

# **THE LEADERSHIP AND MANAGEMENT OF BUSINESS SCHOOLS**

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## *THE LEADERSHIP AND MANAGEMENT OF BUSINESS SCHOOLS*

### **ABSTRACT**

The paper examines the leadership and management of a sample of business schools in the UK and Australia; five in each country. The focus is on the perceptions of those in key leadership positions in each school; the role they play, the skills, competencies and training required to do the job and their views on the increasingly managerialist context in which they work.(Deem,1998,2001; Chandler, Barry and Clark, 2002)

A second intention was to examine the structures of governance and management in each school, and to look for similarities and differences between schools in the two countries. In fact the governance arrangements were similar, with more differences between postgraduate versus all purpose schools than between countries.

The approach to leadership and management confirmed the findings of Lorange (2002), and Duderstadt (2001). It affirmed the primary role of the head in the development and implementation of strategy. A second major role was to develop relationships on behalf of the school both inside and outside the university. A third pastoral role was to preserve the collective energy of the school, by the resolution of conflicts or taking decisions so as to reduce the time and energy taken on valueless activity. The ability of leaders to function in these various roles depended crucially on two qualities; credibility and trust. The paper discusses how these are developed and emphasises the key ability to manage the tension between participative collegiality and improvement in performance (Harrison and Brodeth 1999). A consequence is very few heads of school were actively involved in research or teaching. However only one of those interviewed had received formal training for the other managerial roles which they undertook. Suggestions are made as to how this could be addressed.

## INTRODUCTION

Nearly every one of the 97 universities in the UK has some form of Business school. Most are in membership of the Association of Business schools (ABS) which represents schools in the UK. In Australia the story is similar; all 38 universities in the country have some form of business school. While the generic term, "business school" is used to describe all those organisations which provide business education, in fact what is provided varies greatly between schools. Some Business schools provide only postgraduate and/or executive education; some provide this plus undergraduate education. Most business schools are part of a university with varying degrees of responsibility devolved from the centre. Some are independent and private organisations with no reliance on public funding.

This paper is concerned with the leadership and management of a small sample of business schools in Australia and in England; five in each country. While the sample is small it has been chosen to cover different types of business school. In England it includes two pre- 1992 universities and two post-1992, all of which provide the full gamut of business education; undergraduate, postgraduate and post experience. The fifth is independent and provides only postgraduate and executive education. The Australian sample includes a graduate only school which effectively operates independently but was originally set- up by two universities. Another school, in the sample, was set up to concentrate on non undergraduate provision but with minimal interference from the host university. The other three schools represent both well established and newer universities and all offer the full range of business education.

The major focus of the paper is on the roles and responsibilities of those who lead the business education provision in each establishment. In different cases this person is described as the principal, dean, director or head of school or department. The level of authority varies because of differences in organisational structure but the main theme of the paper is the perceptions of those in lead positions.

One of the most recent publications on the strategies and leadership of business schools is by Lorange (2002), with a focus on his experiences at private postgraduate and post-experience schools in the USA, Norway and Switzerland. While his book provides valuable insights it is based primarily on the personal reflections of the author and is concerned with only one of the various types of business school which exist. The current paper is based mainly on the perceptions of those interviewed in each of the ten schools, supplemented by information gathered in a follow up questionnaire or from web sites. The paper is concerned with an overview of the governance and management structures of the different schools. It is also concerned with the relationship between the business subject area and the host university, if such exists.

Given that the approach of many universities is becoming more entrepreneurial (Marginson and Considine, 2001) and "new managerialist" (Deem 1998,2001;Chandler, Barry and Clark, 2002) another purpose of this paper is to examine how business schools have reacted. The supposition is that business schools, compared with other parts of the university, would be readier to embrace a managerialist agenda at the expense of collegiate forms of decision making.

Although the role of those in middle management in HE has been little studied (Gmelch,Wolverton,Wolverton,and Sarros, 1999) the leadership requirements have been identified in general terms (Middlehurst, 1993;Ramsden, 1997;Watson, 2002). Chandler et al (2002) and Ramsden (1997) have pointed to the dilemma of middle managers who have to both control and support colleagues. Lorange (2002) has identified the tasks of the head of a business school. This paper explores the perceptions of those in key leadership positions in business schools; the role they play; the skills, competencies and training required to do the job and their views on the collegiality versus managerialism debate, which is explored in greater detail elsewhere (Bareham, 2003 unpublished) Finally, the comparison of similarities and differences of experience in the two countries provides another point of interest in this paper.

In order to provide the context for the study, the major developments in higher education in the UK and Australia are briefly outlined in the next section which also includes a brief review of relevant literature.

## CONTEXT AND LITERATURE REVIEW

### Developments in UK Higher Education

Parry (2001) gives an analysis of UK HE policy and educational reform from the 1980s onwards, which he divides into three periods. The first from the early to mid 1980s covers the early stages of the Conservative government elected in 1979 to cut public expenditure. Before that time the binary policy had been announced in the 1966 white paper which led to the creation of the first 30 Polytechnics between 1968 and 1971. The Council for National Academic Awards (CNAA) existed between 1964 and 1993; it conferred degrees via the Polytechnics which its charter required to be equivalent to those offered in universities. The net effect was for the number of degrees awarded to expand rapidly. The expansion of HE in the 1960s and 1970s stopped from 1979 onwards, with reductions in expenditure; especially the dramatic 15 per cent cut in university expenditure in 1981, and increasing pressure to make universities more efficient and accountable. The report of the Jarrett committee (1985) led to budget devolution, greater emphasis on corporate governance rather than decisions by academics alone, and the reconstruction of vice chancellors as chief executives rather than leading academics (Deem, 2003).

In this period the first attempts were made to get universities to supplement their income with money from industry; there were mergers and closures of departments; and the first research assessment exercise was introduced in 1986 to make research funding more competitive.

Parry's second period runs from 1987 to 1993 during which there was some expansion of student numbers through a bidding system. There were further cuts in funding and the development of quality assurance systems for teaching.

Between 1987 and 1992, and via two white papers, the conservatives delivered incorporation and then university status to the polytechnics (Watson and Bowden, 2002). In April 1989 the polytechnics and colleges of education and further education left local authority control to become corporations. The National Advisory Body, which up until then had funded polytechnics, was replaced by the Polytechnics and Colleges Funding Council (PCFC). The new polytechnics were encouraged to set up streamlined, governing bodies. The 1988 Great Education Reform bill also replaced the University Grants committee with the Universities Funding council (UFC). By 1990 both PCFC and UFC had introduced competitive bidding for undergraduate places. Top up loans were introduced to supplement student grants (Deem, 2003). In 1992 a Further and Higher Education Act established a single framework for higher education; the UFC and PCFC were scrapped and replaced with separate funding bodies for England (HEFCE), Scotland, and Wales. Regulatory arrangements were introduced such as an audit of academic standards implemented by the Higher Education Quality Council.

Parry's third period runs from 1994 onwards. Student targets were met much earlier than expected leading to growing financial problems and Treasury pressure to halt expansion. Student tuition fees were cut to reduce the incentive to recruit and undergraduate places were capped with targets set for each institution and penalties for under or over recruitment (the so called MASN – maximum aggregate student numbers). There was increased selectivity in research funding following the second, third and fourth research assessment exercises in 1992, 1996 and 2001. Each resulted in progressively higher levels of selectivity so as to focus high levels of funding for research in fewer departments and fewer universities. In 1997 the Quality Assurance Agency was established to undertake teaching assessment and survived until a lighter touch process was introduced in 2001 as a result of pressure from vice chancellors. In 1997, and as a result of the growing financial problems in the HE sector, all

party support was given to the National Committee of Inquiry into HE, the Dearing enquiry (1997). This was set up ahead of the general election in 1997. Most of the 92 recommendations in the Dearing report were then accepted by the new Labour government which came into power (Watson and Bowden, 2002). This resulted in the introduction of fees paid by students, the dissolution of maintenance grants, more emphasis on the quality of teaching and learning, and the call for stronger governance and leadership in universities. There was some suggestion universities began moving towards greater corporatism in response to environmental uncertainty (Deem, 2003). From 1997 onwards the Labour government introduced a diet of policies in return for targeted, special initiative funding, with a particular emphasis on social inclusion and hence widening participation. In his speech at Woolwich in 2001 David Blunkett, then Secretary of State with responsibility for education, launched two initiatives, the e university and foundation degrees. In the period between 1997 and 2003 the size, growth, and funding of the old and new universities both caught up with each other and levelled down, although with major differences still in the level of research funding (Watson and Bowden, 2002). In 2002 the cap on student numbers was removed and central control on student numbers was to some extent replaced by the vagaries of the market.

In the white paper published in 2003, the funding of HE was improved but proposals were made to raise the fees paid by the student, further focussing of research funding and the establishment of a leadership academy to support the development of academic managers.

Proposals were made to allow universities to charge students up to £3000 per year as a tuition fee from 2006. Loans to finance this could be repaid after graduation through the tax system once the student was earning a minimum salary. The Conservative party said that if elected it would do away with student fees, which was criticised in the media as political opportunism intended to win votes from middle class parents.

This period in higher education is characterised by rapid expansion of student numbers in the 1960s and 1970s followed by cutbacks and less prodigious growth in the 1980s and 1990s. Universities were encouraged to become more entrepreneurial and to seek income from sources other than the funding body. The Prime Minister spearheaded a drive to increase the number of overseas students coming to study in the UK who paid a full fee. Simultaneously the funding body created various initiatives over this period of time to encourage universities to interact with businesses and their community in the provision of short courses and consultancy. The growth in student numbers was not matched by a corresponding growth in resources, driving down the unit of resource and hence increasing the pressure on staff. The expectations of what an academic does have also become more complex (Anderson et al, 2002) as there is an assumption they could be involved in not just teaching and research but in business and community activity, recruitment of overseas students, and delivery of programmes away from the university at other sites or to partners at home or abroad.

### **Developments in Australian Higher Education**

This account of developments in the Australian higher education system is based primarily on that given by Anderson et al (2002) in the introduction to their survey carried out to investigate the changes in the academic workforce and work conditions.

The involvement and contribution of funds of the national government was limited until the report of the Murray committee and the creation of the Australian Universities Commission (AUC) in July 1959. In 1951 universities received around 20 per cent of their funding from the national government. Ten years later this had risen to 44 per cent with a further 36 per cent coming from State governments. In the model advocated by the Murray Committee universities were pretty much left to run as autonomous institutions. They could determine what courses they offered, how they would teach them, whom to admit as students, how to organise their internal administration, whom they would appoint as staff, and what duties they expected staff to undertake. Most of the income of universities came from state and national governments on the advice of the AUC, and was guaranteed by

legislation for three years at a time. However salary levels, which accounted for the greatest part of expenditure, were standard across Australia and determined by an independent tribunal.

On the election of the Whitlam government in 1972, the national government assumed full responsibility for the funding of higher education, taking over the States' roles and abolishing student fees. Government spending on education, covering schools and universities, almost quadrupled in the two years from 1973. However, at the same time there was a major economic shock due to the price rise in oil which led to rapid inflation and increased unemployment. By the end of 1975 the Whitlam government was dismissed and replaced by a coalition government led by Malcolm Fraser which reviewed all areas of public expenditure. As a result universities were subject to closer financial constraints than before but could conduct their own affairs as they wished, under the supervision of the Universities Council of the Commonwealth Tertiary Education Commission set up in 1977.

The next major change followed with the appointment of John Dawkins as Minister for Employment, Education and Training in 1987. He classified all colleges of advanced education as universities and pressed for the amalgamation of institutions; nevertheless the number of universities almost doubled from the 19 before he came into office. He abolished the tertiary education commission and set up the National Board of Employment, Education and Training (NBEET) including a Higher Education Council with responsibility for policy advice but not for allocating funds. Universities were expected to make a greater contribution to economic growth, in particular through close relations with industry and the provision of vocational courses.

Fundamental changes in industrial relations also followed; universities became "industries" and academics "workers" or "employees". Staff associations became unions and the Vice Chancellors created a new employer organisation called the Australian Higher Education Industrial Association (AHIAE). The two bodies bargained; greater productivity or efficiency gains from the workers in return for improvements in working conditions or salaries. Later this was replaced by enterprise bargaining, the creation of local agreements thrashed out between academics and university administrators.

Student tuition fees were introduced such that students were expected to contribute one fifth of their course fee. Payment could be deferred through the Higher Education Contribution Scheme (HECS); income repayments being made through the taxation system.

The system has continued much in this way until the present day (2003) although with a sharp reduction in public funding so this now provides for less than half the expenditure of many universities. There has been a corresponding rise in the income derived from HECS. Universities are much more energetic in seeking funding from other sources such as research grants or overseas students who pay a full fee. They are also much more concerned with scrutiny of the performance of their staff, and more accountable to government. This is currently through the department of Education, Science and Training which replaced previous bodies such as NBEET.

The basic design of higher education remains as it was 50 years ago. All institutions have teaching and research with undergraduate and postgraduate degrees. Although the government remains the chief funder of universities they remain autonomous institutions governed by statutory councils with academics having the freedom to pursue their own scholarly interests and determine the content of their teaching. Australian universities remain part of international networks for the exchange of ideas and staff.

From 2005 Australian students will be limited to five years of study if they are admitted to a government subsidised course. After five years they will either leave the course or pay the full fee. The government is also introducing an interest bearing loans scheme to allow students to borrow up to A\$50,000 to pay full fees. In Australia the drop in public funding has forced universities to become

entrepreneurial just to stand still. New technology has meant universities have been able to move their activity to where they are less costly and more efficient (Times Higher, May 30 2003).

### **New public management; managerialism and collegiality**

In both the UK and Australia many of the policy developments have the characteristics of “New Public management” identified by Chandler et al (2002), Hood (1995), Marginson and Considine (2001), Reed (2001), Deem (2001). The drive for efficiency by doing more with less has led to staff experiencing intensification of labour (Chandler et al, 2002) and in Australia to local enterprise bargaining. Increased accountability is evidenced by the growing emphasis on quality, standards, league tables and general surveillance of performance. Student numbers have grown while the unit of resource has declined in both countries (Ramsden 2001). The requirement that students pay toward their education has coincided with a greater emphasis on student rights and charters (Warner and Palfreyman, 2001). Universities in both countries have been encouraged to seek non governmental sources of income, and the recruitment of overseas students has risen in both countries with a more aggressive approach taken by Australian universities. In both countries there has been a streamlining of the processes of governance away from large senates or councils to smaller governing boards. At the same time the vice chancellor has taken a chief executive role (Marginson and Considine, 2001, Meek and Wood, 1997) and set up internal management systems in order to increase the speed of decision making. While universities have achieved greater autonomy and independence from government departments their internal structures have sometimes increased the responsibility devolved to faculties and schools, although those in middle management claim the reverse has happened in practice (Bareham, 2003).

The implication for those who lead and manage business schools is that they have to deal with a changing context in which the intensification of labour and diversification of income sources are key drivers.

### **Leadership and management of business schools**

One of the most comprehensive and recent studies of business schools and how they operate has been written by Lorange (2002) based on his experiences at Wharton in the USA, in Norway, and at IMD in Switzerland. Lorange admits the focus is on private, independent business schools with programmes in the postgraduate and executive management field. This degree of independence is atypical as most business schools are under the legal and financial wing of a university. Even those such as Harvard and London Business School, which are run independently, are subject to some constraints imposed by their parent university. In the case of Harvard this is minimal; the President of the university commissions a thorough review once every ten years. Hence there is some limitation on the transferability of Lorange’s views.

While Cohen and March (1973) argue that universities cannot be led in the accepted sense of the word, Lorange believes that this is not true in the case of business schools which require effective management thus meaning that the role, responsibilities and approach of the dean or director of the school are critical. His book contains a chapter on the role of the dean which elaborates how he believes the task should be approached.

He quotes Duderstadt (2001) who argues for some general qualities of leadership required of vice chancellors, or for that matter, deans. These include, “the ability to develop, articulate, and implement visions of the university”. Secondly symbolic leadership involves the development of relationships with constituencies both inside and outside the university. A third area is concerned with pastoral care; “being a key source of guidance, energy and emotional support for the institution”. Chandler et al (2002) identified a key role of middle managers in HE, such as a head of school, was to put themselves between the pressures of increasingly managerial directives from the most senior managers, and the staff in the school.

In the creation of strategy, direction emerges from the balancing of bottom up forces, from staff suggestions, with top down initiatives. As George Bain, once head of the London Business School, said; “ultimately there is relatively little a dean can do to force faculty members to do things they do not want to do”. What the dean can do is guide, steer and temper the back and forth arguments but at the same time safeguard the overall vision and mission of the school by seeing how well new ideas fit with it. Acting as a catalyst he, or she, can orchestrate the pattern of activities, providing a sort of glue to hold it all together, but not in a top down, heavy handed way. (Lorange, 2002). This is similar to the role of senior managers identified by Watson (2002), which is to provide the narrative glue which holds the organisation together.

Deans are also what Lorange describes as “energy-preserving stewards”; taking decisions, resolving conflicts and insisting on equitable work practices which allow the staff to spend time on productive activity. Energy is thus directed towards value creation instead of political bickering or destructive self interest.

Lorange divides the job of the dean into internal and external tasks. To do the internal tasks depends fundamentally on the creation of trust and credibility. In part this is fostered by appearing to do those things and muster those arguments which are seen to be in the best interests of the school as a whole.

Deans also have a significant role in working with external stakeholders in a variety of capacities. This may mean waving the flag on ceremonial occasions, engaging in alumni activities, and staying in touch with potential benefactors of the school.

The management style advocated by Lorange is focused on execution-speed, action, getting things done- but also on due process- allowing for participation. To balance these two dimensions means the leader has to be “patient, calm, and maintain a listening stance” and so to have “cool objectivity and spirited, engaged passion at the same time”.

The involvement and connectivity with the staff are seen as key in the creation of commitment because leaders in this context can only be as effective as followers will allow them to be.

“Leaders in academic institutions can do nothing unless they see themselves as, in essence, representing the members of the organisation. They are effective leaders only as long as the organisation feels they are effective in providing the power to the leaders on their behalf”. “The academic leader does not dictate but leads on behalf of the organisation. He must both lead the faculty and be led by the faculty”.

An area to explore in the current study is the degree to which those who lead business schools adopt either harsh or soft forms of new public management, which Chandler et al (2002) expected to find in UK universities and was certainly chronicled by Margison and Considine (2001) in Australian universities.

It might be expected that given the involvement of heads of business schools in the business environment they would adopt the managerial styles and strategies more often seen in the business as opposed to the university world. While Middlehurst (1993), Ramsden (1998) and Watson (2002) have identified the general qualities and competencies required by effective managers in HE, others such as Chandler et al (2002), Bareham (2003), Dearlove (2002) and Harrison and Brodeth (1999) point to the subtlety of the role and how it is operationalised. As Lorange (2002) found, those in charge in the business school environment need to create trust and credibility. The latter is partially based on academic credentials. With the requisite qualities and acceptance by their followers those in the headship role can manage the tension between improving performance and the retention of participative and collegiate approaches (Harrison and Brodeth, 1999). Hence middle managers can operate at what Ramsden (1998) called the three way cross roads between staff, the most senior managers and their peers and hence transcend the collegiality versus managerialism debate to achieve a vision shared by all staff (Dearlove, 2002)

The question for this study is whether this analysis holds up in the case of those who lead business schools in the UK and Australia.

### ***AIMS, OBJECTIVES AND METHODS***

Given the changes in HE in both the UK and Australia the purpose of this study was to examine the responses made by those with leadership responsibility in a small selection of business schools. Besides general views on how they were involved in the development of their schools the focus of the study was on the leadership and management role played by those interviewed. This therefore covered their perception of their role and responsibilities, what skills or competences were felt necessary to do the job, and hence what training would have been most effective to support this. Given all those interviewed were in a middle management role in HE, which is considered under-researched (Gwelch et al, 1999), the attempt was also made to determine how or by what approach the role was actually operationalised. This touched on issues of management style, of views on whether a more directive, managerial approach was effective, and what efforts were made to keep staff on board and involved in the running of the school. Data was also gathered on the governance and management systems of each school and relations with the host university where these existed. In doing this commonalities and differences were pointed up both between countries and between different types of business school.

Hence the paper has the following major objectives:

To identify the structures of governance and management implemented within each school and how these tie with those in the remainder of the university where this is relevant.

To identify the perceptions of those in leadership positions in business schools about the role and responsibilities they have; the skills and competencies necessary to do the job, and the most beneficial training that either was or could have been available.

To identify similarities and differences in the mission and management of business schools in Australia and the UK.

The sample of business schools selected was not done using a scientific process. However care was taken to make sure that in both countries a variety of sampling variables was taken into account. This covered the inclusion of both "old" and "new" universities; some which were exclusively postgraduate versus those with the full range of undergraduate, postgraduate and executive education; some primarily funded from government or state funds versus those with a high level of private income. The numbers in each of these categories is given in table 1.

**Table 1 Categories of types of business school in the sample**

	<i>Total</i>	<i>UK</i>	<i>Australia</i>
New	5	2	3
Old	5	3	2
Postgraduate	3	1	2
All business ed	4	3	7
Public	4	3	7
Private	1	2	3

In the UK the five schools were in different parts of the country; in Australia they were chosen for pragmatic reasons to be within 200 km of Sydney. Hence the sample was not chosen to be representative by a process of stratified sampling from the population as a whole but it was chosen to cover the main types of school known to operate in the two countries.

Semi-structured interviews were held with one or more of those in a leadership position within each school. In various cases this person had the title dean, director, head of department or head of school (from here on referred to as head or head of school-HOS). In the majority of cases the school was identified as a business school, in others as a department which covered a range of business disciplines (from here on referred to as a business school). The interviews lasted 60 to 90 minutes and were tape recorded for later transcription. The issues explored were a short history of the development of the school; the role and responsibilities of the post holder; their views on the competences, skills, and training needed to carry out the role; views on managerialism and collegiality; and views on what makes for an effective leadership and management approach. Information was also gathered on the governance and management structures of the school. This was supplemented by a follow up questionnaire and information taken from school websites. The interview transcripts were analysed by coding and creation of matrices as advocated by Miles and Huberman (1994). Some use was made of nVivo software supplemented by manual techniques for the analysis. In the results section quotations have been used to illustrate main findings with identification of Australian (A 1 to 5) or UK (B1 to 5) sources. The actual schools investigated are identified in Appendices 1 and 2.

## ***RESULTS AND ANALYSIS***

The results are grouped into two, broad areas. The first is concerned with the governance and management structures, the relationship of the business school with the remainder of the university where this is relevant, and the views of heads on the issue of managerialism as opposed to collegiality. The second part is focussed on the views of those in leadership positions who were interviewed in the study. It is concerned with their perceptions of their role, the skills, competence, knowledge and behaviour they need to carry out their role, their approach to leadership and management, and views of training which would prepare them for the role. Part of the purpose of the study was to determine if there were significant differences in the management of business schools in the two countries. For the most part there were not so the results from the interviews in the two countries have been rolled together. Where there were significant differences, as in the section on roles and responsibilities, the results have been presented separately for each country.

## ***GOVERNANCE, MANAGEMENT AND COLLEGIALLY***

### **Contextual analysis, management and governance structures**

This overview draws on the data presented in Appendices 1 and 2. UK business schools have, as a generalisation, far less distributed campuses than their Australian counterparts. A characteristic of Australian schools is that they all have operations at several sites within Australia, some limited to their home state, and others across the country. All except one of the five have operations in the Far East, with Hong Kong, Malaysia and China especially popular. Of the sample in the UK, Henley alone has worldwide distribution with offices in 16 countries besides the UK. Derby has a large operation in Israel and a second campus around 30 miles from the first but other schools report no such diversity of operations.

All the Australian schools report the employment of approximately twice as many part-time or "casual" staff as full time. In England this is characteristic of Henley but not the other schools; while they have visiting staff this is not reported as such a high proportion of the total establishment. This difference may be due to a variety of factors; differing employment legislation; the much greater geographical spread of Australian operations; higher pressure on the cost base in Australia.

The process for the appointment of heads in the two countries also differs between the general business schools. All four in the UK were appointed to permanent positions; in Australia two of the

three were elected by peers. However the heads of all three graduate schools, two in Australia and one in the UK, were appointed on five year fixed term, renewable contracts.

The three graduate schools differ from the other schools in both countries in a variety of ways, in particular because they run effectively as distinct and separate organisations. Across the three graduate schools the ratio of full time academic to full time support staff is 27:73. In the other seven business schools the ratio is 76:24. In other words in the graduate schools there are nearly three times as many support staff as academics, whereas in the other schools this is the other way around. At best the graduate schools have an arms length relationship with their host universities and in recognition of their independence are governed by some form of governing body or board of directors. The other schools are integrated into the governance structures of their host universities through school or faculty boards. Some do have advisory boards whereas this is a standard feature of the graduate schools in addition to the governing body.

All the schools in the sample have an internal management group chaired by the head of school. The membership varies in size from 5 to 10 and the constitution obviously reflects the internal structure of a particular school. The graduate schools tend to include more non academics which is a reflection of their autonomy and the fact that functions such as finance, marketing, and personnel are at the school rather than university level. Only one of the ten schools appears to include a representative of the staff, without line responsibility, as a member of the executive management group. Within schools the most common structure is some form of matrix with heads of subject divisions on one axis and people charged with responsibility for sets of activities on the other (eg research, undergraduate and postgraduate programmes). One interesting variation (Nottingham) is where the head of school has two deputies who divide between them responsibility for activities inside and outside the school.

All the schools in the sample have some form of internal subject division. There appears to be no discernable difference in structure between countries or types of school. Across the ten schools there are between 4 and 8 subject divisions with a median of 6. All have a group concerned with finance and accounting; another with marketing; and a third with some combination of organisation behaviour, industrial relations and human resource management.

The majority have a group concerned with information systems or business statistics, another with economics and then either general management, strategy or international business. Law was often provided by another school or subsumed within another discipline area.

All the schools in both countries had created identifiable research groups or centres. One had ten and another just one but with a median number of five. The most striking feature was the range of topics which varied from ethical decision making to business history, cyber business, voluntary sector management, and credit management (Appendices 1 and 2).

### **Managerialism and collegiality**

Part of the interview included questions of the head of school (HOS) on how they led and managed in an environment in which resource pressures and accountability are increasingly paramount.

A major pressure which leads to collegial decision making being less likely is the resource pressure i.e. a lack of money. While faculty can be expected to debate the fine points of a research policy, typically, the HOS believes;

*"I am in charge of the funds" A1.*

The development of an audit culture, with higher levels of accountability has had a detrimental effect;

*"it is causing second and third rate institutions to publish for the hell of it in second and third rate journals and so encouraging mediocrity" A4*

*"There is a worry that the skill set which is more frequently desired now in HE ,ie an administrative rather than an academic background, will mean that such people are increasingly divorced from those they manage because of a lack of understanding of the job they do" A1*

The HOS is caught in a dilemma triggered by a paradox. As one put it;

*“staff who are very intelligent and independent are not themselves good at consultation but high on the expectation that others will consult with them” A2*

This led the head of one Australian business school to wonder how much you should tell people and how much you should just give them the conclusions.

A further part of the paradox for the manager is that collegiality and consensus appear to be aspirations in reference to a state which never truly existed in the past. The aspiration is also made by lecturers who anyway relate more strongly to colleagues and networks outside the university rather than those within it. Those who want to relate to the academic community simultaneously argue for their own autonomy, which in turn can be abused.

*“Many of those who mount the argument for educational autonomy are using this as a code for anarchy; it is not just the freedom to do my research and teach how I want but the freedom to do what the hell I like and have the university pay me for the privilege to do that” A6*

*“There is a difference between educational autonomy and administrative anarchy” A6*

There appeared to be a portrayal of a golden age, “around 20 years ago”, which probably never existed, where everyone was apparently involved with every decision. Now managers talk of “managing in a professional environment with clear rules, guidelines, and principles” Nowadays, rather than involve everyone in the decision process what has evolved is that heads’ depend on a smaller and tighter group, attempting to keep others bought in to the process on the basis they could be invited to contribute to the decision making if they had a particular expertise. The grind towards consensus or a vote appears to have been superseded by the ultimate responsibility for managers to search towards a final decision or closure on an issue;

*“you have to explain the way the world is and what the options might be, and the consequences of those options and so operate in a collegiate system, but then you have to have a process which comes to closure fast enough” B5*

*“Australian universities 20 years ago had a very long tail; there were weak staff who could get away with it; indifferent lecturers who produced no research year on year. Because of the power of the unions and the industrial relations situation in Australia everyone shrugged their shoulders and said there is nothing you can do about it.” A4*

However the most significant conclusion from discussion with heads of the managerialism versus collegiality debate is related to the trust and respect the faculty has for the head of school.

*“Do I have trust that my value systems and yours are in tune and do you in the management role have sympathy for what I am trying to do and so you run this place in a way I respect” A4*

*“It is more to do with whether a member of staff believes their manager is in tune with what they are about” A4*

Heads of school in Australian universities were more precise in the reasons for why collegiality has decreased; the increase in accountability and growing resource pressures created the need for more effective resource managers with less emphasis on academic credentials. However there is recognition the industrial relations situation 20 years ago made it virtually impossible for managers to do anything and this has now changed. Equally the perceived golden age before managerialism arrived is seen as a period in which academic freedom and the right to engage in any research may have sometimes been a freedom used to protect laziness and ineptitude. However the bottom line appears to be that managers in HE need to have a fundamental sympathy for the purpose of the university and for the autonomy of individual faculty. This appears to be a more significant credential than where their sympathies lie on the spectrum from collegiality to managerialism.

In some UK business schools managers argued that increased centralisation within both the faculty and the university allowed greater rather than lesser involvement of staff in decision making, albeit by a smaller representative group. All the business school heads had a management group of varied size. The basic view is that while the culture of the past appeared to be free and easy and involving, in fact it depended on key individuals just as now.

As in Australia;

*"at the end of the day management has to decide how much is available and what can be done and who is going to get it" B1*

### **Relationships with the University**

There are wide differences within each country dependent on the degree of autonomy each Business school has been given. This ranges from the older and more prestigious Business schools in Australia which have an autonomy which tends to be tolerated rather than embraced by the host university. The Australian Graduate Management School (AGSM) relates to its two founding universities so relationships with the VC and other senior staff are "particularly tricky". In the newer universities business is perceived as the main source of income so in that environment Business schools are much more emphatically embraced. However there is a tension; business schools, as a generalisation, believe they subsidise other parts of the university. Since they generate financial surpluses this gives them a desire to be autonomous.

*"Next week our faculties have to present on their course and staffing structure and whether they should be changing direction. We want them to leave us alone and let us manage our faculty. We are delivering profit so leave us alone" A5*

The personality of the person in charge and the age of the Business school appear to be key factors in shaping the relationship with the rest of the university. In AGSM a retired director of the Business school said he had never experienced problems with the host universities in matters of academic strategy;

*"providing a couple of people go to the right committees and present it carefully" A4*

On the other hand that school did not have the "the traditional public service approach" to filling of staff vacancies;

*"we have never done that, using headhunters or invited applications instead" A4.*

In newer universities with less established business schools heads of school.

*"had worked very hard within the system rather than against it, even though getting an appointment through or paying a market loading can differ depending on who (VC or PVC) is making the decision" A3*

In the UK independent Business schools such as Ashridge or Henley are not affected by the constraints of a host university. Those that are however see the benefits of positioning the Business school as a university player, even though this may have its frustrations.

*"The first thing is trying to pretend Business schools are different means you are in a minority of one and get dumped upon" B2*

*"Show the school is committed to being a central part of the university, not trying to do its own thing, believe it has special rules, you know, all of that. It's much better to try and be there influencing the way the university goes than complaining". B3*

However in some universities this might require education of those in charge about what the Business school is since;

*"senior management are prone to want a research respectable cash cow and not to understand the costs of generating new business- especially training or tailor made programmes" B4*

*"I used to get infuriated at Lancaster when they talked about new income streams rather than new business streams, without any reference to what it would cost to produce the income streams. Patent nonsense." B5*

In some cases the financial pressure and financial fragility of the university leads to increased centralisation so that;

*"the autonomy, authority and freedom of Deans has been yanked in a bit – which is terribly, terribly frustrating" B1*

In both countries the significance and value of business education is recognised but often because it is a major source of income. In older and more established universities there is a battle to gain acceptance for business schools in terms of academic credibility and respectability even though for many it is a common mission to establish the school with an international and world class status.

In cases where the business school is part of a university the Dean or head of school, while often a member of the senior management of the university and hence expected to manage the staff and operations in their area of responsibility, are also managed themselves. None of those heads interviewed in either country particularly relished being managed by others.

*"If one came to be managed by someone who is overtly demonstrating their management power and authority over you that is when things go wrong. I often tell the VC that managing upwards is the most skilful thing I do which he thinks is hilarious" B1*

*"He would think that he manages me but if I want to do things I do it my way. His budget manager is helping me to get money off him" A1*

Obviously the role of head of school puts that person in the middle of what can be seen as tension between the aspirations of the university and the staff.

*"I think the Dean is increasingly in the position of having to persuade an alienated and stretched workforce to go with ideas that have come from a senior management that are probably increasingly distant from what's happening on the ground" B5*

*"I see myself as a buffer zone between them and the next layer up and I would always protect them from any sort of unpleasant things coming from above and I think they sort of respect that" A1*

*"The tensions between the various things in the university are intense and a lot of them are hitting the head of school. The clash between the need to get out and earn money and the institutional structures we are in is a big tension. I have to talk to my staff very openly and say look. I am supposed to come here and kick you poor bastards; I will try and fiddle things for you so you are not too adversely affected but I have to tell you formally this is what you are being asked to do" A5*

The overall conclusion is those people who have chosen or been chosen for the role of head of school like the autonomy and the chance to be in charge, to make things happen, and to control events. As a generalisation they do not therefore take too easily to being told what to do by others. However, most are put in the position of both the transmission of directives or policies agreed by senior management and attempting to modify or ameliorate the effects on their staff. The language to describe these tensions is more extreme in the case of the Australian interviews but the effect is the same in both countries.

## **ROLES, RESPONSIBILITIES, COMPETENCIES AND LEADERSHIP**

For the sake of convenience this part of the results and analysis is divided into three sections, with obvious overlaps between them. Firstly the roles and responsibilities of heads are analysed, presented separately for the UK and Australian sample. In both countries a significant role is in the formulation and implementation of strategic direction for the school. This involves the development of internal and external relationships with a range of stakeholders, together with self management. The second section identifies the skills and competencies needed to carry out the role. In the third and final section these are brought together to focus on the key leadership and management behaviours engaged in by heads

### **Roles and responsibilities**

A primary role undertaken by UK Business school heads is to formulate the strategic direction of their school;

*"the central thing is the strategic success of the school" B2*

*"my job was to shake the school, to create the vision, then develop a strategy and then put structures in" B4*

*"my time is on drawing up the strategic direction and plans" B5*

This key role in relation to strategy is operationalised through activities undertaken both within the school and outside the school. The latter includes the development of relationships elsewhere in the university, with other business schools, and with other universities in the UK and abroad.

In the former category Business school heads spend a good deal of time on staffing related issues.

This is in a strategic sense;

*"developing faculty recruitment and management plans" B4;* *"nurturing the capital stock, by which I mean growing staff" B6.*

It can also include operational issues;

*"managing the performance of staff and sorting out contractual issues" B3*

*"I have been looking after faculty (staff), as well as defining jobs, arguing for new posts, annual appraisal and so on".B3*

The role not only involves an overview of the recruitment, retention, development and performance of staff but also in the persuasion of staff to go in directions they may not initially welcome.

*"Staffing is at the centre because it is all about the quality of the people you have got... but you are having to pull along with you a group of people who may not see themselves as part of the university" B3*

Internal management responsibilities include making sure quality and standards are maintained, and that;

*" we have got enough students, that we have got enough staff, and that the money adds up and the budget is prepared" B2*

Although heads perceive they have an ultimate responsibility to make sure the school is financially viable it is not something which is a main focus of attention, and is usually delegated to someone else to manage. Similarly the allocation of staff workloads may sometimes require the creation of policies and brokerage of competing forces, but does not usually involve the head in a significant way.

Outside the school the role of the head, where relevant, is both to represent the school within the university and to transmit intelligence within the school about the policies of the university. While there has traditionally been a call for Business schools to be given greater autonomy and responsibility, those heads interviewed saw their school as an integral and significant part of the university.

*" I feel I have a responsibility to ensure the business school delivers what it needs to do to keep the rest of the university viable" B3*

*"The university is highly dependent on its Business school and therefore I have a role to make sure I meet the university needs" B4.*

However this is not simply an altruistic sentiment. It can mean fights to make sure there is not too much skimming of overheads, and making sure the school is;

*"not simply regarded as a trade school" "and educating the rest of the university about what a business school really is" B4*

Within the university several of the heads interviewed are also named as PVCs with cross university responsibilities.

The head of school also has a significant role in representing the school outside of the university. This might be as a figure head;

*"I get wheeled out for that reason" B5*

*"We have a big franchise in Holland so I will go over there for the award ceremony" B3*

The role might involve building relationships or alliances with potential partners at home or abroad.

*"One of the things Business school managers will have to do in future is manage the relationship with other business schools and the relationship with other players such as publishers" B5*

*" Well I do quite a bit of sitting on things .I sit on some national thing about work placements .I am governor of a big FE college .I chair the audit committee" B1*

*"I make sure I'm involved with the regional business community" B2*

For one this role of raising the profile of the school externally was the most difficult part of the job which had to be fitted in around other things.

Besides their internal and external roles heads were also conscious of the need to manage their own time effectively and to sustain an involvement with academic developments in their own discipline. None however was involved in high levels of teaching or research.

*"I do not do serious research. I spend most of my time talking to people. A typical day would be 80 percent of the time talking to people either individually or in meetings. The rest is shifting paper" B1*

However this does not mean heads did no research. One claimed he was research active but could commit no more than 5 hours per week to it. Another was proud he sustained his research even though colleagues doubted he would keep it up. Several engaged in research or dissertation supervision, but consistent week in week out classroom based teaching was not reported by any of those interviewed.

As in the UK the primary role of business school heads in Australia is perceived to be to manage the strategic direction of their school. One spoke of the important role of the head to both develop the strategy but also to reaffirm and re- present back to staff what they are about as a school.

*"The vision of the school is excellence in management and leadership and engagement with our communities... having something to represent gives us the strategic thing. Representing the staff back to themselves so as to say this is what we are about... and bang we are going ahead on that basis" A6*

A focus of the strategic change reported on was to create something new or different, either in terms of culture or procedures. Sometimes this was a struggle; the Dean of the most prestigious business school in Australia was keen to initiate new ideas in an atmosphere of resistance and where,

*"the only new thing we have done in 25 years was to introduce the executive mba and that only got through by one vote" A2*

(He stepped down from the post of dean 12 months later in order to concentrate on research)

Another head was mainly concerned to bring people together from different original groups who had moved into one building together. His intent was to change the academic culture ;

*"to be supportive, inclusive and working within guidelines while trying to earn money and not beef about the centre" A3*

A third set herself the task to work out ways to operate with consistency and equity across three different Australian states where the departments of her faculty were located, while simultaneously giving a priority to international activity and research.

*"In this role it is much more about longer term strategies; raising research profiles ,generating new revenue, bringing the schools along together" A1*

This was all the more difficult because of the widespread geographical separation of the parts of the faculty so that cross campus activity necessitated frequent travel or video links.

An important focus of internal management issues faced by the heads of Australian schools was staff recruitment and selection.

*"One was trying to recruit faculty and that was a struggle; why would faculty want to come to a very small school at the end of the world?" A4*

*"Staff are difficult to obtain- we talk of the difficulty of getting people to come over the sandstone cliff- we have to develop a lot of our own." A5*

There are also operational problems; many to do with the wide geographical spread of campuses within Australia and the high level of franchise or offshore operations with foreign partners. One head was about to lead a team to Malaysia to investigate operational problems there; another led the development of an accredited programme delivered in Hong Kong. Typically Australian business schools operate on more sites and in more countries than their UK equivalents. This leads to

operational problems in processing large numbers of students, in determination of staff workloads and in the retention of appropriate standards.

Simultaneously more heads than in the UK sample were actually doing teaching; usually in areas where they had a staff shortage. However reported research activity was, as in the UK, negligible.

### Skills and competencies

As a result of the analysis the skill set perceived to be needed to manage a Business school was similar in the Australian and English setting. Broadly categorised it involved knowledge of the institution and its procedures; cognitive skills in diagnosis and visualisation; people management; communication skills; an ability to make things happen; and a variety of personal attributes which made it more likely all this could be achieved. In the Australian context interviewees gave slightly more emphasis to the requirement for institutional and operational knowledge, and more focus on conflict resolution and dealing with difficult people.

To gain respect heads believe they need a deep understanding of HE, their institution and how it functions.

*"Without being a proceduralist you have to understand procedure" A4,*

but also to have patience and,

*"some tolerance for the bureaucracy of an organisation like this" A4*

While understanding how to read a balance sheet or get a course through the internal procedures was felt to be important, more significant was who to go to within the university for advice and the historical context of processes.

*"there has to be enough institutional knowledge to get the respect of staff; they really need to be able to look up to you as someone who knows how things work and if they come to a dead end you can provide support. Having a good understanding of how things work and who to go to and even the history of how things got to be as they are" A1*

Whereas some people find chaos and uncertainty difficult, heads described the ability to thrive in this environment;

*"I enjoyed that chaos period which seems to make many people frightened" A3*

There is an ability required to;

*"diagnose a situation" B2; to see "a pattern coming into shape" A3 and to; "stand back from a situation, not to be over-influenced by the personalities involved but to work out the overall shape of what you are trying to do" B6*

This ability to stand above and away from a situation and visualise a way forward is a key skill.

*"Sooner or later a Dean has to articulate something about common purpose" A4*

Of all the functional management skills perceived as necessary by heads, an emphasis on people management was paramount in both countries. However, while important, this is not simply a matter of following the latest manual of human resource management. Of much greater significance is empathy with the purpose of the university and hence the values of the enterprise and the people working there.

*"You need a really big sympathy with the purposes of the academic enterprise. I have watched the experiment in the USA a number of times where they have to try to bring in a well educated entrepreneur who comes with the mindset of a professional manager and they are actually intolerant of what drives and motivates most academics" A4*

*"I can talk to a range of people about their subject and engage with them" A3*

*"The first skill is a fairly good understanding of academics in particular and an interest in what makes them tick, and, I dare say, a liking for them" B2*

Obviously the ability to work with and through individuals is critical to the role but also an understanding of the interactions between groups.

*"Having an understanding of what buttons you can and should press, and what buttons you should never touch. How you work with people to meet their needs. Organisations are at once collections and collectives; it is a group of individuals yet you also need to consider all the group dynamics and at the same time pay attention to all the individuals" A6*

However the head also needs to be tough but fair in dealing with people problems when they arise due to academic differences, poor performance or sometimes just sheer malice.

*"A big fissure in Business schools is between those of an economics background and psychologists; they often do not understand each other. Managing across that divide is one of the challenges" A4*

*"You have to be able to handle conflict which most academics seek to avoid. They have a very high critical skill but tend to be conflict avoiders. At some point someone has to resolve conflicts." A4*

The credibility of the head, in the eyes of others, can be beneficially affected by their ability to address people problems.

*"Once you start showing you are prepared to address issues of poor performance or sheer malice, then a lot of other things start falling into place" B2*

The key skill of dealing with people requires a high level of effectiveness as a communicator, whether with those above, below, or at the same level in the hierarchy. It is perceived to require an ability to form and maintain effective relationships but also on some occasions to persuade and push others, and sometimes to counsel and support.

*"I make sure my relations with people are warm and straightforward and direct. If people have problems with me I immediately go and see them and try to meet them head on" B5*

*"You have to manage the relationship and manage the communication and manage the action so you get from them what you need. It's very much a two way process. The best people who work for me are busy managing me." B1*

The ability to;

*"persuade, cajole, inspire" (B4) is important although generally it was perceived to be preferable if this was "by argument rather than macho directive" B6.*

Equally heads spend a lot of time,

*"supporting people rather than hitting them on the head" B5.*

The same person believed you can get more out of people

*"if you can praise them, when they do good things, sympathise when it is difficult for them, and challenge them in a way where they see the need for a challenge just as much as you do" B5.*

Some heads deliberately encourage open door policies so that;

*"staff feel they can just ring me up and ask for advice or use me as a sounding board" A1*

While heads need vision and a longer term perspective they also believe they need the ability to make things happen in real time. However pushing things through is not necessarily favoured at all costs. One head reported how he was fighting his proneness to reach decisions too early because he believed this tendency was alienating some staff (B5). Another spoke of the advice he passed on to his own management group about the need not to rail against the system but,

*"to play it as if it is a game, and you have to roll with the punches and concede at times" B4.*

Whatever the skill set required to be effective as a head of a Business school a desirable list of personal attributes was also mentioned including credibility, diplomacy, integrity, humility, honesty, openness, energy, focus and judgement.

Academic credibility appears to be a particularly significant attribute which is related to the previous performance of the head as teacher, researcher, course designer, or generator of income. While those straight from industry without experience of HE were perceived as unlikely to succeed in the role, equally a top researcher might fail. As one head put it;

*"they clearly wanted somebody with academic credibility but they recognised they did not want to recruit a top level researcher who thought that being Dean was a little adjunct they did on a Friday morning" B3*

That same head thought Deans would make good diplomats;

*"knowing how to manipulate or influence people, without upsetting them along the way" B3*  
A different head made the point, echoed by others, that the role required focus; "a capacity to disregard all other interests, including my own"; energy, "being able to get up and do it next day", and humility.

*" You have to have enough ego strength to be neither engaged in some sense of false modesty and equally not to believe your own publicity, never being satisfied, always ready to improve things" A6*

Whether they always do it or not heads believe they should be open and honest;

*"I value the view people should think me honest and direct. There are times when being direct is quite dangerous. I spend a lot of time thinking about how my actions affect other people's interpretations of me" B5*

### **Leadership and management activities**

Putting together information about the roles, responsibilities, skills, knowledge, competence and behaviour shown by heads leads to the conclusion there are three broad areas of activity they are concerned with; the initiation and clarification of strategic direction; effectiveness in communication and persuasion; making decisions and reaching conclusions. As Lorange(2002) has identified these activities can only be taken forward effectively if trust and credibility have been taken created.

### **Strategy**

Having initiated and created the strategic direction for the school an important role of the head is to clarify, explain, and reinforce what has been agreed , both by rephrasing it in understandable ways, and by the prevention of others heading off in other directions.

*"We do shape, sometimes in ways we are not anticipating, the thinking, action and priorities of the institution" B1*

*"My role is to pose questions about what is going on , where the thinking is moving, and is it relevant, appropriate, exciting and interesting" B1*

Staff consult the head for guidance on what to do about situation X or Y but also

*"in a sense to see whether it fits the strategic direction" B2*

*" I am trying to clarify what is going on and communicate that to people so they can do something about it and support people in doing what we are trying to do that we have agreed collectively is the right thing to do " B6*

However this clarification is a two way process; it is also necessary for the head themselves in order to constantly focus on the primary objectives for the school.

*"You need to find ways to reduce complexity to something you can manage. It's not the sort of job you can pick up one thing, do it, finish it, move to the next" B3*

### **Communication and persuasion**

The role as a communicator or persuader is to find ideas which will gain peoples' interest and commitment,

*"and you cannot do that on a simple command and control basis. It is harnessing peoples' enthusiasm which is critical, and making them believe in themselves" B2*

The head of one of the most highly ranked business schools in the UK talked of the need to

*"work with the grain. You have to find ideas people are excited by" B5 The essence of the preferred style is to coach, nudge and facilitate rather than to direct or push a particular line of argument".B5*

The heads of Australian business schools are not at all macho in their approach to leadership. Several talk of leading without appearing to do so, and soft rather than forceful approaches.

*"There is a real trick in leading without appearing to do so .It is important to take things in a certain direction but most of the time people have to feel it is their idea and they have to feel ownership. A lot of that is a willingness to let people drive it in a certain direction" A2*

*"You do not have the same levers as you can push in a normal organisation, and of course academics sort that out fairly quickly" A3*

*"You can set targets for people but you cannot get rid of people who do not do this- it does not mean you can force people to achieve it- it can be seen as soft but we have achieved a huge success here" A3*

A major task for heads of school is to remove impediments so that staff have the energy to do what is required and not get trapped in the treacle of organisational politics.

*" I spend a lot of time trying to put in place systems which make it easy for staff to do things rather than deal with a lot of bureaucracy" A4*

The fine line between the initiation and guiding of developments as opposed to a command and control approach is shown by the frustration of one head who later resigned from his headship to concentrate on research.

*" It is very difficult to beat such a group of people into shape. A Dean in this situation walks a very difficult line because if people threw their spanners at the works they may destroy their own existence- I call it academic apartheid" A2*

Australian heads attach great significance to the psychological contract; the view that people put as much into their work and their school as they get back. Expressed in a typically Australian way one head referred to the fact,

*"there has to be a drink in it for everyone, we should not take people for granted in terms of why they come and work for us- we should understand how we can meet their needs as well as them meeting our needs" A6*

*"There have to be some clear and consistent signals of respect for what the faculty are trying to achieve" A4*

However there is perceived to be a finality of decision making about the role; the need to bring discussion or debate to a conclusion and then to progress whatever is decided in the school, whether this is to do with issues inside or outside the university.

*"There is an issue about closure, about knowing when it is you have got to say 'right that's enough, we've decided, let's move on' There will still be a few people hollering at you and telling you that's not right but you have got to get to closure" B6*

*"Finding the right levers to pull is the hardest part of the job. But after a while you know where the rivers are you can send things down" B1*

### **Trust and credibility**

According to several heads the ability to attract good staff and empower them requires effective communication and persuasive skills. The head has to also have legitimacy and the intellectual skill;

*" to carry a majority in a way the minority will accept and live with the decision even if they do not agree with it .You have to have the political skill and leadership to forge a majority without dishonouring or marginalising those who are on the other side" A4*

In persuading others the

*"creation of trust and credibility are more important than macho approaches" A3*

What is crucial is creation of an atmosphere in which people are happy at work, a satisfaction which derives in part from adherence to mutually agreed values which have a particular significance for the school.

*"It is not just about the context neutral values of equity and fairness but context specific values which are consonant with the organisation. I could have 1000 students here tomorrow if I was not committed to the value of excellence" A6*

*"The most effective Deans have always been those who represent the different value systems of the school" A4*

*"I see the management side as about information flow and keeping all the paperwork straight as opposed to leadership which is about getting people working together and having an underlying philosophy that work is not important in its own right it is about people being happy in their work" A1*

A worry for one head was the growing number of appointments of senior staff on the strength of their business acumen

*"but who would not know a set of university values if they crawled up their leg and bit them on the bum" A6*

## **TRAINING AND DEVELOPMENT**

Overall the English heads had far more to say about training and development than their Australian counterparts. This may have been a reflection of the fact the latter tended to be temporary rather than permanent appointees to the role. However in only one case, an Australian one, had any of those in the role as Dean or head of the Business school had any training for the job. One thought this was age-related; another that it was an anomaly given the purpose of Business schools is to provide management training.

*"The paradox is that people of my age (mid 50s) tend not to have formal education in management education and yet the rationale and raison d'être for our institutions depends on the proposition that management education is important. I have never had any formal management development" B3*

*"If it is not possible for us to be trained in these roles then it is not possible for our students" A3*

However the exception was a head who had done the Australian vice chancellors leadership course; a residential one week course with 360 degree feedback, workshops, case material, role plays, and a follow up session one year later. In addition she had attended head of school training which at the university was part of the enterprise agreement. This was a practical session or briefing on new procedures such as admissions, revenue generation, workload planning which was policed by the industrial commission to ensure at least two days per year attendance.

One English dean did get a briefing from the deputy VC who had acted as dean before her, but this was described as fairly superficial. Most heads report that they learned to do the job by a combination of observing others, or learning "on the hoof". The remark was made that

*"what is spectacularly true is that universities, even Business schools, spend less resource on management development than virtually any other profession" B5*

However there are other sources of learning used by UK heads. One read a lot of "how to manage" books. Another spoke of the value of a regional network of deans who got together for informal discussion now and then. A third highlighted the significance of networking opportunities such as meetings of (European Foundation for Management Development –EFMD), ABS or other conferences as a chance to share experiences and compare notes.

When asked about what training or development would have been helpful to them or someone coming into the role, a variety of suggestions was made around the themes of mentoring and course content. There was general agreement with the view that,

*"clearly there ought to be a formal senior manager induction and development programme" B1*

The suggested course content for such a programme included;

How to fire someone without producing a violent backlash

How to counsel someone to move on

The international context

Leadership

Gaining commitment from staff

Specific problems of running a Business school related to the independence of professional people you have to manage

How university finances work  
Legal aspects of personnel work  
Business planning  
How to use time effectively  
Effective chairing of meetings  
How to persuade people to do things they may not want to do  
Building a team  
How to say no  
How to assert oneself at a meeting

The use of role play was felt to be an appropriate methodology for several aspects of such a programme although noting that some people,

*“do not like to do that as it exposes them to criticism which is exactly what they need as otherwise they will learn by doing it very badly for real” A3*

There was general support for the concept of mentoring not just by someone in a similar role but

*“in registry, in finance, I will find a mentor for a particular skill set, bearing in mind they also have a history” B4.*

One suggestion was a mentor could be most useful about six months after a person had moved into the role. Another head noted, however, the difficulty in finding time to be with a mentor.

As an approach to training another suggestion was to pick projects from around the Business school or university to be a learning vehicle, recognising each project would need to be constructed for each individual's needs

## **Discussion**

In terms of governance and management structures arrangements in the two countries were broadly similar. There were more differences between postgraduate and all purpose business schools than between countries. The heads of postgraduate schools were appointed for a fixed term of five years. In the other schools appointments were either permanent or for a fixed term as a result of internal selection. Postgraduate schools, because of their independence, had a much higher ratio of non academic to academic staff. In Australia there was a much higher dependence on casual staff than in the UK which may be a reflection of a different industrial relations environment, difficulty in hiring suitably qualified permanent staff, the geographical spread, or different pressures on costs.

Effectively all schools are run by an executive management group of five to ten people. Only one such group has staff representation. Because of their independence the postgraduate schools have governing bodies and advisory councils, whereas all the other schools are tied into the structures of their host universities.

Within each school each has some form of subject grouping or divisions. Commonly this creates an internal matrix structure with heads of programme areas and subject divisions.

In the study there was evidence in both countries of the symptoms of managerialism recognised by Hood (1995), Deem (2001) and Clarke and Newman (1997). This included a growing audit culture, reduced resources, more directive management, and more emphasis on performance indicators. While there was not overt sympathy with hard managerialism (Chandler et al, 2002) it is the case that heads perceive that true collegiate systems never really existed or could be used as an excuse for anarchy. While there was general acceptance of the need to consult it was felt closure and getting on with things were equally important.

The results support the findings of Marginson and Considine (2000) that collegial forms of governance have to some extent been replaced with structures which operationalise executive power. However there was still deference to the power or significance of faculty who could undo or undermine actions taken by a head who had not been attributed such power by their followers (Trowler 1998). The significant blocking role of staff appeared more significant in higher rated and

more established schools. It seemed, as found by Chandler et al (2002), that staff were not innocent or ignorant of management initiatives to introduce change. They realised the role of management in addressing new markets or entrepreneurial activity. Resentment was caused if managers implemented changes in a hard macho style. However, it may have been the managers in this study were oblivious, in some cases, to the impact of their approach. In a wide scale survey of Australian universities Anderson et al (2002) showed staff found their managers to be over directive even bullying. The head has the difficult position to manage the tension between collegiality on the one hand and improving performance on the other (Tapper and Palfreyman 2002).

The heads of schools which are directly linked to the structures of their university do not seek greater autonomy for their schools but they themselves are not keen to be managed in a directive sense by those more senior to them. The net effect is they often seek to ameliorate the impact of policies from above in order to make them more palatable to their staff, a trend noted by Chandler et al (2002).

From this overview of the governance and management structures of schools in the survey the main characteristics are summarised in table 2

**Table 2 Key characteristics of business schools**

Advisory committee/governing body  
 Internal executive management group (5-10 people)  
 Matrix structure  
 Subject groups/divisions (4-8, median 6)  
 Research centres (1-10, median 5)  
 Postgraduate business school 3:1, support: academic staff  
 General business school 1:3, support: academic staff

With reference to the role and approaches to management and leadership of those in charge of business schools this research confirmed many of the findings of Lorange (2002), and Duderstadt (2001). It affirmed the primary role of the head in the development and implementation of strategy. However this was not a unilateral task but one in which the head acted to guide and steer the debates among staff leading to the formulation of a strategy. Once this was established the head then acted to re-affirm and re-present it to the staff. This role in safeguarding the vision and acting to filter new proposals against it meant the head was invested with the school's mission on behalf of those in the school and charged with acting as the guardian of this collective agreement. Seeing through the strategy was also an important role for the head, as identified by Mintzberg (1995).

A second role, also identified by Lorange, was to develop relationships on behalf of the school both inside and outside the university where this was appropriate. Sometimes this meant waving the flag in the sense of public relations activity. At other times it meant representation of the school in debates about resources, although perhaps surprisingly, in those schools which were part of a university, there was very little call for greater autonomy. In fact for the most part heads recognised the importance of the school in the reputation and financial viability of the university as a whole.

A third important role of heads was what Lorange called a pastoral one. The head worked to preserve the collective energy of the school. This might be by providing guidance and emotional support to individuals or groups of staff so they could concentrate on teaching and research. It might mean removing impediments, resolving conflicts or taking decisions so as to decrease the time and energy taken on activity which added no value to the collective purpose. Sometimes this meant putting themselves between the managerial directives or assertions of more senior staff and the faculty within the school, as noted by Chandler et al (2002).

The ability to function in these various roles depends crucially on two qualities which are paramount, as others have noted (Lorange 2002, Watson 2002). These are credibility and trust. Credibility is

developed from a mixture of the academic and managerial credentials of the head, together with their behaviour in the post. To function in this environment the head has to have academic credibility as evidenced by research, course leadership, or a track record of income generation. There appear to be few examples of where those with a non academic background have functioned effectively in the role. However as shown by Harman (2002) in his study of Australian deans over a 20 year period, academic credentials are less important than management experience or potential.

The head also has to have, or quickly build, knowledge of the institution so as to demonstrate the ability to win battles on behalf of the school. Credibility can also be quickly gained by the effective handling of people related issues such as dealing with defective performance.

Trust is developed through the nature of relationships between the head and their staff. Key to this is for the head to have a deep understanding and sympathy with the purpose of the school and those who work in it. This appreciation of academic and educational values is to some extent at odds with a simplistic business model for the school. Trust is generated when decisions are made against the criterion of academic or educational value rather than simple, commercial gain. Whatever rules are generated and accepted as the institutional norms have to be upheld by the head in order to create the perception of equity and fair treatment. It is only following the creation of trust that the head is invested with the necessary power to reach closure and hence take decisions on behalf of the school.

As a consequence the most effective leadership style of the head is anything but a macho, managerialist approach. Those interviewed spoke of the need to coach, nudge, facilitate, and lead without appearing to do so. The key is to manage the tension between participative collegiality and improvement in performance (Harrison and Brodeth, 1999). It is primarily through this connexion with followers that things can be made to happen (Lorange 2002). Hence more directive or assertive approaches to management appear not to be the norm in those business schools examined. Instead the ability to visualise, to create shape out of chaos, and to handle people issues with diplomacy allows the head to take forward developments. However there is a price to pay for the time and energy which is required to do this; very few were involved with extensive teaching or research programmes.

Only one of the heads had received any formal management development or training for the role. Most had learned on the job, and /or by watching others. They did benefit from international or national networks of those in similar roles such as via meetings of ABS, EFMD or ANZAM (Australian and New Zealand Association of Management schools). All agreed that provision should be made available within a focus of mentoring and development tied to projects or activities associated with the job they were doing.

Overall there appeared to be comparatively few notable differences between the approaches taken in the two countries or between different types of business school. In Australia the key difficulties were in managing multi site operations and in the attraction and retention of staff whereas in England there was much less involvement in multi- site operations.

## **Conclusion**

Previous research has identified a list of behaviours or personal attributes which are successful for leaders in an HE environment (Middlehurst, 1993, Ramsden, 1998, Watson, 2002). These are not at odds with general studies of leadership which show charisma (Bass 1985), emotional intelligence (Goleman 2000), and responsiveness to followers (Hersey and Blanchard 1982) are key dimensions. This study has shown that business school leadership is best described in the way Lorange (2002) has done, although his findings are extended as indicated in table 3. This shows the head needs to undertake certain actions alongside the creation of trust and credibility in the eyes of both followers and staff senior to the head.

A consequence is that other capabilities do not feature as so essential if the head is to be successful. As indicated by Harman (2002) although a threshold level of academic credentials is necessary for the head to function in an academic environment, this is less significant than actual or potential managerial experience. In the same way commercial acumen may be helpful but is not a pre-requisite to headship of a business school. Perhaps surprisingly, harsh managerialist approaches traditionally more associated with the business world are not perceived as effective in an academic environment.(Table 4). This is not to say an agenda to improve performance is alien to the head of a business school but the ability to progress this depends more on style and approach against a background in which empathy has been created with followers than it does on command and control. Firm but sensitive management and leadership approaches are appropriate in both Australia and England and in any type of business school. If anything the complexity of the environment and the industrial relations history in Australia may mean the job is more demanding there.

**Table 3 Important capabilities of business school heads**

*Actions*

- Initiation, clarification and reinforcement of strategic direction
- Communication and persuasion inside and outside the school by development of effective relationships
- Making decisions and reaching conclusions so as to preserve collective energy

*Attributes*

- Credibility
- Trust
- Management expertise
- People management

**Table 4 Less significant capabilities of business school heads**

- Academic credentials above a threshold
- Commercial or industrial experience
- Harsh managerialist approaches
- Financial acumen above a certain threshold

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## Appendix 1

### Size, management and governance structures in UK business schools

UK Business Schools	Henley	North London	Leeds	Nottingham	Derby
Student nos.	7000	4000	n/a	1834	6000(3000uk )
Percent post grad	100%	18%		37%	
Percent undergrad	0	70%		63%	
Percent executive	10000 student days	12%			
Academic staff nos	59ft + 200 pt	110	85	n/a	80
Admin/tech staff nos	160	30	45		18
Percent academic/all staff	26%	79%	65%		82%
Locations	Offices 16 countries	None	None	Malaysia	Israel, Buxton
HOS appointment	Appointed-renewable 5 yrs	Appointed-permanent	Appointed-permanent	Appointed-permanent	Appointed-permanent
Board of governors	Yes	No	No	No	No
Advisory council	No	Yes			
Management group	Yes	Yes	Yes	Yes	Yes
Mgt group members	Principal, Director Research, Director Executive pgs, Academic registrar, Finance Director, Director Corporate rels, Director grad business studies, Director Marketing, Academic dean Director Marketing, Director hotel and estates	Dean, heads of school (4) Faculty admin officer	Dean, Assoc dean Learning and teaching, Assoc dean Research, Assoc dean Academic staff, Heads of division(6), Director p/g, Director u/g, Faculty manager	Director, Deputy director internal, Deputy director external, Director p/g, Director u/g, Director research, Heads of division	Dean, Asst deans (2),Heads of division (4), School operations officer
Academic subject groups	Acc and finance, HRM and OB, Information and ops mgt, Marketing,	Acc and finance Organisation & employmen	Acc and finance IR and labour Economics Marketing Management		Acc and finance HRM/OB Economics, informatics

	Strategy	t QM & info systems Marketing & purchasing Business economics Hospitality mgt Leisure & tourism Business law	International business		Strategy and marketing Enterprise and general mgt
<b>Research groups/ centres</b>	Business in the digital economy Organisation reputation and relationships Voluntary sector mgt Mgt technology Value improvement	Mgt Leisure & tourism Equality Transport Mgt development	Decision research Industrial policy and performance Int'l business Credit mgt Int'l banking and financial services	Enterprise and innovation Tourism and travel Mgt buyouts Emerging markets Risk and insurance Cyber business Corporate social responsibility Int'l business history Asian business Public leadership and mgt	New technology and business research

## Appendix 2

### Size, management and governance structures in Australian business schools

Australian Business Schools	AGSM	Sydney	Charles Sturt	SGSM	Australian Catholic
Student nos	n/a	2300	n/a	700	1000
Percent p/grad	100%			100%	20%
Percent u/grad	0%			0%	80%
Academic staff nos.	48ft,100pt	n/a	20ft,40pt	9ft,35pt	50ft,100pt
Tech/admin staff nos	128ft			25ft	8ft
Percent ft academic/all staff	27%			26%	86%
Locations	Melbourne(2),		Broken Hill,	Sydney,	Sydney(2),

	Brisbane, Perth, Adelaide, Sydney(5), Canberra, Hong Kong		Dubbo Bathurst, Goulburn, Wagga Wagga, Albury, Sydney, Canberra, Malaysia, China, HK, India, London, Singapore	China, Malaysia ,Sri Lanka, HK, KL, Penang	Brisbane, Ballarat, Canberra, HK, Beijing
<b>Appointment of HOS</b>	Appointed- 5 yrs renewable	Elected	Elected	Appointed 5yrs renewable	Appointed Permanent
<b>Board of Governors</b>	Yes	n/a		Yes	
<b>Advisory council</b>	Yes			Yes	No
<b>Mgt group</b>	Yes	n/a	Yes	Yes	Yes
<b>Members of mgt group</b>	Dean, Assoc. Dean Director Research Info officer, Manager HR, Director finance		n/a	Director, Director research, Director Academic pgs and quality, General mgr, Faculty rep	Assoc Dean, Heads of school (4)

<b>Australian Business schools</b>	<b>AGSM</b>	<b>Sydney</b>	<b>Charles Sturt</b>	<b>SGSM</b>	<b>Australian Catholic</b>
<b>Academic subject groups</b>	Finance and Accountancy, Economics, Marketing OB and IR, Stats and Operations , General mgt	Accountancy and business law, Finance, Marketing, Work and organisation studies		Accountancy, finance and economics, Marketing Strategic mgt, Int business, HRM & IR, Value chain mgt	Accounting Marketing HRM Int'l business Info systems Mgmt

<b>Research groups /centres</b>	Managing IT in Organisations Centre for corporate change Centre for research in finance Centre for applied marketing Securities trading and research lab	Work and organisation studies Industrial relations research and training Accounting Asia pacific Capital markets Organisational discourse and strategy		Centre for value chain mgt Fred Emery institute	Centre for research into ethical decision making in organisations
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