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## **Introducing competence-based management development: a case study of a university-hospital partnership**

### **Introduction**

In the late 1980's reports into management education within the UK (Constable and McCormick, 1987; Handy *et al.*, 1987) highlighted the need for organisations to provide more management training. This helped in the establishment of the National Forum for Management Education and Development with the Management Charter Initiative (MCI) functioning as the operating arm. MCI launched a set of occupational standards for managers in Britain in 1991 that were incorporated into the National Vocational Qualification (NVQ) framework. The management NVQs were at level 3 (supervisory level), level 4 (first-line manager) and level 5 (middle manager). They were designed to reflect the areas of activity a manager would be expected to perform competently (MCI, 1991a; 1991b). It has been stressed that the management standards have been developed and tested with over 3,000 managers across the UK in a range of occupational areas thus giving them credibility in terms of what is essential for successful management performance (Frank, 1991). Since then there has been a great deal of debate as to the relevance and appropriateness of developing managers in the workplace using the standards-based approach from the supportive (see for example Jessup, 1991; Breed, 1993; Evans, 1994; Lawler, 1994) to the critical (see for example Canning, 1990; Donnelly, 1991; Stewart and Hamlin, 1992; Kilcourse, 1994; Gibb, 1995; Grugulis, 1997). Following their introduction the management standards have been revised (MCI, 1997a; 1997b; 1997c; 1997d;) and despite an initial poor take up rate the competence-based approach to management development has steadily increased in popularity. This

paper will not be reopening the debate about the rationale behind MCI's drive for the standards-based approach. The format of the management standards will be accepted and the debate will be moved on to how to best implement them and lessons to be learnt for future development. A case study approach of a partnership between a hospital trust and a university in implementing the management standards at NVQ level 4 will be explored, as it has been recognised that there needs to be more case studies on the competence-based approach:

The authors suggest that further work is needed in the area of competence-based management development, particularly research which is embedded in practice.... . This is particularly important because of the recent introduction of competence-based management development in many organisations. There is a need for those responsible for the implementation of competence-based management development to be aware of the potential problems related to the approach if these programmes are to be successful.  
(Currie and Darby, 1995)

The structure of the paper is as follows. A recent history of changes in management within the British National Health Service (NHS) will be documented along with a brief review of the literature on industry-education partnerships. This will be followed by an in-depth case study of a partnership between a hospital trust and a university in establishing a management NVQ programme. Finally, there will be a discussion of the outcomes of the programme and the wider implications for providers of management education. This paper reports on the author's experience of managing a competence-based management development programme for a hospital trust between 1993 and 1998. The case study analyses the key events that took place during this period from

direct observation, discussion and documentary evidence such as the trust training programmes, course evaluation questionnaires and correspondence from the partners involved.

### **Management development within the NHS**

There have been a number of policy reforms during the last twenty years that have had a profound impact on the development of management within the British National Health Service. The Griffiths Inquiry into the management of the NHS (DHSS, 1983) recommended a culture change moving from an administrative to a managerial culture. Consequently there has been the creation of the role of general manager at hospitals and health authorities throughout the UK and growth in the number of managers employed in the NHS (Ranade, 1994). This review continued with a report by the Management and Development Review Group (NHSTA, 1986a) which recommended an increased commitment to management development. In 1991 a management development strategy for the NHS was launched (NHSME, 1991) which highlighted the use of competence-based approaches to support the assessment of management performance and the identification of organisational and personal development needs. Because of these changes, the issue of management development has become critical within the NHS. To support the process of developing managers a number of programmes have been put in place centrally by the NHS. One of the main programmes offered for health service managers are the “Managing Health Services” (certificate level) and “Health and Social Services Management” (diploma level) programmes (The Open University, 1996; 1997). These are part of the Management Education Scheme by Open Learning (MESOL) Project. The MESOL programme started in 1990 before the MCI standards were launched and initially did not match the standards or offer a full academic

certificate (Wellman, 1994). The programme has been developed during the 1990's and now offers access to an academic award and NVQ award through a network of providers across the UK. It uses a package of learning materials developed by the Open University Business School and the Institute of Health Service Management (IHSM) and is sponsored by the NHS executive. The MESOL programme was considered as an option at the hospital trust within the case study but it was too expensive for the number of managers needing to go through the course and the method of delivery was considered as not being appropriate for managers at the hospital trust. Open learning programmes had been tried in the past and had not been successful in terms of completion rates. The personnel management team felt a more tailored approach was appropriate based on the management standards. This required a number of awareness sessions to promote the idea among managers within the hospital before the programme commenced. The literature on industry-education partnerships contains a considerable amount of advice and prescription yet there is little description or critical analysis of practice with a few notable exceptions (Keithley and Redman, 1997; Ziarati *et al.*, 1995). There are a number of case studies on introducing competence-based training within organisations (see for example Currie and Darby, 1995; Currie, 1997; Smith, 1999) with varying degrees of emphasis on areas such as culture change and partnership. There are few case studies in the literature that describe actual practice in providing competence-based management development over an extended period in partnership with an education provider - hence this article.

### **Programme background**

The NHS hospital trust that will make up this case study is a combined acute, community and mental health hospital based in the North of England. It is a whole

district trust and serves a community of a quarter of a million people providing 32 major health care services including a full range of inpatient, outpatient and day case services. It also provides a primary care service including district nursing and health visiting services. It employs 2,130 whole time equivalent staff and has a turnover of approximately £60 million. The hospital is organised into central management departments and clinical directorates such as medicine, family health and surgery. The hospital gained trust status in April 1992 that gave it greater financial and managerial freedom. The university referred to in the study is a new university based in the North of England. The Business school at the university was the partner in the programme and it formed part of their work-based learning initiative with companies in the public and private sector. The drive for a management development programme within the hospital came from the government changes already outlined which also included managers becoming subject to Individual Performance Review (NHSTA, 1986b).

The background to the programme at the hospital involved a management certificate course that had been established in the early 1990's based on IHSM assessment criteria. It was delivered by external management consultants and the Training department of the hospital. The course had involved a combination of workshops and a residential. Candidates had to complete a management project and give an end of course presentation on their progress to senior managers. It was generally agreed that the programme had worked reasonably well and the majority of candidates successfully completed the course. The main problem with the programme was the credibility of it in the market place. It was felt with hindsight by a number of participants on the programme that it was not widely recognised by employers and did not have transferability from one occupational sector or region of the country to another. Within the hospital the personnel management team wanted to review the management

development programmes it offered and decided to form a partnership in 1993 with the local university to deliver management NVQ programmes to managers at the then newly formed hospital trust.

### **Establishing and implementing the programme**

It was decided by the personnel management team at the hospital to initially aim the management NVQ programme at the supervisors and middle managers. This group of staff made up of mainly ward sisters and departmental managers were seen as critical to making sure services were successfully delivered. Investment in their future development was seen as important in terms of succession planning and the long-term future of the organisation. Recruitment was also important as managers needed to have a broad range of management responsibilities in order to cover the four main areas of the programme: managing people, managing information, managing resources and managing activities.

### **Design of the award**

A programme defined by MCI as National Vocational Qualification Level Four (NVQ 4) and based on the original set of standards was to be delivered to the managers with a dual certification offered by the university of a Certificate in Management and a NVQ 4 in Management. Each NVQ is made up of units, elements and performance criteria against which candidates have to collect evidence to confirm that they possess the necessary skills and knowledge to perform to that standard in the workplace. The units cover areas such as maintain and improve service and product operations, contribute to the recruitment and selection of personnel and create, maintain and enhance effective working relationships. The arrangement was that the university would provide an

introductory half-day course that would explain to candidates and their line managers the rationale for the competence-based approach and details of how the programme would operate. This was followed up by a two-day workshop that provided the candidates with a more detailed briefing on the management standards at level four and helped them to produce a personal development plan. The university provided a detailed guide on what evidence was needed for each of the performance criteria. The rest of the programme mainly consisted of training workshops, which would be run at the hospital.

### **Roles within the programme**

There were a number of roles allocated to staff within the university and the hospital. The line manager of each candidate had to provide the necessary support in areas such as guidance on management issues within the department, allowing candidates to sit on interview panels to gain experience as an interviewer and time off to attend workshops. Each candidate had an assessor who was an academic from the university. The assessor was responsible for assessing the portfolio of evidence produced by the candidate on a regular basis during the programme providing detailed feedback on what was needed. Finally, each candidate had an advisor from the personnel and training department of the hospital. All the advisors were trained by the university to provide detailed advice to candidates on how to go about collecting evidence for their portfolio and acted as the main programme contact for the line manager.

### **Programme Delivery**

To achieve the award candidates had to attend a series of workshops and construct a portfolio of evidence addressing the performance criteria within the NVQ. The one-year

programme included a wide range of management training workshops such as quality management, managing change, recruitment and selection and information management. These were run by specialists within the hospital so that complex issues and problems could be addressed, the material was up to date and tailored to the needs of NHS managers. For example, the chief executive ran a session on 'Background and development of the NHS' and the director of estates and facilities led a workshop on health and safety. This gave the programme credibility within the organisation and the candidates a rare opportunity to talk openly with senior managers. The programme was set a year in advance with details of rooms, dates, times etc. and all workshops were delivered on site. This also included a timetable of portfolio submission dates to the university. This arrangement was so that managers could plan their rotas well in advance making attendance as easy as possible. In the first few cohorts, there were separate half-day portfolio development workshops, which gave the candidates time to construct their portfolio with their personal advisor. These were so poorly attended initially that they were added to the end of the management training workshops thus making candidates focus on the process of collecting evidence for their portfolios. The majority of the management training workshops were of a highly practical nature with role-play and interviews. This approach went down well with the candidates as they nearly always received positive evaluations. The workshops were all designed so that they were set within an organisational and NHS context. An off-the-shelf programme which is not set in a health service context has been cited as a reason for programmes of this nature failing (Currie, 1997).

## **Outcomes of the programme**

The programme commenced in November 1993 and ran until early 1998 with 5 cohorts and 51 managers in total enrolling onto the course. Throughout the five cohorts the programme remained virtually the same with minor changes revolving around workshop content, timetabling and personnel responsible for delivering the programme. Funding for the programme became progressively more difficult as initially departments only had to finance fifty percent of the programme due to external funding from the local Training and Enterprise Council (TEC). The TEC's are an employer led government funded agency managing training and enterprise programmes in regions within England and Wales. As the cost of the programme went up and the hospital experienced more resource constraints then funding became an issue with some candidates having to make a personal contribution to their fees.

The successful outcomes of the programme were that the bespoke nature of the award and work-based learning approach made it more attractive to clinical managers and raised the profile of management development within the organisation. It allowed junior and middle managers exclusive access to senior management that would have not been possible otherwise. The success of the programme was largely due to focusing the programme around the NHS and current management issues. It started to help address organisational development issues such as a successful bid by the hospital for the Investors in People award. In terms of the development of individual managers within the hospital trust it helped candidates to gain confidence and become involved in organisational development projects . There were a number of problems that arose from the partnership, for example the recruitment of specialists on to the programme who did not have the appropriate management responsibilities to complete the programme. As a

result a number of the candidates had difficulty completing, as they could not generate the evidence required for the portfolio. Other candidates could not see the process of developing a portfolio as developmental but rather tedious and time consuming. This has been demonstrated as a feature of competence-based management development programmes (Currie, 1997; Grugulis, 1997). This became common knowledge among managers within the organisation and numbers started to drop on the programme. It was not helped by a lack of consistency with the start times of each new programme making it difficult to align with the business planning process and subsequent performance and development reviews in April and May of each year. These negative images were starting to outweigh some of the clear benefits gained. A learning contract was introduced to try to clarify roles within the programme in order to gain commitment from the candidates to complete and to clarify the supporting role of line managers to candidates but this proved difficult to enforce. A number of middle managers felt that the competence-based approach was the only option available at the hospital and a number voted with their feet by choosing a taught certificate in management course at the local university. The assessment process proved difficult at times for the candidates as the process involved sending portfolios to the university where a nominated assessor would usually carry out a written assessment and the portfolio would be sent back to the candidate. This proved problematic as the assessor would invariably only provide critical feedback and there was no opportunity for candidates to ask questions and gain more detailed feedback. This process was damaging for candidates early on in the programme as it gave them no positive feedback and encouragement and in many cases proved a psychological barrier to producing the next portfolio submission. This process changed over time with some assessors providing more positive feedback through informal interviews and visiting the candidates in the workplace but it was not enough to help the candidates come to terms with the competence-based approach of producing

a portfolio. Many of the candidates were more used to producing written assignments and projects for courses and found the experience of constructing a portfolio difficult.

In many ways, the approach taken at the hospital trust was innovative in providing a bespoke work-based learning programme sensitive to the culture and aims of the organisation. With hindsight the trust may have been better registering itself as an assessment centre for the management award or to have gone into partnership with another NHS hospital and therefore managed the process from start to finish. A pilot programme may have proved useful in identifying potential problems. The programme eventually ended as all the essential personnel involved in setting up the programme had left and with few new recruits, the programme simply petered out. By April 1998, twenty-nine of the candidates had successfully completed the management NVQ. Those that did complete took an average of eighteen months to two years to finish. The pass rate was not particularly high and since the programme formally ended a few more managers have completed but to date there has been no further programme to replace it.

## **Conclusions and discussions**

The NHS is Europe's largest employer with over one million employees. Through the growth in popularity of management qualifications and increased prioritisation from within the NHS, the competence-based approach to management development has become widespread within the British health service. Because of this growth, the competence-based approach to management development is using increasing amounts of staff time and resources. At the same time, there are a growing number of critics of this approach referring to a 'reluctance to participate...due to complexity and bureaucracy in administering the standards' and calling the NVQ a 'poorly designed

qualification'. A great number of these studies are based on advice and prescription rather than critical analysis of practice. In contrast, the findings from this case study point to benefits as well as failings of the competence-based approach to management education. Given that a single-site study cannot possibly judge the benefit of management NVQs, what this paper points to is further research in order to highlight other approaches so that models of good practice can be developed in the future. A recent study which surveyed managers who had completed a management NVQ has highlighted the benefits of the management standards to those involved in providing management development emphasising that the standards need to be interpreted flexibly (Swaiiles, 1997). The four main conclusions drawn from the study are that the recruitment and selection processes for candidates need to be clearly defined, perceptions of the NVQ process have to be set at the correct level, organisational contexts must be taken into account and the evidencing process is challenging for candidates. The hospital trust achieved two out of the four as it failed at times to recruit the right candidates onto the programme and did not make the evidencing process interesting or linked to candidates personal development plans.

There are some general lessons to emerge from the case study that might give guidance to other providers of this type of management education in the future:

- Outcomes for managers on the programme were that their confidence levels increased in terms of carrying out their management role, they improved their understanding of other areas of the organisation's operations and greatly increased their personal networks within the organisation.
- For those managers that successfully completed the programme they went on to further study and development including promotion in some cases.

- As the training related to the programme was delivered by specialists and therefore leading edge a number of examples of sharing good practice emanated from the managers on the programme to other colleagues. These ranged from areas such as recruitment and selection to counselling techniques for managers.
- It raised the profile of management development within the organisation as the programme was widely discussed in appraisals, management meetings and was an important part of the trust human resource and organisation development strategy.
- There were a number of related developments as the programme generated interest in management development from managers of all levels within the organisation with a ward manager development programme being developed and it encouraged the organisation to establish other NVQ programmes such as customer service and administration.

In conclusion, it is clear that without the necessary safeguards in place on introducing the management standards then there will be problems with a generic set of occupational standards for managers as invariably each role is complex and tied to the aims and culture of the organisation. What needs to be recognised by academics and commentators is that for most providers of management education, particularly in the British National Health Service, the competence-based approach is an important part of their strategy and is here to stay. The debate has to move on from the type of prediction where ‘...the new management NVQs are likely to be restricted to a small group of candidates (mainly from the public sector and armed forces), and are likely to be ineffective even there’ (Grugulis, 1998), to a position where case studies of good practice are disseminated to a wide audience and further research within organisations is encouraged. This should help highlight the benefits and problems that exist with

competence-based management development and influence the future development of the management standards.

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