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│    Sabbatical Report        │
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│    Fiordland College        │
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Brief

To look for discernable patterns of reporting that are efficient in terms of time usage and effective in terms of senior managers and senior management, working both separately and together, to achieve both individual and team goals, within the wider Annual and Strategic Goals of the organisation. (With particular attention to the place of team culture and staff empowerment.)

Scope

The project entailed interviewing the CEO and management team of five major businesses. During the interview, information was obtained relating to three interconnected aspects of management and leadership, namely; Management Reporting Systems, Team Culture and Empowerment. The businesses concerned were of a diverse nature: Retailing-domestic, Smelting-export, Banking-domestic, Recreation/Sport-domestic and Electronics-export. Business size varied but most were in the area of 500-1000 employees. As a second part to the exercise, two schools were visited with a view to obtaining an extremely simple comparison between business practice and school practice. The schools ranged in size from approximately 800 to 2000.

The project was not intended to be an extensive academic study. It lacks the methodological and statistical structures to be considered a thesis whose conclusions would stand up to rigorous peer review or academic scrutiny. However, the project did serve its purpose of providing a simple overview of some of the systems and processes currently in use in highly successful businesses and, in so doing, opening up a range of questions as to the usefulness of any of these systems within the education sector.

Report Format

I have no intention of outlining in detail the individual practice of each business, why it follows such practices and why it thinks its actions are efficacious. It is undoubtedly a very fertile field and I suspect a worthwhile one for educators, but, this is not a PhD thesis. However, I do think this is a very worthwhile field for further and more detailed research.

This report will simply highlight a series of ideas "of interest" from each of the areas and outline them. The report will not attempt to evaluate the ideas, fit them to an education setting, or argue their strengths and weaknesses. Where ideas are repeated with little variation they will be dealt with only once and in a general manner

Initial 'off the cuff' impressions

1. There is as much diversity of business practice as there is of educational practice. There is no single business model!

2. The people I visited were incredibly nice! They made the principal of one of our country's smallest secondary schools really welcome and gave him huge amounts of their time and that of their staff.

Reporting Systems

- Strategic plan leads to operational plan leads to annual budget.
  This is an obvious course which was closely adhered to in some of the businesses. However the linkage between budget and strategic plan was not obvious in all the businesses.

- The Board's agenda was set around its Goals.
  Individual managers (as distinct from the CEO or MD) report on their areas to the Board and then leave.

- At a full staff meeting previously chosen staff member would report to all present on a specific aspect of the business. This aspect would not be an area of their speciality. It was an area they were given to investigate (possibly from scratch) and then report to all the staff as an update from their perspective.

- Profit dependent on service chain. Happy staff = satisfied customers = good business results = satisfied stakeholders (shareholders/directors). Staff/team culture the key.

- Data is provided by a corporate centre. Some via reports and some on line. Very rich data supply. Data often seen as different to reporting.

- Managers' reports important to other managers (ie not just CEO) to ensure full picture of overall business.

- Under achievers, poor performers, "under-miners", either sidelined or got rid off.

- Ideas as to what data was actually important to individual managers often differed depending on their job. Eg answers would range from: The data I can trend, to the exceptions to the trends and from seeing other managers' reports to unscheduled items.

- A visible and transparent decision making process is vital. Consistency of the process is more important than getting each decision right.

- Refocusing of entire staff attitudes. Examples:
  1. Staff have to stop thinking of them selves as accountants sellers buyers etc everyone must see them selves and everything they do as marketing
  2. We must stop thinking of ourselves as a 'xxxx' type of business and start thinking of ourselves as a shop. We must provide everyone with the best, most enjoyable shopping experience ever.
  3. We must change from seeing ourselves as producers of a product to an organization which provides solutions for customers

- Formal weekly meetings are limited to TEN minutes per section. All data is graphed and presented on the wall. Discussion is directed to the information received from the graphs and data.

- There is a system for raising concerns which encourages immediate employee responsibility. A 'strip' is posted on the wall with the problem, how it was contained and whose responsibility it was. Then how it will be solved (long term) and whose responsibility that is. A steady decline in the number of such strips is noted as more and more ownership is being taken at the base level.

- A 'bad' report is always dealt with in terms of the problem never the person who gives it.

TEAM CULTURE

- Three organizations use specific tools to measure team culture.

- Managers receive specific training in team culture and how to establish change and promote it.

- Culture seen as the end result of a series of surrounding habits or myths, to change the culture you must first change these myths. This is done deliberately and specifically. Eg number of sick days taken, number of accidents, amount of down time.

- All managers are trained in problem solving (in Australia).

- Teams must be built through the middle managers. The middle managers are the key. To often a middle manager will agree in a senior management meeting with an idea but return to the workface and not support the idea.

- "We have sidelined discontent".

- "All our 'xxxx' (skilled workers) could get more pay overseas or even in NZ, they stay here because they want too".

- By using 'Mystery Shoppers" in the competitions business, we have determined that we are all fundamentally the same and, therefore, the only way we can be better is via our team culture. That will be the only point of difference that will count long term.

- Use of an outside consultancy system to draw up a "circumplex" which graphs our team culture and highlights the areas we need to improve.

- Branch meetings held to specifically discuss team culture.

- During the week staff frustrations put on a flip chart and dealt with at the staff meeting.

EMPOWERMENT

- Most basic level of workers all given financial authority to deal with certain problem up to a financial limit.
- All branches given authority over own immediate level of marketing.
- Top achievers rewarded but league tables dispensed with as they cause disenchantment.
- CEOs aim is to influence staff by working alongside - but not to do their work for them.
- To be empowered they must have authority to spend.
- Staff empowerment must relate to the overall vision.

DEFINITIONS - "What do you understand the terms Team Culture, Reporting System, Empowerment to mean?"
It was interesting to ask each of the businesses concerned to define for me what they understood by the terms 'Reporting Systems', 'Team Culture' and 'Empowerment'. Whilst the question was asked in such a way as to leave it very open as to whether one answered in terms of defining the outcome, the system or the philosophy behind the term, the variety of different answers was in itself interesting. There were occasions where despite the variety of definitions the respondents did seem to agree on some central point which, though explained differently, did underpin much of their thinking. Given the variety of businesses looked at these central agreements seem quite important.

Definitions – where possible I have tried to use the actual words of the respondent in this section.

Reporting Systems

- "Help to achieve corporate vision."
- "An insight into what needs to happen-awareness of trends- highlights problems and obstacles – fosters accountability   Reporting systems are the 'oil of the machine'."
- "Without reports I would not know what is happening - reporting is different to data - checks and balances all the managers see each others reports - makes you stop and observe, take an overview."
- "I guess it's a structure. Helps managers see the strategic focus."
- "Reports reflect strategic plan linked to Board agenda – very clear if tasks not done."

Team Culture

- "A collective purpose. A litmus test of how well the team is functioning - loyalty is important."
- "I think it is about treating people the way you would like to be treated."
- "It is the sum of all the conversations."
- "The way people feel about the business…feel good."
- "The general way an organization relates to itself."
- "The way we do things."
- "The organisations dynamics."
- "How we behave as an organisation at certain times… it's how we are different."
- "It's an outcome. It's a result of everything you do. You can manage it by affecting the things that effect it."
- "A set of mythologies or beliefs. Lets us define what we want to be. Lets us find the gap between what we currently are and what we want to be."

Empowerment

- People taking responsibility -   For themselves
                                        For their part of the business
                                        They are the ones who respond
                                        They initiate
- Problematic, they don't think it's their job.
- Structures, system of delegations.
- We are too diverse it cold not be controlled.
- Staff doing the right thing by our customers and our business, knowing that I will support them.
- Giving them the tools and confidence to make decisions, own up to mistakes and move on.
- It's built in. Once you start to measure culture the answer is to empower people.
- Allowing people to do what is required of them and giving them the tools to achieve their outcome .

"What's in it for them?"

Managers
- Good results – Happy staff and happy customers – people all going in the same direction.
- I feel valued – involved – understand the part I play.
- Can use it to work well together – consensus – control and achieve.
- Being part of a successful team – we make a difference for the company – basic performance
- A common values system – leadership to promote and empower.

Workers
- Achieving targets and objectives.
- A sense of purpose – what I do is important to the company – people are social animals and want a team – self image.
- Allows them to do their bit – clarity in terms of what is expected of them – a culture where they can make a difference, feel valued and make decisions – job satisfaction – something for everyone all

adding value – workers do not come here for money they could all get more in other countries – staff stay for more than one reason eg family and age are also factors.
- They are given the tools and support to get the job done.
- Pride heritage and passion.

Summary of Business Interviews

In the area of senior management reporting it is clear that businesses are data rich. Most businesses have systems in place, many of which are automated (eg point of sales electronic data), that provide copious raw material to managers. This degree of data availability is, in general, on a scale well above that usually available in schools.

Reporting systems are, in general, distinct from the actual data itself. Sometimes the data forms a general background for discussions, but, often the management report focuses on different matters to that contained in the wealth of data. Reports also tend to be much more analytical rather than simply data reporting in nature.

There is a large degree of variability as to the manner, frequency and format of reporting systems. There seems to be no one correct way.

Reporting at this level is seen as an important matter for the "Management Team" in that the various managers' reports are shared and provide the main opportunity for managers to keep in touch with developments in other areas and for managers to maintain a wide "whole business" focus, rather than become too narrowly involved in just their own area of responsibility. This also helps to ensure that the team is unified and coherent in its approach. It was also very effective in some cases in tying management focus to the strategic goals of the business, but this was not always seen as a function of such systems. Again, there was great variation.

All businesses stated the absolute primacy of the strategic plan in driving their actions. Not all businesses, however, had the same level of overt commitment to the plan and its goals, in all aspects of their work. The strategic goals of a business were addressed in many diverse ways. In one company the strategic goals formed the headings of the Board agenda, in another it was tied into staff performance appraisal, in others it was not mentioned in the performance appraisal.

In looking at management reporting systems the question of performance appraisal was often referred to. Systems varied hugely but it was interesting to note that the appraisal was often linked to salary and was often seen as being of primary importance by the managers (not the CEO) as a means of displaying their achievements and their value to the business and in gaining recognition for this.

The aspect of my interviews relating to teamwork was very interesting. All the businesses accorded teamwork a very high status. Amongst the management teams themselves it was seen as axiomatic with membership of the team. Amongst the wider workforce it was also accorded a high degree of importance. A number of businesses made it clear that non team players did not remain in the business for long. They were spoken of as being sidelined or removed. This creates an interesting comparison with education. It may be that the ability to ensure a basic level of teamwork is of considerable value to businesses and that it underlies their other positive actions. Businesses also saw importance in the idea of team culture and the general ethos of the enterprise. This stressing of team **ethos** crossed all boundaries such as the nature of the business or its size or location.

Although all businesses stressed its importance, there was considerable variability in how businesses tried to promote team culture. Some used public relations systems within the organization, but a few had accorded the matter such importance that they tried to measure it and address it directly. One business was outstanding in this respect as it used an outside consultant to measure a wide cross section of 'Team Culture' variables and then quite specifically tried to target areas of weakness and deliberately target the growth of a positive team culture as the major driver in their business success.

While there was general agreement on the importance of team culture, it was interesting to note the difference in response when people were asked to say what advantages there were in having a successful team culture (from the point of view of the managers and in contrast to the point of view of a basic level worker). Sometimes the answers for the basic level worker were very simple and transactional, while at the higher level they were often stated in a way that made them much more rewarding for the individual and the business as a whole. This would tend to indicate that some businesses saw team culture more as a management tool to be used to extract a certain desired degree of performance and less as a whole philosophy of leadership and performance.

Staff empowerment, which was the final aspect this report focused on, did not produce any clear consensus. Most respondents said empowerment was important as workers need to be empowered to do their jobs but not all had gone beyond that and specifically established procedures to empower their employees.

The most interesting response was "It's (empowerment) built in, once you start measuring culture the answer is to empower people". I think it would be fair to say that not all the organisations would have agreed with this conclusion and only a few would have been prepared to take active steps to ensure staff empowerment because of a belief in such a statement.

School interviews
In conjunction with the visits to businesses I also visited two schools. This was not done as a serious attempt to find similarities and differences. I think that would be a much bigger task than a brief study such as this could achieve. The school interviews were arranged as an extremely simple litmus test to see if there was a superficial similarity between schools and businesses in the three areas.

At a very simple level there was little similarity. School reporting systems were much looser than the average business; data was scarcer, except in terms of some academic results. Team culture was seen as important but not measured and empowerment was implemented but was more often a form a delegation rather than empowerment.

It was interesting to note the strong degree of personal leadership by both principals, both of whom placed themselves at the centre of their school's management and who had a high degree of control over nearly all areas of activities. It is worth noting that both the schools visited would be considered highly successful schools by any standard of measurement, so the degree of superficial difference was interesting.

Conclusion
There are areas within the business arena which could hold considerable promise to educators. Greater use of data, better reporting systems, more empowerment of staff and the building of a strong team culture are all positive aspects of the businesses studies.

However, there is also a strong case to be made for expressing the belief that schools are different and that what works in one area may not work in the other. It could be said that schools have long led the way in teamwork and empowerment and that businesses might learn from the school model. It might also be proposed that education is based on a professional work ethic and that professionalism is a better tool of management rather than a systems approach. I am sure many educators would hold strongly to those opinions. However, this research certainly pointed out a number of areas where schools could look to make changes that, even if they were modified to suit aspects of normal education management, might still be of considerable value to schools.

My final note is an anecdote that I was told during my research which reflects with some humour on some of the difficulties of morphing business and professional models.

Apparently a CEO of a major district health board was interviewed on local TV or radio and asked to comment on his role as a manager of doctors rather than "workers". (He had a non-medical background

and had previously worked in industry.) He apparently answered that managing doctors was "like herding cats". I thought that was amusing but found it even funnier when told that, after the interview when doctors passed the CEO in the hospitals corridors they would quietly go "Meoooow!"

A nice note to finish on.

My thanks to the Fiordland College Board of Trustees for agreeing to support my application for Sabbatical leave.

I reiterate my opening comment about the hospitality of the businesses I approached and thank them again for giving so much of their valuable time to me and my research.

My thanks also to my two principal colleagues who allowed me to ask them the same questions and to spend some time with their staff despite the heavy constraints of work that they were under.

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