authority Services
- ➤ Public Sector Call Centre Development
- > Best Value Within Local Government
- > The Development and Understanding of Key Performance Measurement Within Local Government
- Partnerships (Public/Private and Public/Public) and How to Develop and Manage Them
- ➤ Marketing to the 'Disadvantaged' in Local Communities
- > School Special Needs Inclusion Studies
- Developing the 'Marketing Concept' and 'Customer Focus' Within the Public Sector
- ➤ Event Management in the Context of the Public Sector

How these dissertations fit with satisfying the interests of the four stakeholder groups identified by Srikanthan & Dalrymple (2003) is illustrated in the following examples.

# **Example 1 - School Special Needs Inclusion Studies**

A key tenet of the present Government's education policy for pupils with special educational needs (SEN) is that wherever possible and appropriate pupils with SEN should attend local mainstream schools with appropriate support. A consequence of this trend has been the emergence of stakeholder pressure as an

important factor in determining the success of public sector organisations in meeting their objectives. The dissertation reviewed the past and present literature relating both to stakeholder theory and to the debate around inclusion from the standpoint of three principal stakeholder groups: schools, children and young people, & parents and carers. The research reported and examined the views of key stakeholders towards inclusion. The existence of multiple stakeholders with conflicting interests and the notion of acting in the greatest social good create a difficult climate for strategy setting in the public sector. A paramount concern was found to be how to resolve satisfactorily conflicting stakeholder interests, so that the greatest social good can be effectively pursued.

The dissertation served the expectations of *providers* since it discussed and shed light on a matter that is important to all parents of school children, staff in schools and executives in the Education offices of the Council. It provided a framework within which meaningful discussion among interested parties could take place. It served the *users of the products* (the student) in that while immediate promotion within the organisation was not expected, she saw the work as contributing to her future career development within the current organisation. The *users of outputs* benefited in this instance by obtaining a framework within which to understand the issues involved in the problem that the council was facing and the need to be seen to be acting in the interests of all parties, by pursuing a line which was in the best social interests of the community. The *employees of the sector*, the academic supervisor in this instance, benefited from being exposed to interesting and stimulating work that led to refereed publications at conferences and in journals. In addition, it produced additional lecture material and discussion topics for use with other groups of participants in subsequent MBA intakes.

# **Example 2 - A Study of Responses to Advertising Images Designed to Encourage Unemployed People into Work**

Many unemployed people choose not to work or sign on for Job Seekers Allowance (JSA) as a preferred option. Figures show that as many as 30% of those falling off the JSA register become 'lost'. Previous marketing attempts to lure the unemployed back into employment may or may not have an impact. Attempts to find an answer as to the effectiveness or otherwise of the previous marketing campaigns had produced very little in the way of research findings.

This study looked at the responses of unemployed people to a small sample of advertising images aimed to encourage them back into employment. It examined reaction and likely action based on a series of responses to a set questionnaire, followed by focus group discussion. The study concluded that astute targeting of advertising images could influence unemployed people. However, it also suggested that unemployed people are not an amorphous mass and it would be wise to utilise a range of images that would appeal to the broad spectrum of the unemployed. Furthermore, it

found key themes that on a generic level are more than likely to appeal to the unemployed. These included images of 'real people' to which the unemployed could relate to - specifically around gender and ethnicity or culture, and to images that could enable the unemployed to 'belong' to a socio-economic group.

The dissertation served the expectations of *providers* since its author obtained information that led to a solution to the identified problem that benefited all interested parties. It served the *users of the products* in that the author subsequently obtained access to the Chief Executive whom arranged for further internal consultancy to be offered to the author and other MBA students. The users *of outputs* benefited in this instance by obtaining a framework within which to more fully understand the issues involved in the problem the council was facing and the need to ensure that training was given to first line supervisors in the employment service. The *employees of the sector*, the academic supervisors in this instance, benefited substantially by obtaining additional lecture material and discussion topics for use with other groups of participants in subsequent MBA intakes.

# **Example 3 - Communication with 'Hard-to-Reach' Employees**

The dissertation involved problem-centred research which aimed to identify how higher echelons of management could communicate with the 'hard to reach' employees in the organisation. It reviewed previous published research in other organisational settings on the subject and reported on face-to-face discussions with employees falling into the category of 'hard to reach'. The outcome of the research was the identification of the critical role that the first line supervisor played in facilitating word of mouth communication to the target audience and the need to ensure that the first line managers were properly trained and skilled in the arts of management and in particular effective communication.

In this case *providers' expectations* were met since the author obtained information that led to a solution to the identified problem which benefited all interested parties. In addition, it achieved the aim of serving the interests of the *users of the products* in that its author obtained seconded promotion to a more senior post during a colleague's maternity leave. The *users of outputs* benefited in this instance by obtaining a framework within which to understand the issues involved in problems faced by the council. The need to ensure that training was given to first line supervisors if the organisation to facilitate a solution to the identified problem was also identified. The *employees of the sector*, the academic supervisor in this instance, obtained several joint publications on the work in refereed publications at conferences and in journals. In addition, it produced additional lecture material and discussion topics for use with other groups of participants in subsequent MBA intakes. It also provided credibility to a leadership and management training initiative that the University of Chester was in the course of developing for the council.

#### Discussion

The stakeholder model we have adopted argues that an executive MBA programme should satisfy the interests of:

- 1. *Providers:* the funding bodies and the community at large see quality as 'value for money'. In this case, it is the top management team along with the councillors. The latter representing the interests of the council tax payers. Their main concern is in ensuring that money is well spent and that the services of successful graduates from the course can be retained, so that the benefits of the course can be put to good use within the organisation.
- 2. *Users of the products:* these are the students who usually seek 'excellence' in terms of producing useful and well-argued dissertations. They also see the programme as helping them to obtain a better job on completion of their studies. Individual executive benefits include the progression to promoted posts in the organisation and the obtaining of promoted posts in other organisations.
- 3. *Users of outputs:* identified as the employers with the interpretation of quality seen as 'fitness for purpose'. The structure of the programme leads to teams gaining new insights into better (or best) working practices which in turn can lead to demonstrably improved performance. Other organisational benefits include cross fertilisation of ideas and approaches to management, brought about through interaction between programme members particularly in 'mixed profession learning support groups'. The emphasis is on applied action learning (Page & Womack, Forthcoming) as a key part of all these programmes.
- 4. *Employees of the sector:* including academics and administrators who look for high levels of respect through remuneration and recognition. Benefits to academics include interesting and stimulating work sometimes leading to refereed publications at conferences and in journals. Benefits also include consultancy 'spin offs' which can benefit the individual academic directly; significant applied teaching material (case studies, lecture material, discussion topics for use with their groups); and, the potential to improve the existing 'applied knowledge base' of teaching staff.

Of course, there will always be a conflict of interest between stakeholders. *Users of the products* (MBA graduates) may seek promoted posts in other organisations, which may conflict then with the interests of the *providers*. *Users of outputs* may have different expectations about what dissertation topics should be, to those of *employees of the sector* (academics), and *users of outputs* (teams and line managers) as well as with *users of the products* (graduates). Management of the MBA programme is therefore an important task and requires skills to work towards reconciling different stakeholder interests.

#### **Conclusions**

Lessons have been learned about good practice in supervising dissertations. In the authors' opinion, the benefits of the controlled but loosely structured workshop sessions allow multi-disciplined managers to be given free rein in exploring the best practices that could be employed to develop the organisation, without fear of potential reprisal should their suggestions and argument go against the 'official' organisational line. In addition, the establishment of new networks of communication across – rather than just up and down - the organisation was thought to enhance shared capability. A key element in this approach was how we developed the dissertation phase from both an individual and a learning support group perspective.

The structure of the programme leads to teams gaining new insights into better (or best) working practices which in turn can lead to demonstrably improved performance. Other organisational benefits include cross fertilisation of ideas and approaches to management brought about through interaction between programme members - particularly in 'mixed profession learning support groups'. The emphasis is on applied action learning as a key part of all these programmes.

The quality of the output from such programmes needs to be monitored and mechanisms put in place to facilitate this. The programme team can assist a capable and committed student to produce a good dissertation by ensuring that the allocated supervisor has the up to date practical and theoretical knowledge of the specific topic area in which the student expresses interest. He or she has also to actively participate in & advise on the research proposal design. This involves working closely with the student (executive) at key stages in the production of the research proposal and then similarly in developing the dissertation.

The MBA helps to develop new ideas regarding 'managerialism in the public sector' through the raising of publications and other means of disseminating knowledge. It also assists in developing theory in what is often considered an emerging discipline - i.e. managerialism in the public sector and the reconciliation of multiple stakeholder interests.

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