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**VaLUENTiS**

*Academic Enterprise Leadership Series*

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VaLUENTiS Ltd is a professional services firm specialising in assisting clients in enhancing organisational performance and human capital management with special emphasis on measurement. The HEI Practice is dedicated towards supporting universities and HE funding bodies. The Practice combines research capability, analytical rigour, and due diligence - values that we regard in high esteem.

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# Introduction

Perhaps it has become a cliché to talk of the accelerating pace of change within the UK HE sector, but few people within the sector could deny the truth behind the statement. Institutions, both recent and long-established, are facing significant challenges to established practices through the convergence of a seemingly unrelated set of forces.



Whilst the recent government White Paper<sup>1</sup> provides a level of clarity around a vision for the sector, the funding question gathers momentum almost daily, with recent, proposed high-profile departmental closures<sup>2</sup>, reflecting current economic realities. Participation targets increase pressure on student intake and life-cycle management, whilst growing institutional expansion into non-UK markets poses new marketing and operating challenges to the institution.



Institutions are adopting the discipline of customer service to deliver against increasing student expectations, and adapting to the concepts of enterprise, collaboration and entrepreneurialism in their dealings with the private sector.



The outcomes and funding formulae from RAE<sup>3</sup> increasingly call into question the balance between research and teaching as a means of generating income. The provision of additional HEFCE money for specific initiatives on the one hand allows institutions to address areas in need of upgrading, but on the other hand increases the burden of accountability and evaluation. Teaching, itself, has new opportunities to deliver to new/different audiences with the

adoption of IT enabled 'blended-learning' approaches. However, these opportunities pose some fundamental questions around existing 'traditional' teaching models.

In short, HE institutions are facing a combined challenge to their institutional integrity of some magnitude. The Government White paper, referenced above<sup>4</sup>, outlined three key internal challenges. They are:

1. *Recruit, retain and reward the calibre of academic staff needed to sustain and improve both teaching and research (with a specific linkage to the Developing leadership, governance and management initiative within HEFCE's strategic plan<sup>5</sup>).*
2. *Maintain the infrastructure for research and teaching.*
3. *Make sure the investment in higher education whether paid for by the taxpayer, the student, their employer or someone else - is used to best effect.*

Each of these three key challenges places a particular focus on the institutional capability of management. Whilst perhaps not traditionally identified as a strategic capability within the sector, current trends are leading to an increased focus on this capability as an enabler of desired outcomes.

Management has been defined as "making sure that people who belong to an organisation act together and effectively meet its objectives<sup>6</sup>". We define management development as the means "to both grow and enhance the managerial capability of individuals to improve the institution's performance<sup>7</sup>".

Though there are many debates around the differences between management and leadership, we view leadership as an extension to management in the sense of providing enhanced vision, longer-term focus and the capacity to engage 'followers' above and beyond where competent management reaches its limits.

As such, we view overall management capability as critical in shaping an institution's ability, not only in formulating a strategic response to the prevailing conditions, but, more crucially, to implement any changes deemed necessary. We, therefore, identify leadership and management development (referred to in this report as 'L-MD') as one of the most effective means of enhancing

overall capability at the institutional level, and also as a key enabler within the overall Academic Enterprise Leadership framework<sup>8</sup> (see Annex A).

The Academic Enterprise Leadership framework explicitly promotes institutional excellence and we have chosen to inaugurate the AEL series with a survey of L-MD within a sample of 33 HE institutions (see Annex B).

This survey accordingly evaluates the participating institutions against a framework that we describe as 'integrated' management development; one that fuses strategic objectives with operational realities, together with a wider appreciation of management within a university context.

The L-MD 'curve' identifies five key stages in the evolution of 'integrated' management development, showing how the strategic design and operational use of L-MD interacts with the broader people management architecture i.e. remuneration, performance management, talent management, learning & development, career development, succession planning and general university capability.

This report is intended to be distributed to all HEIs across the UK together with the relevant educational bodies. As a thank you to the participating HEIs, each will receive a customised evaluative 8-page report which provides individual institutional insight.

<sup>1</sup>The future of higher education White paper, department of education and skills, 2003

<sup>2</sup>'Bad Chemistry, High demand is no guarantee that a university course survives', The Economist, November 27th - December 3rd, 2004; 'Academics warn of financial crisis threatening chemistry teaching in universities', Financial Times, November 30th, 2004

<sup>3</sup>2001 Research Assessment Exercise: The Outcome, [www.HERO.ac.uk/rae/Pubs/4\\_01/section1.htm](http://www.HERO.ac.uk/rae/Pubs/4_01/section1.htm)

<sup>4</sup>The future of higher education White paper, department of education and skills, 2003, pp13

<sup>5</sup>HEFCE strategic plan 2003-2008, April 2004/17 Guide

<sup>6</sup>Management development - A guide for the profession (ILO Geneva edited by Joseph Prokopenko - 1998)

<sup>7</sup>Management Development - A CIPD presentation (Nicholas J Higgins - 1999)

<sup>8</sup>ValUENTiS methodology developed by client experience with HEIs, supplemented with applied research

“

**M**anagement is no more a science than is medicine: both are practices. A practice feeds from a large body of true sciences. Just as medicine feeds off biology, chemistry, physics, and a host of other natural sciences, so management feeds off economics, psychology, mathematics, political theory, history and philosophy. But like medicine, management is also a discipline in its own right, with its own assumptions, its own aims, its own tools, and its own performance goals and measurements.

”

***Peter Drucker, The Frontiers of Management***

# Executive summary



33 HE institutions in England completed a diagnostic tool (developed as a supporting component of the broader Academic Enterprise Leadership framework) to assess the degree of integration of their current L-MD practice.

Responses from the responding HE institutions have been plotted onto the two axes of Strategic Integration/alignment and Operational Effectiveness. The resulting chart has then been divided into four quadrants, representing the following categories:

**'Effective integration':**  
High Strategic integration, High Operational effectiveness

**'Operational bias':**  
Low Strategic integration, High Operational effectiveness

**'Design bias':**  
High Strategic integration, Low Operational effectiveness

**'Missed opportunities':**  
Low Strategic integration, Low Operational effectiveness

Analysis of the self-assessments returned by the 33 responding HEIs locates their current L-MD practices as follows:

Quadrant	Number of respondents	% of sector sample
Effective integration	4	12%
Operational bias	3	9%
Design bias	4	12%
Missed opportunities	22	67%

Two thirds of the responding institutions are located within the 'Missed Opportunities' quadrant. The characteristics of L-MD practices assessed within this quadrant are as follows:

- HEIs occupying this quadrant have limited L-MD either through a lack of awareness of the capability of L-MD to enhance performance (either at the individual or institutional level), or through a lack of investment.
- Any attempts to establish L-MD interventions are seen by potential users as not relevant to their needs, or simply ignored
- HEIs falling within this quadrant face significant challenges in terms of establishing a base case for investment, requiring education of the management population about the potential benefits of L-MD

- Investment priorities will typically focus on establishing 'buy-in' across all staff levels (particularly at senior level) and establishing 'management' as a valid and necessary capability by those occupying such positions.

*A more complete description of the quadrants is found under section 'Key findings'.*

In light of the findings, we have identified **seven key recommended actions** for each HEI to undertake:

- Raise awareness of the strategic value of a structured L-MD programme in order to mitigate the risk of a lack of return on investment
- Apply a more consistent approach to constructing business cases tailored to individual institutional requirements
- Attain congruency of management understanding and expectation of L-MD benefits/outcomes
- Adopt an appropriate measurement framework as means of evaluating L-MD intervention impact
- Engage the wider staff population in the evaluative process
- Share best practice examples which do exist within the sector and championing accordingly
- Establish an over-arching view of a university as a combination of intangible value drivers

“

The major changes facing higher education will be a considerable challenge to its leadership, governance and management.

”

*HEFCE Annual Review 2003/04*



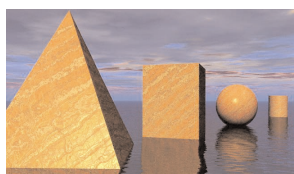
# Approach/methodology



We collected data from each HEI on the state of L-MD through distribution of a diagnostic tool, a component of VaLUENTiS' L-MD suite. The diagnostic contained three distinct sections:

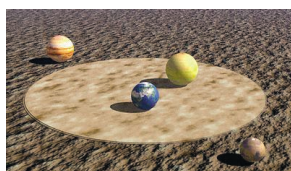
- Assessment of the strategic integration of L-MD
- Identification of current L-MD practice through attribute association
- Assessment of perception of management effectiveness from manager and employee perspectives

Strategic integration is the degree to which Leadership and Management Development practice (architecture) within the HEI combines strategic institutional objectives with operational focus and realities.



Use of the diagnostic allows the respondent to determine how the strategic design and operational use of L-MD interacts with the broader people management architecture (i.e. remuneration, performance management, talent management, career development, succession planning).

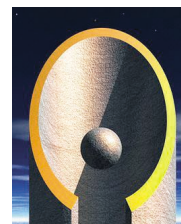
82 higher education institutions in England were initially targeted and key individuals associated with staff development were identified (typically HR/Personnel Directors, Staff Development Managers and equivalents). These key individuals were contacted at all 82 institutions and offered the opportunity to participate. Those who agreed were sent an electronic or paper copy of the assessment tool (see Annex C).



Respondents were given a period of six weeks to return their completed assessment tool. A total of 33 completed assessment tools were received (mailed,

faxed or completed in a telephone interview), representing a 40% response rate. Respondent data was then transcribed into our HEI sector database and analysed by VaLUENTiS researchers.

Our interpretation of this data is included within this report. We recognise that the use of attitudinal data in general can introduce an element of subjectivity within the findings, particularly, as in the final section of the diagnostic, where a respondent is asked to rate a factor from the perspective of a third party.



**In our experience, respondent views can tend to be optimistic in such studies, which may lead to a slight positive response bias. Whilst this has not been corrected for in this survey, it implies that interpretation as set out in this report may be conservative in over-stating the actual position. At the same time, we recognise that a 40% response rate provides a robust sample for the purposes of reliability of the results.**

This report and our opinions herein are based solely on data provided by the individual institution by the completion through completion of the L-MD assessment tool, which includes conjecture on third party perception. This report accordingly represents our best interpretation of the information made available and does not on its own constitute professional advice.

“

The importance of appointing and developing heads of institution and senior managers of the highest quality within the higher education sector is critical. It is these managers who will lead the sector as it faces increasing and complex challenges. These challenges go well beyond the need for effective finance and business management. They include, to name but some, the building of research capability, the promotion of high quality teaching and learning, extending participation to hitherto excluded groups, the assurance of quality and standards, the involvement of the local community and competing effectively in national and global markets.

”

***Appointing senior managers in education: A guide to best practice  
Universities UK, May 2004***

# Key findings

The L-MD curve represents the *The L-MD curve* curvilinear relationship of impact on institutional performance/ capability with fully integrated L-MD practice at one end and a lack of recognition of L-MD at the other<sup>9</sup>.

Responses from individual HEIs were plotted against the two axes: Strategic Integration and Operational Effectiveness. These two axes were further split into a 2x2 model representing common characteristics with the following properties:

**'Effective integration':**  
High Strategic integration, High Operational effectiveness

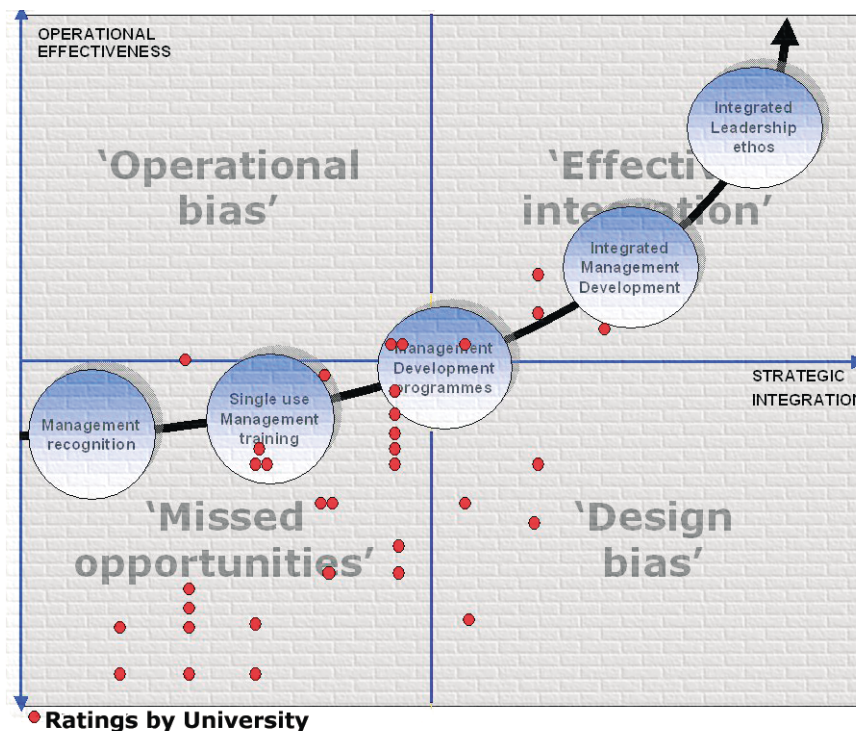
**'Operational bias':**  
Low Strategic integration, High Operational effectiveness

**'Design bias':**  
High Strategic integration, Low Operational effectiveness

**'Missed opportunities':**  
Low Strategic integration, Low Operational effectiveness



There are various implications and potential challenges associated with each of these quadrants, which are explained overleaf.



<sup>9</sup>Leadership & Management Development: Enabling organisational capability and performance VaLUENTiS white paper, 2004

## Effective integration quadrant

**W**

HEIs occupying this quadrant have effectively invested time and resource to develop an integrated L-MD infrastructure that contributes value to the overall management and leadership capability. The creation of such an infrastructure demonstrates institutional awareness of the longer-term benefits from L-MD, and combines a grounding of L-MD interventions within a strategic context together with realising individual benefits through focused L-MD delivery.

**id**

Institutions within this quadrant tend to view management development as an inherent part of the institutional 'culture' and as a key contributor to the institution's market

positioning for employees and, indirectly, students. Given their current level of awareness of the benefits of L-MD, HEIs seek investment to build on their success and seek investment to management, enhancing performance measurement effectiveness, or introducing development methodologies).

**L**

and, indirectly, students. Given their current level of awareness of the benefits of L-MD, HEIs seek investment to build on their success and seek investment to management, enhancing performance measurement effectiveness, or introducing development methodologies).

The challenge for these institutions is to maintain the balance between the strategic/operational and institutional/individual dimensions as set out in the business case and to optimise on any further investment, and to guard against potential complacency.

institutions is to maintain the balance between the strategic/operational and institutional/individual dimensions as set out in the business case and to optimise on any further investment,



**FOUR** institutions (12%) occupy this quadrant.

## Design bias quadrant

For those institutions located in this quadrant, a review of current L-MD would find that 'strategic intent' is not matched by operational delivery (i.e. a failure to execute to expectation), which can drastically reduce the perceived effectiveness of any L-MD intervention(s). An alternative proposition may be that this is simply masking a lack of general 'buy-in' across the institution itself (i.e. more 'push' from advocates of L-MD than

**M**

'pull' from its intended recipients, the central support staff and academics). This would suggest that the key challenge for an HEI is to ensure that L-MD interventions are seen as relevant by the management/staff population, or to seek to re-establish collective user 'buy-in' (see also comments under 'Missed opportunities' quadrant).

The key risk for HEIs in this quadrant is the potential waste of resource through the limited benefits of any L-MD to either the individual or to the institution itself. Where a perception exists that L-MD is failing to deliver to expectation, this can result in 'development disengagement' within staff ranks. A revisit of the existing business case is required.

through clarification of the existing business case, should focus on investment priorities, building engagement in the management population around the individual as well as institutional validating the content of any development interventions on offer for their perceived relevance and need. Realisation of this step would effectively integrate the HEI's L-MD efforts.

**E**

potential waste of resource through the limited benefits of any L-MD to either the individual or to the institution itself. Where a perception exists that L-MD is failing to deliver to expectation, this can result in 'development disengagement' within staff ranks. A revisit of the existing business case is required.



**FOUR** institutions (12%) occupy this quadrant.

## Operational bias quadrant

HEIs located within this quadrant are in many ways the antithesis of those occupying the 'Design bias' quadrant. The presence of an institution within this quadrant would imply that efforts have focused predominantly on the operational delivery of L-MD interventions, whilst potentially failing to link these within a broader institutional context (i.e. too much focus at the individual level). Such interventions delivered within a HEI would typically exhibit a certain degree of sophistication in both design and delivery. The low degree of 'strategic alignment', however, creates the risk that any such interventions fail to enhance overall management capability, as the 'business case' is not articulated. In other words, whilst the L-MD intervention(s) may be seen by individuals as delivering particular benefits, the effect at institutional level will be minimal.

Presence in this quadrant can indicate that the broader benefits from leadership and management development are not well understood, or that development is seen predominantly as 'a series of courses'. An effective use of additional investment for an institution in this quadrant would focus on retrospectively validating the business case for any existing interventions. Realisation of this step along with 'strategic education' of the potential integration linkages would mean that further L-MD investment will potentially propel an institution into the 'Effective integration' quadrant, with subsequent enhancing of performance.



We would also put forward the hypothesis that an Operational bias may mask a lack of 'engagement' across the management population (i.e. management may fail to carry through learnings post-intervention or undergo little in the way of evaluation), similar to that proffered in the Design bias quadrant - despite an apparent acceptance of L-MD.

**THREE** institutions (9%) occupy this quadrant.

## Missed opportunities quadrant

HEIs occupying this quadrant have limited L-MD either through a lack of awareness of the capability of L-MD to enhance performance (either at the individual or institutional level), or through a lack of investment. We would not typically expect to find any articulated business case for L-MD interventions are present, they will probably exist in the form of a by individual requirements, with a tenuous connection to any area of L-MD and is relying on other institutional strengths; or simply as a consequence of institutional history, in that the HEI does not management as a discipline within an HEI context. Either way, this 'circle' whereby any attempts to establish L-MD interventions are seen as irrelevant to their needs, or simply ignored.

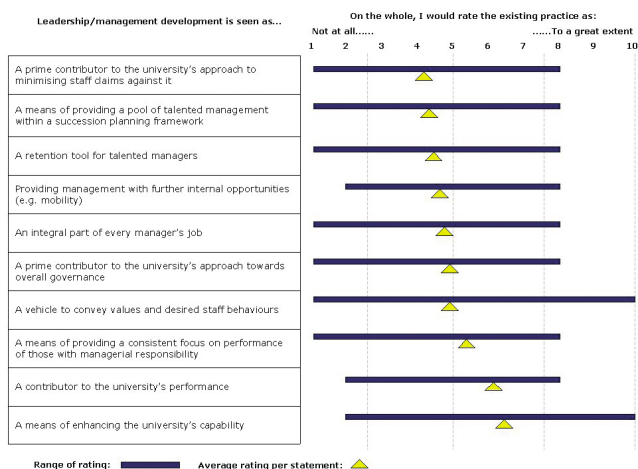
Where L-MD interventions are present, they will probably exist in the form of a limited number of courses driven by individual requirements, with a tenuous connection to any area of L-MD and is relying on other institutional strengths; or simply as a consequence of institutional history, in that the HEI does not feel the need to focus on the that it does not recognise thinking can create a 'vicious by potential users as not

HEIs falling within this quadrant face significant challenges in terms of establishing a base case for investment. This obstacle can be overcome through education of the management population and in generating conviction about the potential benefits of L-MD. HEIs embarking on any L-MD interventions will require support in developing understanding of the role of an integrated leadership and management development programme. Investment priorities will typically focus on establishing 'buy-in' across all staff levels (particularly at senior level) and establishing 'management' as a valid and necessary capability by those occupying such positions.



**TWENTY TWO** institutions (67%) occupy this quadrant.

## L-MD strategic alignment



The initial phase of the diagnostic assesses the strategic alignment underpinning the L-MD by asking respondents to assess their agreement with 10 statements around its strategic role. The following chart presents the range of responses per question (indicated by the blue bar) and the mean for the 33 respondents (indicated by the yellow triangle).

Despite the relatively tight cluster of mean scores, the range of responses is broad (in one case encompassing 10 points). This is a somewhat surprising finding, given that the HE sector is relatively homogeneous, possessing similar institutional aims and challenges, and suggests a wide diversity of approach within the sector sample.

The three highest scoring question-statements relate to capability and performance. The lower mean scores on the seven remaining strategic questions fail to support what these scores imply (i.e. there is potential disconnect if L-MD is claimed to be 'a means of enhancing the university's capability' but is not particularly seen as 'an integral part of every manager's job').

This indicates that benefits of L-MD with respect to institutional capability/performance are not clear, whether through limitations of understanding of the wider role that L-MD plays, the absence of an evaluative approach to demonstrate the impact of any investment made, or indeed the lack of an established business case.

## L-MD characteristics

Respondents were presented with an L-MD practice framework containing five level-pairings of attribute descriptors. Each respondent was asked to firstly identify which of the levels most closely described their current L-MD practice, and then secondly to ascribe whether the set of attribute descriptors chosen was 'strong' or 'weak'.

The five level-pairings represent an evolutionary spectrum in L-MD

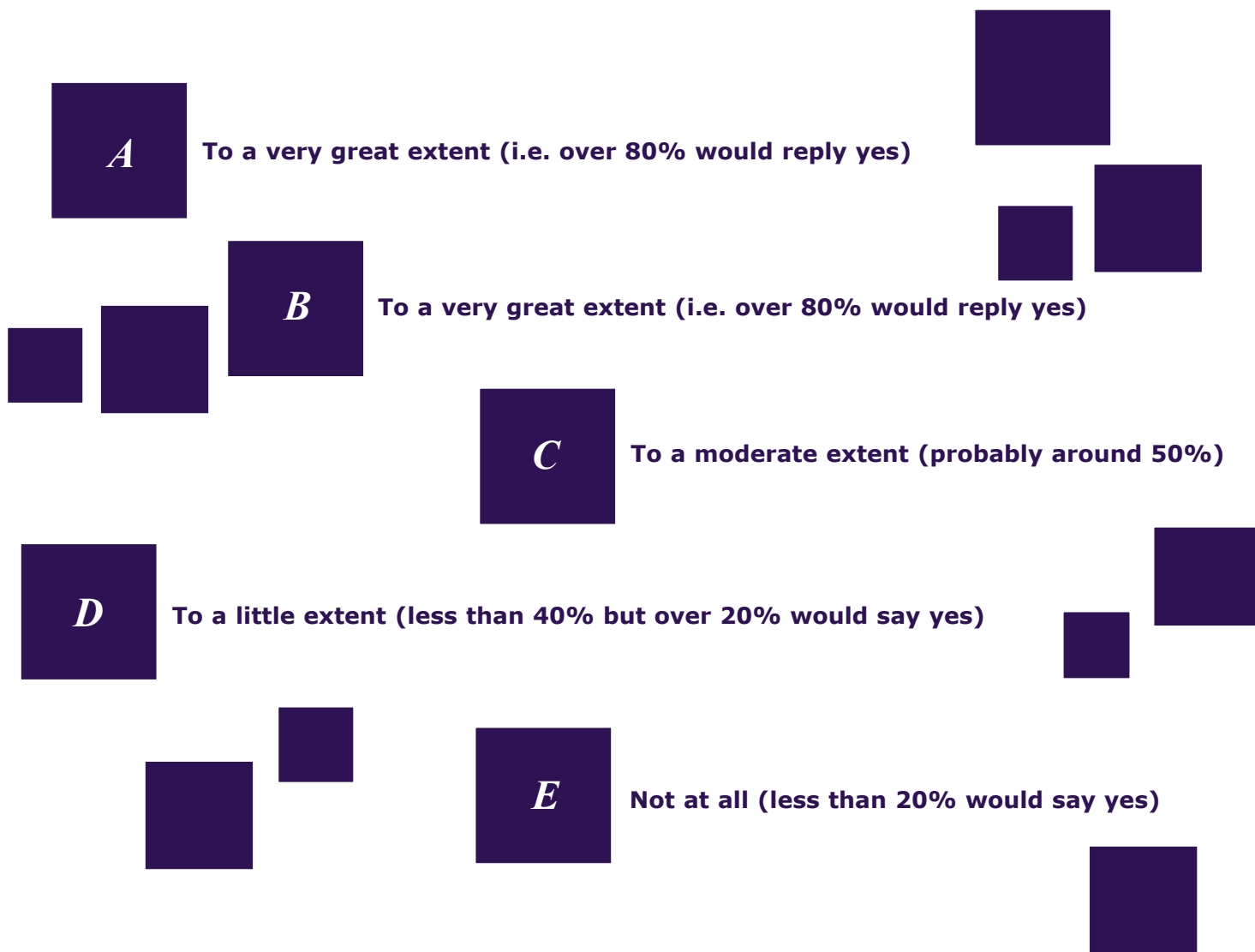
attributes. The lowest level describes an effective absence of a structured approach towards L-MD, with effectively no recognition at an institutional level. The highest level describes the existence of an 'integrated leadership ethos', where L-MD is to a large degree incorporated within the usual ways of working. The L-MD curve utilises these two 'extremes' to identify three further evolutionary stages which are differentiated in a range of seven attributes.

The majority of respondents cluster around Level 2 (strong) and Level 3 (weak, strong). Whilst this implies that the elements of structuring a programme operationally are broadly in place, a substantial number of respondents have not yet formulated such a structure. Moreover, even given the existence of structure, the inherent degree of integration within the wider institutional context is limited.

Level 1		Level 2		Level 3		Level 4		Level 5	
<ul style="list-style-type: none"> <li>Management development opportunities seen not to exist</li> <li>Driven by reaction to single event data</li> <li>Not normally recognised within culture</li> <li>Competencies not recognised</li> <li>MD programme curriculum not developed</li> <li>No assessment techniques utilised</li> <li>HR not involved</li> </ul>		<ul style="list-style-type: none"> <li>Management development done in ad hoc/ fragmented manner</li> <li>Management development intervention done without measurement</li> <li>Reactively driven by events</li> <li>Some form of implicit competency framework used</li> <li>Limited use of specific training</li> <li>Qualified by attendance at management development event</li> <li>HR analyses and co-ordinates</li> </ul>		<ul style="list-style-type: none"> <li>Limited to specific management cadre</li> <li>Basic ROI metrics utilised</li> <li>Proactively driven with issues identified</li> <li>Generic input-based competencies used</li> <li>Portfolio of core generic courses &amp; workshops</li> <li>Implicit construct of any assessment</li> <li>HR designs and procures</li> </ul>		<ul style="list-style-type: none"> <li>All managers eligible for development</li> <li>Sophisticated intervention metrics</li> <li>Driven by wider university context</li> <li>Specific output-based competencies used</li> <li>Introduction of tailored set in addition to core courses with wider range of delivery options</li> <li>Explicit construct used in development centres</li> <li>HR is a compliance monitor ensuring consistency</li> </ul>		<ul style="list-style-type: none"> <li>All qualifying staff/managers eligible for development opportunities</li> <li>Sophisticated institutional impact model using accounting /value based ROI measures</li> <li>Part of leadership ethos</li> <li>Robust multi-dimensional performance-related framework</li> <li>Integrated modular-based learning with scaleable core</li> <li>Use of assessment/ development centres with sophisticated evaluation</li> <li>No perceived need for HR involvement as fully devolved</li> </ul>	
<b>1W</b>	<b>1S</b>	<b>2W</b>	<b>2S</b>	<b>3W</b>	<b>3S</b>	<b>4W</b>	<b>4S</b>	<b>5W</b>	<b>5S</b>

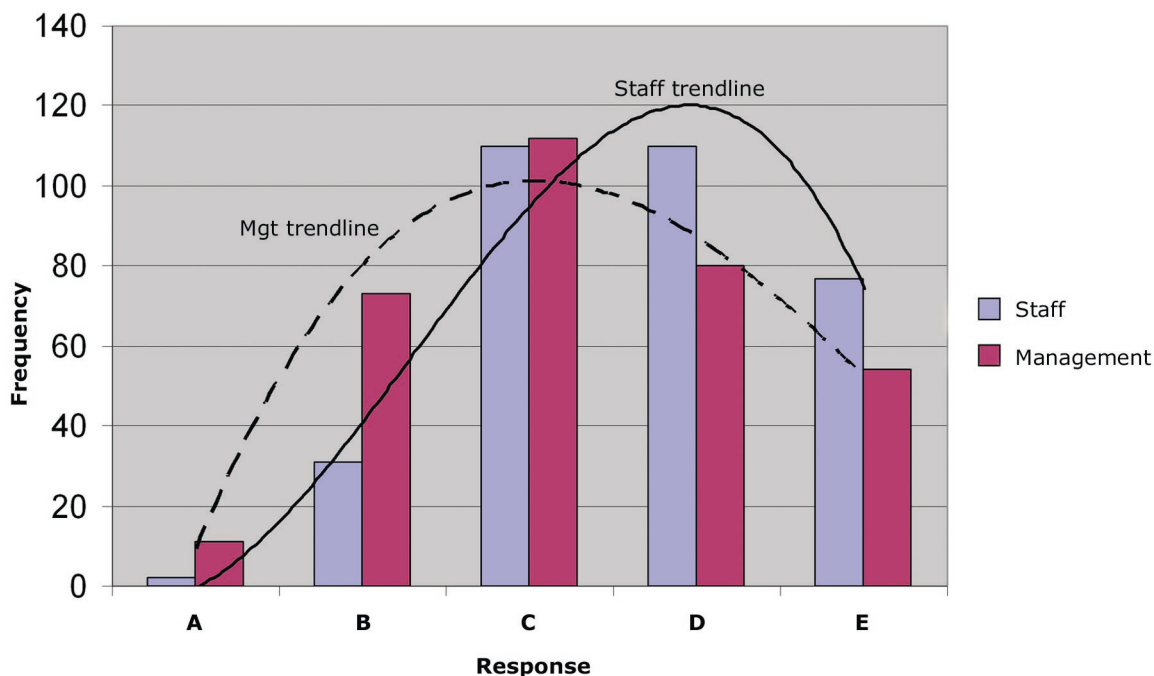
## Respondent view of management & staff perception

Respondents were asked to complete a 10 Question-statement diagnostic from the perspective of both staff and management, using the following scoring system:





The chart below shows the overall response distribution of all ten questions:



The overall distribution trends show a much higher incidence of 'B' responses when answering from the viewpoint of management and a clustering of 'C' and 'D' responses when answering from the viewpoint of staff. This interpretation suggests that management behaviour is more often 'aspirational' than 'actual' and would thus indicate a need for greater outcome-focused L-MD interventions.

A distribution of responses by individual question-statement is summarised in the tables overleaf.

The response range for management perception is broader than the range for staff perception, indicating either a higher level of understanding at management level, or a potential

implied defensiveness around management views of their own roles. In addition, the lower overall perceived staff responses imply the limitations of current L-MD interventions in developing an overall management capability: enhanced capability in an individual manager should be noticeable to his or her staff.

There is general overall consistency in the perceived responses from the two population groups, with four questions showing some discrepancies in viewpoint:

- Leadership/management development is clearly driven by the University's needs
- Management development is seen as a means of producing 'the leaders of tomorrow'
















































- Managers are held accountable for their performance (and that of their team)
- Management development produces a pool of talent for the University.

To each of these statements, overall HR responses indicate a belief that management would give a higher overall rating than staff. The latter three are perhaps not surprising, given a presumed greater management focus on leadership and accountability. Similarly, managers might be more inclined to see themselves as developing into the 'leaders of tomorrow' through closer personal involvement with the issue.

## Anticipated staff response by individual question

HR's anticipated response from STAFF	A	B	c	D	E
1. Staff with potential have every opportunity to develop into a management position	1	3	15	8	6
2. Management role models are consistent with the university's values		2	10	13	8
3. The leadership/management development programme enables management mobility around the university		1	11	13	8
4. Leadership/management development is clearly driven by the university's needs		6	14	9	4
5. Managers in the university are effectively developed before being promoted			5	15	13
6. 'Good' management practice is rewarded effectively		3	9	10	11
7. Management development is seen as a means of producing the 'leaders of tomorrow'		2	12	11	8
8. Managers are held accountable for their performance (and that of their team)	1	6	11	11	4
9. Leadership/management development is seen as a key means of minimising people/governance risk		5	10	11	7
10. Management development produces a pool of talent for the university		3	13	9	8

## *Anticipated management response by individual question*

HR's anticipated response from MANAGEMENT	A	B	c	D	E
<b>1.</b> Staff with potential have every opportunity to develop into a management position					
<b>2.</b> Management role models are consistent with the university's values					
<b>3.</b> The leadership/management development programme enables management mobility around the university					
<b>4.</b> Leadership/management development is clearly driven by the university's needs					
<b>5.</b> Managers in the university are effectively developed before being promoted					
<b>6.</b> 'Good' management practice is rewarded effectively					
<b>7.</b> Management development is seen as a means of producing the 'leaders of tomorrow'					
<b>8.</b> Managers are held accountable for their performance (and that of their team)					
<b>9.</b> Leadership/management development is seen as a key means of minimising people/governance risk					
<b>10.</b> Management development produces a pool of talent for the university					

“

The development and implementation of successful human resource strategies are among the most important tasks facing modern vice-chancellors. Yet despite government initiatives to support training and professional development, universities can and should do much more.

”

*Lambert Review, December 2003*

# Conclusions/ recommended actions



Most L-MD intervention efforts of surveyed universities are located within the "Missed opportunities" quadrant. This implies that the benefits of L-MD are marginal at best due to the fact that a) there is no explicit business case or rationale and/or b) programmes/interventions lack associated measurement systems of the sophistication required to evaluate their impact.

Most L-MD interventions are undertaken with implicit 'common sense', demonstrating a commendably pragmatic approach, focused mainly at the individual level. In reality, without the requisite strategic integration and operational sophistication, the degree to which the ensuing development can impact on the overall performance of the university is questionable.

Given the sample size and distribution of our survey, the findings raise a series of recommended actions for the HE sector. They are:

- Raising sector-wide awareness of the strategic value of a structured L-MD programme in order to mitigate the risk of a lack of return on investment
- Applying a more consistent approach to constructing business cases tailored to individual institutional requirements
- Attaining congruency of management understanding and expectation of L-MD benefits/outcomes
- Adopting an appropriate measurement framework as a means of evaluating L-MD intervention impact
- Engaging the wider staff population in the evaluative process
- Sharing best practice examples which do exist within the sector and championing accordingly
- Establishing an over-arching view of a university as a combination of intangible value drivers

In order to assess the priority of these recommendations within each individual university, we have identified a series of questions:

1. To what degree does the university recognise the contribution that integrated L-MD can make?	4. How does the University determine the impact of L-MD interventions, e.g. recognising or assessing changes in management behaviour from a performance perspective?
2. Is current management development focused mainly on remedial-type training (reactive) or capability enhancement (pro-active)?	5. Given the current spend on leadership/management development, is associated activity realising a return on investment?
3. To what extent is measurement used in current programmes?	6. How does the current focus on L-MD align with, for example, HEFCE's strategic aims, QAA and the increasing competitive pressures of the HE sector?

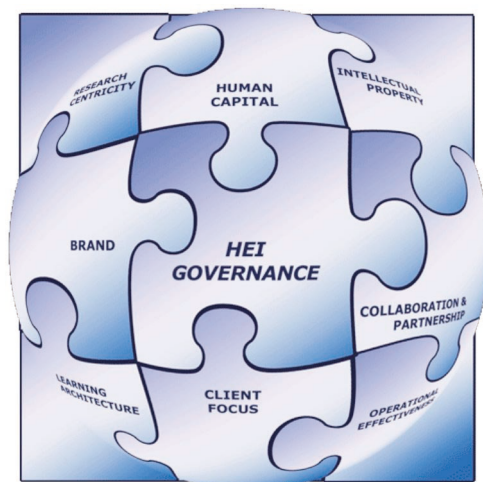
“Leadership and governance are crucial to addressing the new realities that may be emerging for higher education. The function of leadership is to assist the institution (and particular parts of the institution) to identify and evaluate emerging realities, to assess the options available and to prepare strategies for moving towards one or more scenarios.

”

***Robin Middlehurst, New Realities for Leadership and Governance in Higher Education - Tertiary Education & Management 1999***

## Annex A

Academic enterprise leadership (AELi™) is a framework to promote institutional excellence. It recognises leadership/management development as a means of enhancing both institutional and individual staff capability and performance through the domains as shown.



### Domains

#### **HEI Governance**

incorporates leadership, financial management (including financial leverage), diversity, values, risk management etc

#### **Research centrality**

the degree to which the HEI is focused on research, its capability and 'excellence'

#### **Learning architecture**

describes the overall excellence of the learning experience incorporating the curriculum, course programmes, the use of blended learning techniques, teaching experience etc

#### **Human capital**

describes the knowledge and capability/potential of staff, both academic and support

#### **Brand**

describes the strength/importance of the HEI's name and reputation in the marketplace

#### **Intellectual property**

includes the IP developed whether as currently owned material or as part of business linkage, spin-offs etc

#### **Collaboration & partnership**

describes the degree of networking such as alliances/links with other universities, businesses, countries and other stakeholders and suppliers

#### **Client focus**

the degree to which the institution is focused on students and businesses as clients/customers

#### **Operational effectiveness**

the degree of effectiveness with regard to the HEI's internal processes and administration

## Annex B

### *Participating institutions*

Anglia Polytechnic University

Bath University

Bath Spa University

Birmingham University

Birkbeck College

Bradford University

Brunel University

Central Lancashire

City University

Durham University

Exeter University

Gloucestershire University

Goldsmiths College

Greenwich University

Hull University

Institute of Education

Kent University

Leeds Met University

Leicester University

Liverpool University

Liverpool Hope University

Liverpool John Moores University

Manchester Metropolitan University

Newcastle-upon-Tyne University

Nottingham University

Roehampton University

Salford University

Staffordshire University

Sunderland University

Sussex University

Teesside University

University College Northampton

University of Westminster



## Annex C

### Individual HEI strategic intervention scores

Rank	Index scores
1	72
2=	69
2=	69
4	68
5=	67
5=	67
7	65
8=	64
8=	64
8=	64
11=	62
11=	62
13	61
14	56
15	55
16	53
Mean	49
17	48
18=	47
18=	47
20	44
21	43
22	42
23	41
24	38
25	36
26	35
27=	34
27=	34
29	31
30	30
31	24
32	16
33	14

## Annex D

The Leadership/Management development assessment tool is the diagnostic that was used in this study. It is a proprietary instrument that forms part of the VaLUENTiS VB-HR™ human capital management system. It is included here for information purposes only.

### Leadership-management development assessment inventory

The respondent rates the university's leadership/management development by using the assessment inventory, following a **five step** assessment process.

#### Step 1 - strategic evaluation

Leadership/ management development is seen as...	On the whole I would rate existing practice as (circle one score)									
	Not at all...					...To a great extent				
A prime contributor to the university's approach towards overall governance	1	2	3	4	5	6	7	8	9	10
A prime contributor to the university's approach to minimising staff claims against it	1	2	3	4	5	6	7	8	9	10
A contributor to the university's performance	1	2	3	4	5	6	7	8	9	10
A means of enhancing the university's capability	1	2	3	4	5	6	7	8	9	10
A vehicle to convey values and desired staff behaviours	1	2	3	4	5	6	7	8	9	10
A means of providing a consistent focus on performance of those with managerial responsibility	1	2	3	4	5	6	7	8	9	10
An integral part of every manager's job	1	2	3	4	5	6	7	8	9	10
A retention tool for talented managers	1	2	3	4	5	6	7	8	9	10
A means of providing a pool of talented management within a succession planning framework	1	2	3	4	5	6	7	8	9	10
Providing management with further internal opportunities (e.g. mobility)	1	2	3	4	5	6	7	8	9	10
<b>TOTAL SCORE</b>										

Step 2 - leadership management development characteristics rating

Level 1		Level 2		Level 3		Level 4		Level 5	
<ul style="list-style-type: none"> <li>● Management development opportunities seen not to exist</li> <li>● Driven by reaction to single event data</li> <li>● Not normally recognised within culture</li> <li>● Competencies not recognised</li> <li>● MD programme curriculum not developed</li> <li>● No assessment techniques utilised</li> <li>● HR not involved</li> </ul>		<ul style="list-style-type: none"> <li>● Management development done in ad hoc/ fragmented manner</li> <li>● Management development intervention done without measurement</li> <li>● Reactively driven by events</li> <li>● Some form of implicit competency framework used</li> <li>● Limited use of specific training</li> <li>● Qualified by attendance at management development event</li> <li>● HR analyses and coordinates</li> </ul>		<ul style="list-style-type: none"> <li>● Limited to specific management cadre</li> <li>● Basic ROI metrics utilised</li> <li>● Proactively driven with issues identified</li> <li>● Generic input-based competencies used</li> <li>● Portfolio of core generic courses &amp; workshops</li> <li>● Implicit construct of any assessment</li> <li>● HR designs and procures</li> </ul>		<ul style="list-style-type: none"> <li>● All managers eligible for development</li> <li>● Sophisticated intervention metrics</li> <li>● Driven by wider university context</li> <li>● Specific output-based competencies used</li> <li>● Introduction of tailored set in addition to core courses with wider range of delivery options</li> <li>● Explicit construct used in development centres</li> <li>● HR is a compliance monitor ensuring consistency</li> </ul>		<ul style="list-style-type: none"> <li>● All qualifying staff/managers eligible for development opportunities</li> <li>● Sophisticated institutional impact model using accounting /value based ROI measures</li> <li>● Part of leadership ethos</li> <li>● Robust multi-dimensional performance-related framework</li> <li>● Integrated modular-based learning with scaleable core</li> <li>● Use of assessment/ development centres with sophisticated evaluation</li> <li>● No perceived need for HR involvement as fully devolved</li> </ul>	
1W	1S	2W	2S	3W	3S	4W	4S	5W	5S

L-MD competency rating - please circle the most appropriate rating as indicated above

Step 3 - calculating the horizontal axis on the LMD curve

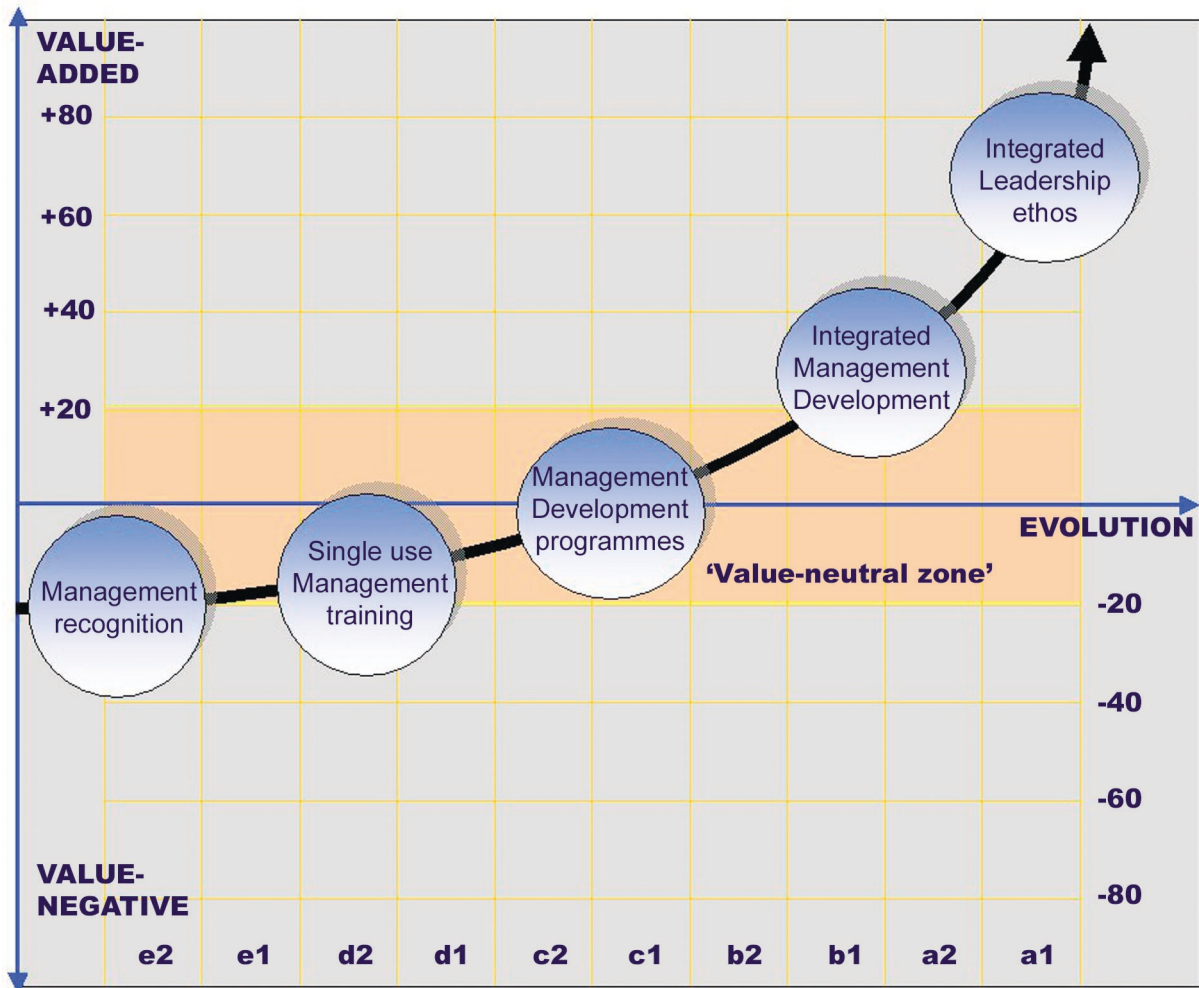
Total score from step 1	MD Rating									
91-100	e2	e1	d1	c2	c1	b2	b1	a2	a1	a1
81-90	e2	e1	d2	c2	c1	b2	b1	a2	a2	a1
71-80	e2	e1	d2	d1	c2	b2	b1	b1	b1	a2
61-70	e2	e1	d2	d1	c2	c1	b2	b1	b1	a2
51-60	e2	e1	e1	d2	d1	c1	c1	b2	b2	b1
41-50	e2	e1	e1	d2	d1	c2	c1	c2	c1	b2
31-40	e2	e2	e2	e1	d2	d2	c2	c1	c2	c1
21-30	e2	e2	e2	e1	e1	d2	d2	d2	d1	c2
11-20	e2	e2	e2	e2	e1	e1	e1	e1	d2	d1
0-10	e2	e2	e2	e2	e2	e2	e2	e2	e1	d2
Step 2 level identification	w	s	w	s	w	s	w	s	w	s
	LEVEL 1		LEVEL 2		LEVEL 3		LEVEL 4		LEVEL 5	

Step 3 - calculating the vertical axis on the L-MD curve

		To a very great extent (i.e. over 80% would reply yes)	To a significant extent (over 60% would reply yes)	To a moderate extent (probably around 50%)	To a little extent (less than 40% but over 20% would say yes)	Not at all (less than 20% would say yes)
1. Staff with potential have every opportunity to develop into a management position	Staff	A	B	C	D	E
	Management	A	B	C	D	E
2. Management role models are consistent with the university's values	Staff	A	B	C	D	E
	Management	A	B	C	D	E
3. The leadership/management development program enables management mobility around the university	Staff	A	B	C	D	E
	Management	A	B	C	D	E
4. Leadership/management development is clearly driven by the university's needs	Staff	A	B	C	D	E
	Management	A	B	C	D	E
5. Managers in the university are effectively developed before being promoted	Staff	A	B	C	D	E
	Management	A	B	C	D	E
6. 'Good' management practice is rewarded appropriately	Staff	A	B	C	D	E
	Management	A	B	C	D	E
7. Management development is seen as a means of producing the 'leaders of tomorrow'	Staff	A	B	C	D	E
	Management	A	B	C	D	E
8. Managers are held accountable for their performance (and that of their team)	Staff	A	B	C	D	E
	Management	A	B	C	D	E
9. Leadership/management development is seen as a key means of minimising people/governance risk	Staff	A	B	C	D	E
	Management	A	B	C	D	E
10. Management development produces a pool of talent for the university	Staff	A	B	C	D	E
	Management	A	B	C	D	E

### Step 5 - plotting against the curve

Scores are plotted onto the horizontal and vertical axes respectively of the Leadership-management development curve



“ Leadership **happens at all levels** of the organisation..... Good **managers** have to have leadership characteristics too. And the development of leaders is about the development of the leadership process as a whole. That analysis of leadership is particularly appropriate to higher education. ”

***Ewart Wooldridge, Chief Executive, Leadership Foundation  
AUA Annual Lecture - 14 October 2004***

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