

**PARTNERSHIPS IN EDUCATION: NETWORKS
IN COMMUNITY ORGANISATIONS**

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ABSTRACT

The paper explores an attempt by a small team of staff within the School of Management at the University of Technology Sydney (UTS) to transform the only postgraduate third sector management program offered in Australia, in response to powerful external pressures for change. After analysing the nature of these contextual imperatives for the transformation of the program, the paper outlines the rationale underpinning the new program and the 'intrapreneurial' process that accompanied its implementation. Thereafter the results of an evaluation of the transformed program, conducted after the first phase of strategic action, are presented, with specific attention given to an analysis of the politics of its implementation and the nature of the learning gained by the stakeholders of the program. The paper concludes with an attempt to relate the consequences of this initial phase of strategic action, within the new program, to social capital theory.

This paper explores an attempt the University of Technology Sydney (UTS) in Australia to transform its program in the management of third sector organisations in response to the profound social change brought about by globalisation. We begin with an analysis of the nature of the crisis faced by the program, the university, and managers in third sector organisations, and then offer a rationale for the strategic action taken by the Community Management Program (CMP) leadership team. This is followed by an evaluation of the first phase of the transformation process, including an analysis of the *politics of implementation* of the new program, and an analysis of the key learning gained by the *community of participants*, or primary stakeholders of the program, from their strategic action. We conclude with an attempt to review the results of this initial cycle of collaborative strategic action and learning within the specific frame of reference of social capital theory.

Pressures for Change in Third Sector Organisations

Globalisation and, in particular, the emergence of a global economy dominated by powerful business corporations has transformed the global ideological climate. Fuelled by spectacular developments in technology, a process of global economic integration has led to the rise to dominance of corporate capitalism and the world wide disintegration of alternative systems. In 1989, the demolition of the Berlin Wall symbolised the demise of international communism/socialism; more recently, social democratic systems of governance in Western democracies have begun to crumble. The ideological convergence of economic and political institutions, particularly in the so-called developed world, is resulting in a global economy managed by giant corporations in whose interests national governments and supranational organisations appear to be in service. As national governments make greater tax concessions to

these corporations (supposedly to attract investment capital and thus to create jobs), the state becomes less willing to fund the work of third sector organisations. This has led to a financial crisis in this sector with organisations as diverse as universities, hospitals, and community services experiencing increasingly large cuts to the funding received from the state each year.

In Australia, one of the consequences of the severe reduction in funds to third sector organisations (and of new government funding strategies such as competitive tendering and the broadening of eligible service providers to include for-profit organisations) has been a process of self-scrutiny by the management of these organisations. Traditionally averse to the management practices of business organisations, leaders of third sector organisations have realised that new management mind-sets and practices are required if their organisations are to survive in the current global ideological climate. In particular, the development of a capacity for strategic agility and the management of organisational performance are important areas of leadership that are now recognised as having been neglected during the era of social democracy in Australia.

As the only university offering a specialist postgraduate program in the management of third sector organisations in Australia, UTS is well positioned to meet this area of need; however, until now, course design and administrative weaknesses have undermined its capacity to exploit this opportunity. The potential market for this program in Australia alone, is huge. Lyons (in print) estimates that the sector has around thirty thousand organisations that employ approximately six hundred thousand people – equivalent to four hundred and ten thousand full-time employees.

This constitutes around seven per cent of the Australian workforce. Furthermore, he claims that a conservative estimate of volunteer hours of work in the sector would represent the equivalent of more than one hundred and eighty thousand additional full-time employees. He estimates the annual turnover of the sector to be around seven billion dollars – this estimate does not include unincorporated associations. Figures provided by Lyons (*ibid*) suggest that for every one incorporated association there are three unincorporated associations.

Change Within the University: The Need for Academic Intrepreneurship

Innovation is a challenging task in most organisations (Schrage, 1999) and is often promoted within hidden *skunkworks* (Tushman & O'Reilly, 1999). Even in the classic example provided by Kidder (1981) of a highly successful innovation in the computer industry, participants in the project claim that they were given the standard 'mushroom' treatment by senior management (see Bolman and Deal, 1997:109). Given the conservative nature of universities, the task of innovation at UTS is no less challenging. The bureaucratic structure of the university makes innovation a very difficult, highly political and personally risky project (Handy, 1985; Keller, 1983; Lindquist, 1978). As Lindquist (*ibid*: 80) puts it:

the political process of reducing threat to vested interests and complying with existing values means that only small deviations from the status quo are likely.

The highly bureaucratised structure, with its entrenched policies and procedures, appears inviolable to most working within it, while those in leadership positions

often seem unable to address the strategic contradiction that Michael Dell, CEO of Dell Computers, regards as a fundamental task in change management:

You need to understand the economics of a business before you have a strategy, and you have to understand your strategy before you have a structure. If you get these in the wrong order, you will probably fail. And if you limit a company by its structure or people, you will limit the full potential of that business. Structure should come last, not first. (Dell, 1999: 15)

In consequence, the *values-in-practice* (power hierarchies, control, and customer irrelevance) take precedence over the new *espoused values* of entrepreneurship (market focus, speed of decision-making, results and customer orientation) [see Argyris and Schon (1996) for a discussion on *espoused theory* versus *theories-in-practice*]. Thus, in spite of the rhetoric, the reality of everyday practice within universities often remains unchanged and potentially innovatory endeavours fail to attract resources. Keller (1983: 168) describes such a situation of rhetoric about new ideas without supporting funding initiatives as ‘academic hokum’:

Bluntly, an institution espousing alertness, flexibility for new opportunities, and strategic initiatives, needs to put some of its money where its mouth is.

While UTS, and in particular the Faculty of Business, has recognised the need for transformation in the way it conducts its business¹, structural inhibitions to change

¹ Particularly with respect to the development of leading-edge professional programs with flexible modes of delivery through which UTS will respond rapidly to strategic opportunities (see University of Technology Sydney, 1998:3, and Faculty of Business, UTS, 1999:2).

through innovation persist. In response to the reduction in state subsidies to UTS by around 15% over the past five years, the university has generally invoked traditional cost-cutting strategies. Several programs have been cut from the university's academic offerings while others have been given a brief, probationary, lease-on-life through the cross-subsidisation of these programs by more popular programs at the university. Although the Faculty of Business is one of the most financially secure faculties within the university, vigilance is exercised by the dean with respect to the profitability of all programs offered in the faculty. For this reason the CMP has been under intense scrutiny within the faculty over the past three years. Low enrolments, due to poor marketing and an inappropriate mode of delivery of a program that is unique in Australia and the Asia Pacific region, could no longer be rationalised by the dean of the faculty as the university's 'contribution to the community sector'. Although not articulated in formal terms, the message was clear to staff in the CMP: unless the program became profitable to the university, it would be cut from the academic offerings of the faculty. In order to pre-empt such a strategy, the staff members of the CMP recognised that the only positive alternative was to engage in a process of rapid innovation in the areas of curriculum design and marketing. To do this, the first innovatory task lay in transforming social relations amongst the CMP staff members themselves through the development of a particular form of organisational leadership, known as *intreprenurship* (see Perlman *et al*, 1988:14-15), whereby the staff 'team' would become capable of transforming, from within, the purpose and practices of the program in the interests of the common good. In this respect, the account of Perlman *et al* (*ibid*) of a process of academic intreprenurship that transformed the internal structures of an American university in the 1970s, provided an important model for the transformation of the CMP.

The 'New' CMP as a Strategic Response to Key Issues in the Third Sector

In order to flourish as a 'leading-edge' professional program, the CMP needed to meet the needs of the market for sector-specific management education. In this respect, the CMP needed to address two key strategic issues in the third sector: the relative absence of intrepeneurial leadership in organisations and the divide between researchers and practitioners.

1. Work-Based Learning and the Development of Intrepeneurial Leadership Capacity in the Third Sector

The key strategy employed in the transformation of the CMP is the development of a work-based course of study that can be delivered through a flexible learning design. The transformed CMP utilises work-based learning principles in its curriculum design for the specific reason that many organisations within the sector are unable to implement the strategic plans that they develop. This is owing to two main contextual constraints:

- ◆ The *politics of implementation* of strategic plans, oriented around organisational transformation, are extremely complex and difficult to manage. These include power struggles, resistance to change, and inappropriate 'mental models' (assumptions about oneself, others, and 'the way the world works') across all staff. Those leading any form of espoused transformation in the sector are likely to have poorly developed intrepeneurial strategic knowledge bases due to the discouragement of intrepeneurial endeavour within third sector organisations either due to their bureaucratic structure (large organisations) or their rigid commitment to a particular ideological position (small organisations).

- ◆ The failure of institutions of formal education to develop knowledge bases beyond those of *factual* and *conceptual* knowledge. The high status that formal qualifications carry within most organisations, leads to a ‘paper chase’ that is oriented more towards the acquisition of status within the organisation than to the acquisition of knowledge that can transform workplace practices and, thus, organisational performance. The key knowledge bases with respect to the successful implementation of transformational strategic action plans, are those of *procedural* knowledge² and *strategic* knowledge³. These are developed primarily through *guided experience* and are usually acquired tacitly through participation in well-organised workplace endeavours led by experienced individuals or teams of people within organisations that encourage and reward such action.

Work-based learning initiatives are centred on the resolution of contextually-bound problems. In the CMP, the academic staff deal with the issues surrounding the integration of theory and practice in a politicised work context, while workplace managers (coaches) have a responsibility to support this process by developing the political ‘cognitive scaffolding’ required to build alliances, and break down barriers in the interests of the effective implementation of the projects. Both of these roles are crucial for they focus the participants’ attention upon the *culture of practice* within their work organisation (Wenger, 1998). Through the organisation of their acquisition and use of strategic and procedural knowledge bases, participants’ are alerted to the

² Knowledge relating to the sequencing of events, monitoring of learning and other processes and general organisation of workplace events.

³ This refers to the usually tacit knowledge base that underlies a competent person’s ability to make use of other forms of knowledge, as well as heuristic, control and learning strategies, in order to solve problems and carry out difficult tasks. The capacity to apply strategic knowledge successfully depends upon a sophisticated understanding of how such problem solving strategies are embedded in the context of the problem. Thus strategic knowledge is always linked in a fundamental way to the solving of problems *in situ*.

politics of implementation and the need to ensure that these are addressed collaboratively.

2. The Problem of 'Bridging' the Researcher-Practitioner Divide in the Sector

Fowler (1999) articulates a growing concern about the problem of the 'gap' between practitioner and researcher endeavours in the third sector. He claims that while NGO analyses of socio-economic and political conditions are considered to be 'not rigorous enough' to influence policy, academic analyses are viewed as 'too detached or ungrounded'. This situation, he argues, produces weak theory and poor practice. Participants at an informal meeting at the New York office of the Ford Foundation held in October 1999 (*ibid*), identified several factors that contribute to the divergence of research and action on social change issues:

- researchers and activists usually have a different perspective on these issues since their stakes and vantage points are usually quite different.
- the analyses of scholars tend to receive greater attention and credibility because of the higher status accorded to their insight and knowledge. In order to gain the same credibility, activists often have to convert their experience and knowledge into academic forms.
- the differences in the knowledge-building power of the two groups create barriers to their interaction, and there are few incentives to transcend these barriers.
- few individuals and/or institutions exist that are trusted by both sides and that could act as mediators and translators.
- notions of accountability (especially towards the communities affected by the given issue) divide researchers and practitioners in many contexts – few

researchers feel accountable to the people whose concerns they study, while practitioners often feel accountable to the communities in which they work.

The group recommended closer collaboration between researchers and practitioners committed to social change. Such collaboration would not only enrich each other's work but also achieve greater collective impact. In this respect, reference was made to the growing number of alliances between researchers and activists (as witnessed in the campaigns against unregulated global trade and structural adjustment programs) as an indication that attitudes on both sides are changing.

The utilisation of work-based learning principles in the CMP curriculum is intended to facilitate greater researcher and practitioner collaboration. Through their action-oriented work-based projects, practitioners are encouraged to frame their action within a research format that requires a survey of the relevant literature on the specific topic being addressed and sophisticated self-reflexive practices.

Recognising the dialectical relationship between stakeholder interests and the social structures in which the CMP is embedded, our research is oriented around a form of *praxis* (see Gramsci, 1971 ed.; Jay, 1993). Through *praxis* stakeholders are empowered to continuously refine their strategic action oriented towards the goals of the sector. Such strategy is implemented through sustained spirals of collective critique and action. This process can be modelled as:

theoretically-informed-action \longleftrightarrow action-informed-theory

As opposed to *theoria*, or theory for its own sake, the methodology of *praxis* demands that the theoretically-informed-action of the CMP work-based projects, delivers new forms of strategic and procedural knowledge that are embedded in the contexts of their application, and that are usually inaccessible to conventional research methods. Thus projects feed back to the university action-informed-theory, often the missing link in the theoretical formulations created by ivory tower researchers. The collaboration embodied in the CMP curriculum thus bridges the research-action gap very effectively and addresses the major concerns raised by Fowler (*ibid*) in that:

- The CMP builds the capacity of third sector organisations for more rigorous research and analysis of the social impact of policies on their contexts and communities.
- It strengthens the link between academic research and the challenges being faced by practitioners and social change agents.
- It links people and institutions together across geographic, thematic, and disciplinary boundaries.
- It creates new, formerly inaccessible forms of knowledge and it validates new forms of knowledge-generation.

The CMP and the Politics of Work-Based Learning

By grounding its sector-based action through the methodology of *praxis* and, by implication, the theoretical paradigm of radical humanism (see Onyx and Dovey, 1999), the CMP pre-empts much of the criticism of conventional work-based learning programs (see Garrick, 1998). Rather than being another example of a university *acquiescing* to the hegemony of corporate capitalism in current times, the CMP, through *praxis*, engages action research as a method of understanding *and*

transforming the specific social reality created by global corporate capitalism.

Kemmis (1983:131) endorses this methodological link to critical social theory:

action research represents a legitimate form of *praxis* for critical theory; that is, a form of strategic action (social practice) which embodies the aspirations of critical theory and in turn can reshape those aspirations.

He (*ibid*:140) goes on to say that neither positivist nor interpretivist methods embody

an explicit politics – a means of expressing its work as political, as a means of social change. ... Action research, viewed as a form of *praxis* for critical theory, has this emancipatory interest.

The goals of the CMP are intended to be emancipatory in the sense of Marx's concept, outlined in his early writings (see Fromm, 1968), of developing the *individual-in-community*. Through the recognition of the dialectical relationship between the individual and the social structures in which his/her life is embedded, CMP stakeholders are empowered individually and collectively as a team. Kracklauer (1974) (cited in Giorgi, 1976: 339) endorses this purpose of research to produce:

knowledge with emancipatory relevance (in order) to promote the autonomy of the individual and the solidarity of the (entire) community.

Kemmis (*ibid*: 133) echoes this position when he describes the action research process as creating

A forum for group self-reflection (and action) which transforms communities of self-interests into learning communities.

The 'new' CMP develops, and sustains, two levels of action-research: one at the program level where key CMP stakeholders continuously *re-create* the program, and another at the sector level where organisations represented by students enrolled in the CMP, continuously *re-address* key sector-specific strategic issues. In both cases, the goals of our action-research are emancipatory in two senses:

- the research aims to transform the consciousness of the stakeholder community through processes of de-reification of members' perception of the social reality in which the CMP/sector is embedded. Through this process of subjective de-mystification, or what Freire (1974) called the development of a *critical consciousness*, stakeholders become able to recognise the human basis of social structures; to contest inappropriate policies and procedures and the 'political' interests that sustain them; and to engage in transformative action oriented around improved program/sector outcomes.
- the researchers openly acknowledge that the program/sector is sustained by human beings with particular 'political' interests, and that it is underpinned by their values and assumptions. Furthermore, the researchers are motivated by a broader set of 'political' interests aimed at the strengthening of third sector organisations and the achievement of a more humane society. Through sustained strategic struggle, complex issues that require collective thought, analysis, and modes of

action by CMP/sector stakeholders, are confronted and addressed on a collaborative basis (see McNiff, 1988).

The action-research process can be shown as a series of 'waves of thought and action' in infinite continuity characterised by progressive qualitative change in the program/sector over time (see Figure 1).

[Place Figure 1 here]

Curriculum Design of the Transformed CMP

As mentioned above, the critical design feature of the new CMP was the introduction of a work-based learning curriculum which is offered in a flexible mode of delivery. At the centre of this curriculum is the completion of a work-based project by each student, in collaboration with selected workplace personnel, that addresses a key strategic issue faced by the student's work organisation. Oriented around this central feature of the CMP curriculum are four other interrelated features: intensive workshops, self-managed learning packages, learning partnerships, and the recognition of prior learning.

The Work-Based Projects

Much of the academic assessment of a student's performance in each subject is based upon the quality of learning gained from the design and implementation of a relevant work-based project. Through these projects students are encouraged to *reflect* on workplace experience in the company of more experienced work partners, and to make their developing tacit knowledge bases more explicit. In this way knowledge

bases become more accessible to conscious deliberation, and they are more easily shared with workplace colleagues in the interests of the common good of the organisation.

Our intention is that the work-based projects assist in the creation of a workplace culture of situated learning wherein participants gain understanding of:

- ◆ the active use of knowledge;
- ◆ the relationship between knowledge, context, and the conditions under which specific forms of knowledge are to be applied;
- ◆ the role of context-generated problems in goal achievement;
- ◆ the ready availability, within most work contexts, of models of a variety of forms of competent practice and thought;
- ◆ the relationship between learning and the achievement of interesting and coherent workplace goals (thus leading to the development of intrinsic motivation).

The work-based projects are a key strategy towards the development of sector-wide *partnerships-in-learning* that are characterised by a critical discourse amongst all stakeholders (the university, individual students, represented work organisations, and those community members who are the beneficiaries of services from represented organisations). Such discourse centres on issues such as:

- ◆ Gaining commitment from the work organisation to maximise learning opportunities for staff through the establishment of workplace projects that are important to the strategic goals of the organisation

- ◆ Gaining agreement from senior management of the work organisation to undertake, with commitment, a coaching role within a specific workplace project team
- ◆ Clarifying the power relations between student, academic supervisor and workplace coaches
- ◆ Ensuring that the student, in collaboration with the leadership of the work organisation, determines the nature of the workplace project
- ◆ Ensuring that the university determines, and controls, all academic assessment processes
- ◆ Ensuring that the learning generated by the project is performance oriented and collaborative;
- ◆ Ensuring that the academic assessment process focuses on the quality of the documentation of the learning gained from the workplace project, rather than the success or failure of the project *per se*.

At the end of each semester, each student presents the results of his/her project to the CMP student body, managers from a range of third sector organisations, and UTS staff, for debate and discussion. Through this strategy the strategic action of each represented third sector organisation is shared with the greater body of stakeholders in the course and the sector.

The work-based projects thus carry important advantages over conventional methods of education:

- ◆ third sector organisations can invest precious resources in a course that has, as a central component of its curriculum, a project that will develop a staff member's

- capacity to solve difficult workplace problems and implement challenging strategic plans. Furthermore, the work-based projects generally lead to greater effectiveness of work practices, better teamwork, and a greater sense of collective responsibility for sustaining the positive performance of third sector organisations.
- ◆ universities are able to provide education that is relevant to the needs of third sector organisations.
 - ◆ students take responsibility for their own learning. Such learning is grounded in real-life issues that have intrinsic motivational value for them. Furthermore, they gain knowledge that has immediate application value, and that improves their work-related skills and human capabilities.

Intensive Workshops Supported by Self-Managed Learning Packages

The delivery of the program was changed from weekly attendance to three, five-day, intensive workshops a year with support from self-managed learning packages. The workshops serve a number of purposes. Rowntree (1997:38) sums up the most important of these with his phrase that they ‘spread some social glue’. They provide an opportunity for face-to-face contact between all participants (staff-student and student-student contact) and lay the foundation for the development of a learning community and culture. In addition, they are an opportunity to outline and discuss:

- ◆ the flexible delivery mode of the course;
- ◆ the methodology and work-based learning methods used;
- ◆ the self-managed learning packages (containing a learning manual, that includes a structured approach to the work-based assessment tasks, and a book of readings);
- ◆ the formation of the learning partnerships.

The Learning Partnerships

Learning partnerships are groups of between four and six students. The groups are formed around similar geographical locations and work interests. Their central purpose is to engage students in a collaborative learning process from the outset. The partnerships are established at the initial workshop and they remain active throughout the program. It is intended that these learning partnerships should contribute to the creation of a 'learning community' and reduce the disadvantage of 'solitary learning' that tends to occur with distance programs (Rowntree, 1997).

In addition, the learning partnerships are intended to facilitate and increase student to student learning (Brookfield, 1995; Foley, 1995); develop support networks (Brookfield, *ibid*; Ramsden, 1992); and develop and extend organisational networks in the sector.

Recognition of Prior Learning and Career and Portfolio Development

An essential entry requirement for the course is employment and experience in the field. Consequently, many of our students have significant skills and knowledge developed through years of experience and the completion of a range of professional courses and training workshops. Following the initiatives of the Training Reform Agenda⁴, and seeking to recognise prior learning and establish learning pathways to our course, we developed a subject called Career and Portfolio Development that enables students to apply for recognition of both certificated and uncertificated learning. This subject provides the theoretical and practical frameworks for students

⁴ The Training Reform Agenda refers to a set of policies adopted by the Australian federal government in the early 1990s. See Gonzi, A. (ed.) (1992) *Developing a Competent Workforce*. Leabrook (SA): National Centre for Vocational Educational Research.

to integrate their learning and experience into a cohesive portfolio that is the record of evidence required to apply for exemptions in the course (see Cohen, 1992). It also assists students to understand and manage their own careers and the careers of those they may supervise at work. This is especially important in the third sector where career paths often traverse sectorial boundaries and may be unstructured (see Onyx, 1993).

Implementing the CMP: The Politics of Intrepreneurship

The framing of all action towards the transformation of the CMP by the methodology of *praxis* signals our acceptance of the principle of *sustained strategic struggle* as the basis of transformational action. Put in everyday words, we accepted that our action would invoke resistance to it and that the quality of our strategic management of the tension between persistence and resistance would characterise the success or failure of our action.

Resistance to the Transformative Action

Resistance was experienced at two levels:

- ‘Structural’ resistance where bureaucratic procedures have been reified by university staff (administrative and academic). In such cases, our actions were viewed as absurd and we were regarded as being ‘difficult’ people. Such resistance surfaced once the ideas (treated as rhetoric originally and not taken seriously by these staff) began to be implemented. With academic staff this occurred primarily around the processes of changing program documentation, mode of delivery, rules, the production of curriculum learning materials, and issues around staffing and teaching. In the case of administrative staff, resistance

surfaced around the processes of program marketing, student recruitment, admission and enrolment, and issues such as the granting of subject exemptions. Resistant discourse centred on the sovereignty of university policy and procedure. Much of the frustration, however, seemed to arise from the perception by administrative staff that the CMP team were acting unilaterally in terms of their de-centralisation of responsibility for decisions in these areas, and that their expectation of the speed at which procedures were to be conducted, was unrealistic. We discovered that the rhetoric of ‘the development of leading-edge professional programs with flexible modes of delivery through which UTS will respond rapidly to strategic opportunities’ (UTS, *ibid*), was hopelessly out of touch with the reality of the reified bureaucratic structures of the university. To the CMP team, it seemed that structure was dictating mission rather than *vice versa*.

- Resistance based more upon inter-subjective factors was also a feature of this phase of the implementation of the new CMP. Central to such resistance were mental models around issues such as power, job-security, self-interest, competitive individualism, and identity. Within the CMP team of staff, several individuals resisted the ‘team’ concept; others were indifferent to the fate of the CMP for various self-interest-related reasons; others were preoccupied with old interpersonal conflicts and other emotional baggage from the past. External to the CMP team, resistance ranged from those academics who perceived the CMP as a ‘loser’ program that was misplaced in a Faculty of Business, to those administrative staff who viewed their power base as being threatened by the de-centralisation of decision-making power to members of the CMP team. In a highly politicised culture, such as that of a university bureaucracy, any change is likely to

be perceived as having a hidden 'power' agenda with 'win-lose' consequences. As such, resistance to change can be expected from those with a vested interest in the *status quo*.

Persistence of the Transformational Action

The CMP team sustained its transformational action through several strategies.

- Almost quadrupling the number of students enrolled in the program in the first year of the operation of the new CMP. Students of high academic quality have been attracted to the program from all over Australia. This success has lifted the academic and financial credibility of the program within the Faculty of Business and the university generally. Furthermore, the successful launch of the *Forum* during the intensive sessions, at which high profile speakers address key issues affecting the sector, has raised the professional standing of the program within and beyond the university.
- 'Structural' resistance was addressed by de-mystifying the discourse of those who have reified the university's structures. This took the form of all action being referenced against the mission that had attracted all members to work in the third sector, generally, and the CMP, specifically. The 'conscientisation' (see Freire, *ibid*) of team members to persist in bold action despite the 'domesticating' pressures exerted by routinised bureaucratic processes, was sustained by mobilising information that addresses the university's need to transform. Such information is readily available through the university's own publications and, as such, is an indisputable reference point for transformative action within the university. Through such processes of de-reification of university structures and, thereby, the 'subjective' empowerment of the CMP team members, it became

clear to team members that mission should dictate structure and not the other way around.

- The pressures exerted by globalisation for the transformation of the CMP and the management of third sector organisations have been kept 'visible' within the CMP team. This has kept alive the idea that without sustaining bold changes to the program, the team would be failing the mission that has motivated them to work in the third sector in the first place.
- In addition to the form of 'subjective' development described above, the team needed to mobilise 'objective' resources when necessary to out-flank the structurally located forces of resistance. For example, the CMP has recently been awarded a sponsorship of A\$42 000 *per annum* for three years, from the Macquarie Bank, to fund the program's annual marketing program. This has enabled the CMP team to avoid the consequences of its marketing budget being slashed by the Faculty of Business and of being forced to abdicate all marketing functions to the centralised bureaucracy. Another important resource gained by the CMP team is the voluntary labour of a group of committed *alumni*. Small teams of *alumni* are now managing many of the key processes of the program such as quality assurance (especially of subjects and teaching), networking across all sectors, marketing, and curriculum development projects.
- The creation of allies within the university by approaching the resolution of problems from a collaborative (win-win) perspective whenever possible. This entails an acceptance of the limitations of bureaucratic structures with respect to rapid change, and of the limits of supportive action that can be expected from those with authority in such structures, even when they are personally favourably disposed to the changes requested by CMP team members. Through consistent

and principled interpersonal behaviour while persisting in our transformational action (that may require by-passing inappropriate bureaucratic procedures), we are slowly reassuring those with positional authority that our intention is not to undermine that authority but to contribute to the sustainment of the university itself. The recent, uncontested, passing of the documentation of the new CMP, in which some changes could have been construed as competing with the interests of other schools in the faculty, through the various levels of the faculty's, and the university's, authority structures, provides evidence in support of this claim. Another piece of evidence, is the recent recognition of the rationale used by the CMP team regarding decisions on applications for subject exemption, after this rationale was contested initially by administrative personnel because it did not conform to the letter of university policy.

- Within the CMP team, members' past experience in a university culture has resulted in tension between the discourse of competitive individualism and that of collaboration. The tension is characterised by the degree to which the demands of program-related intreprenurial action are given precedence over self-interested action such as that required for the completion of higher degrees or to meet the demands of other professional/private commitments. A key factor in ensuring that such tension has creative consequences, is the management of successful performance. As long as the intreprenurial action is perceived to be resulting in successful outcomes through which the new CMP is gaining in recognition, it is likely that members of the team will increasingly commit the necessary time and energy resources to the sustainment of the project. Should the process begin to fail, however, the existing interpersonal tensions will lead to destructive conflict. An important factor in the team's ability to sustain its intreprenurial action in

spite of these tensions, is the high degree of tolerance that exists between team members with respect to the exercising of personal priorities at any given time. Although, in practice, a core group has driven the processes of implementation of the program thus far, the membership of this core group is likely to change continuously as team members' priorities switch according to personal circumstance. In this respect, the meaningfulness of the mission of the CMP (and third sector work) to the lives of all team members is a fundamental factor in the team's ability to build the interpersonal trust required to sustain the collaborative relationships necessary for successful entrepreneurship.

The new program is now firmly implemented and the processes relatively free of contention. The next phase of implementation will involve taking the program beyond Australia to the Asia Pacific region. Many political problems, ranging from the very high fees payable by foreign students at Australian universities to visa regulations that disallow foreign students from enrolling in a flexible mode program such as the CMP, will need to be overcome. Within the university itself, likely political problems will centre around allegations of the CMP team trespassing on the territory of existing international programs offered by various university departments and/or units. Subsequent phases of implementation will revolve around the politics of alliances with other universities across the world as the CMP team attempts to 'go global' with the program.

Evaluation of the First Phase of Strategic Action

Two aspects of the educational action have been evaluated over the first semester of the new CMP:

1. *Evaluation of the Effectiveness of Student Work Based Projects in Transforming the Way that Key Strategic Issues are Addressed by Third Sector Management.*

A preliminary assessment of the learning gained by students and their organisations in the first semester of the new mode of delivery was determined through an analysis of the strategic change process documented in their work based project reports. The documentation followed that of a typical strategic plan with action plans and an evaluation of the strategic action process after the three month time frame allocated to its implementation. Thereafter students were required to document the key learning that they and others in their organisation had gained from the task of implementation. Through this requirement, we were seeking the explication of action-informed-theory that would be used to inform the strategic plan for the second phase of action.

The project reports of all sixty-five students enrolled in the first year of the program were analysed. Using qualitative data analysis techniques including identifying patterns, clustering and comparing among individuals (Lee, 1999; Kvale, 1996) for systematic meaning extraction, we have identified five major streams of learning and knowledge gained through the implementation of the work based projects. These are categorised according to conceptual, procedural, strategic, organisational and personal knowledge bases.

Conceptual Knowledge

Students claim to have gained an improved understanding of the concept of *strategy* through the implementation of their work based projects. The refinement of their conceptual appreciation of strategy appears to have occurred in tandem with the

development of skills necessary for the appropriate application of theory to the implementation of planned strategic action processes. For example, through action most students understand better the concept of praxis, with its emphasis upon the dialectical nature of theory and action. Furthermore, their ability to identify theoretical frames of reference and relevant literature bases, analyse their organisational contexts, implement appropriate strategic action, and evaluate the effectiveness of that action, provides evidence that their knowledge bases around the concept of strategy itself, have been enhanced by the course.

Another key area of learning centres on the concept of *power*. Students report an increased awareness of the role of power in organisational dynamics. Although many of them admit prior knowledge of the political barriers to organisational development, the workplace projects appear to have refined their appreciation of the extent to which political interests pervade the entirety of any organisational change project. Students report a broadening of their understanding of power through the recognition of its embeddedness in structural, procedural and personal dimensions of organisational life. Specific reference is made to learning about the importance of the management, and mediation, of power in key areas of organisational life such as the politics of negotiation, conflict management and resource allocation. In the process, a more sophisticated understanding of the concept of leadership appears to have emerged, particularly around the issue of leadership being 'given' to individuals 'on trust'. Such trust is based upon the on-going scrutiny of those in leadership positions with respect to whether they are representing the interests of the collective (honoring the trust) or of themselves (abusing the trust).

Increased understanding of the concept of *organisational culture* is widely cited as an important area of learning gained from the implementation of the strategic change programs. Students report on the difficulties of implementing change projects involving people whose mind-sets and mental models inhibit their understanding and appreciation of the reasons for the change. A growing recognition of the link between power management and cultural change is clearly reflected in the project reports.

Procedural Knowledge

Students report significant development in their knowledge of *how* to organise a change project effectively within their workplace. A central aspect of such knowledge is the *timing* of a change project with respect to other issues that the organisation is attempting to address simultaneously. The *selection* of members of the project team is cited as crucially important to the success of the project. Another critical area is the management of the methods, content, and reach of *communication*. Students report that the *monitoring* of the strategic action process (especially with regard to the *pacing* of the process) and *performance management*, are other crucial areas of procedural knowledge that they have gained from the work based projects.

Strategic Knowledge

Students document a range of insights relating to the development of new strategic knowledge bases. They have recognised that strategic knowledge often overlaps with procedural knowledge bases particularly around the issues of appropriate *structuring*, *staffing*, *ownership*, *pacing*, and *celebration* of strategic action. Linked to this is the recognition of the importance of *planning* and *goal setting* in relation to contextual issues (particularly resources, time frames and internal weaknesses of the team).

Strategic insights regarding the management of power, centre on the revelation of the use of the organisation's mission, vision and core values as an indisputable frame of reference in all situations of conflict or dispute. The role of core values is especially singled out as the strategic means through which the contradiction between peoples' *espoused values* and *values-in-action* is most effectively addressed.

With respect to the operational leadership of the projects, many of the students refer to the importance of choosing a 'bite-size' objective, and the explicit evaluation of it's achievement, in order to ensure success in each phase of action and to make this achievement visible to teams lacking in confidence. Students who failed to implement the first phase of their project plan effectively, single out two key issues for their failure: having set unrealistic objectives for the project, and having under-estimated the time required by the process. Both cases reflect strategic naivety especially with regard to the contextual analysis of the organisation.

Developing the capacity to extract learning from action (the development of action-informed-theory) appears to have posed a significant challenge to most students and few are able, at this stage, to engage in double-loop (see Argyris and Schon, *ibid*) or meta-learning. Furthermore, identifying the strategic means by which newly acquired tacit knowledge, gained from the experience of implementing the work based project, is made explicit, appears to be another area that requires further attention in the intensive sessions of the course.

Other key examples of developing strategic knowledge bases include:

- Increased capacity to read personal/hidden agendas of individuals.

- New recognition of the role, nature and management of information in strategic action.
- The power of a project base with respect to improving communication in the organisation.
- The need to link change to current practice in an creative way.
- New realisation of the importance of having top management support in any change process.
- New methods of 'leading upwards' in the absence of top management support.
- The importance of ethics to leadership.
- Importance of aligning individual and collective goals as far as possible.
- Recognition that process is at least as important as goals.

Knowledge of the Organisation Itself

Students indicate that the project has given them new insights into the overt and covert functioning of their work organisation. Closely linked to the conceptual knowledge outlined above, new insights into organisational practices, norms and values-in-practice emerged for many students as a consequence of the implementation of the projects. Linked to this is evidence of students' developing ability to assess the current *capacity* of their organisation to address the key strategic issues facing it. The most dominant insight centres on the potential constraints that organisational culture can impose upon strategic options and the organisation's ability to implement strategies.

Personal Knowledge

Although significant personal transformation has occurred for some students, generally this is the least developed of the new knowledge bases that students report to have gained from the course. Those students who documented learning in this category of knowledge, identified increased motivation and leadership development as the most significant areas of personal learning gained from the implementation of their project. Several students commented that the work based project had forced them to *act* on an existing problem and that, in the process, they had recognised that they had previously been waiting for somebody to initiate that action instead of using their initiative. Through action they had become more motivated in their work and had come to understand better the importance of self-motivation in committed action at the workplace. Regarding the issue of leadership development, a significant number of students report that the work based project has facilitated some form of re-assessment of their leadership role in the organisation. In this respect, the management of the project has in some cases led to greater recognition of their leadership qualities by others in the organisation; in others it has led to conflict and resistance to their leadership actions. Irrespective of the reaction from others at their workplace, most students argue that their leadership skills have been enhanced by the experience of implementing the strategic action projects required by the course. In particular, they claim that their ability to lead 'upwards', or without formal authority, in their organisation has improved. Two factors relating to the academic design of the projects are identified as being of critical importance to the development of this skill: the referent power of a university-backed compulsory project, and the requirement by the university that the project team includes their senior management. The relative impoverishment of the documentation of this category of learning in the project

reports, indicates that self-reflection and the scrutiny of personal mental models, values, and skill bases needs far greater attention in future intensive sessions.

For the purposes of the strategic goals of the transformed CMP, the project reports convey encouraging signs of depth and breadth of learning acquired by the students during the first semester of their participation in the program. Their ability to analyse and articulate the results of, and learning gained from, their strategic action processes, and to integrate newly acquired knowledge into the planning of subsequent phases of such action, is being read by us as an indicator of the success of the methodology of the new CMP thus far.

2. Evaluation of the Effectiveness of the Student 'Learning Partnerships'.

Twelve weeks into the first semester of the new program, students were surveyed on their experience of the 'learning partnerships' that constitute an important part of the re-designed curriculum. In the survey, students were requested to comment on the following four open-ended questions:

- ◆ Do you think that the learning partnerships will fulfil their aims? If so, why? If not, why not?
- ◆ What are the benefits and strengths of the learning partnerships, thus far?
- ◆ What are the disadvantages or disappointments experienced within the learning partnerships?
- ◆ Do you have any other feedback on the learning partnerships?

Thus far 54 students (83% of those enrolled in the initial subjects of the program) have responded to the survey. Overall, the respondents are positive about the

effectiveness of the learning partnerships in achieving the objectives of support, collaboration, networking and a 'learning community'. Only one respondent suggested that they are not working, unnecessary, and should be discarded as a formal component of the curriculum.

In terms of the specific benefits and strengths of the learning partnerships, the following themes dominate the responses:

- Mutual encouragement
- Mutual support and reassurance
- Providing and receiving feedback and suggestions from other students
- Sharing common interests and ideas
- Creating new networks
- Learning from one another, particularly the broadening of knowledge bases and ideas around approaches to problem resolution.

Disadvantages and disappointments experienced in the 'learning partnerships' centre on two themes:

1. Lack of time

Most respondents report that the partnerships require a considerable investment of time from the participants if they are to achieve their objectives fully. They argue that without the appropriate allocation of time to build trusting relationships through regular and meaningful communication, the learning partnerships remain a relatively superficial resource for students.

2. *Lack of commitment*

Survey respondents argue that the learning partnerships depend upon reciprocal levels of commitment from partners, for their sustained effectiveness. A disturbing aspect of their feedback is the message that some students are only interested in investing time and energy in activities that are assessed. As there is no assessment based upon participation within the learning partnerships, within the CMP, there is no incentive for these students to commit to the activities of the partnership.

Relevance of the Results of the First Phase of Strategic Action to Social Capital Theory

Social capital is a complex concept that appears to take several forms (Grootaert, 1998; Onyx and Bullen, 1998). In the work of Putnam (*ibid*), Coleman (1988), and others (see, for example, Granovetter, 1985, and Misztal, 1996), it refers primarily to the nature of relationship bonds (such as trust) and norms (such as those of reciprocal obligation and voluntary cooperation with others) that are oriented around the attainment of the common good. This use of the concept implies an inclusivity of even 'weakly' connected members of the social collective and emphasises the importance of multiplex connections between people who are engaged in over-lapping networks of civic action. Such overlapping and multiplex connections provide a basis for mutual support and a common identity. They bond a community together, creating a sense of shared destiny and 'thick' trust (Newton, 1997). Such bonding social capital breaks down vertical barriers to social initiative and facilitates the building of the strong lateral associations that underpin successful democratic political systems. Bonding social capital is usually considered to be the product of strong institutions of

civil society (Putnam, *ibid*) but a recent study has shown that it can be produced in work organisations that have a mature team culture (Dovey and Onyx, in print).

The evidence provided by the work based project reports reflects various facets of the contribution made by these projects to the development of bonding social capital in the organisations represented in the course. In sum, the evidence shows the capacity of the projects to build trust, norms of reciprocity and voluntary cooperation amongst stakeholder groups within an organisation. In many cases, there are signs of an embryonic ‘covenantal’ culture beginning to form through the emphasis placed by the projects upon a shared mission, vision, core values and responsibility for enhanced performance of the organisation. As subsequent subjects require more diverse projects to be undertaken, various groups of stakeholders will interact more often and begin to establish the multiplex connections necessary for the development of a sense of shared destiny and a common identity

Another form of social capital is bridging social capital. This refers to the capacity of groups or individuals to mediate relationships between other groups who may perceive themselves to have mutually exclusive interests, incompatible goals, and/or unequal power resources. The development of bridging social capital establishes connections between disparate networks and, if successful, may enable the members of one group to access the resources of another. Individuals who are able to provide a bridging link between two distinct networks may accrue competitive advantage for themselves as well as providing a benefit to the networks so linked (Burt, 1997). Such connections are weaker than those of bonded communities, being based on ‘thin’ rather than ‘thick’ trust (Newton, *ibid*). They frequently require the mediation of

power relationships in order to allow collaborative action to facilitate cross-group trust and cooperation. As this takes time and a significant amount of interaction among individuals and groups, the development of bridging social capital requires long-term commitment by all concerned. The process may be facilitated by a neutral but trusted third party who is able to mediate and negotiate some of the politically sensitive issues that divide other parties (Gray, 1989; Brown, 1998).

The presentation of the project reports at the intensive sessions is a critical dimension of a curriculum that enables students to learn from each other. As each presentation conveys carefully constructed analyses and syntheses of project data, it allows for very efficient and effective learning transfer to all in the class. In this way, bridging social capital has been built across sixty-five third sector organisations in the first six months of the course as students share openly, knowledge about their organisations and their projects, with others. Although many students report, through their projects, very sensitive data to the group, not one student took up the academic staff's offer to present in confidence. In addition, many students are sharing hard copies of their reports, where relevant, with others, email coalitions are forming, and learning partnerships are expanding beyond those organised purely for study purposes. In this way the course is assisting in the building of bridges between third sector organisations across Australia and, in the process, facilitating the 'thickening' of the trust between the people who work in the sector.

Conclusion

The process we have commenced through the transformation of the CMP, can be thought of as a series of 'waves' of strategic action. Each subject in the program

involves the participants in a new project (which constitutes one 'wave' of strategic action) and subsequent subject projects build upon the learning gained from previous subject projects thus integrating learning in a manner that is strategically important to the work organisation. In the six months of operation of the 'new' CMP, the teams have completed their first work-based projects and our analysis of the first sixty-five project reports shows encouraging evidence of the development within their organisations of a 'culture' characterised by purposeful strategic action, meaningful learning, and developing social capital.

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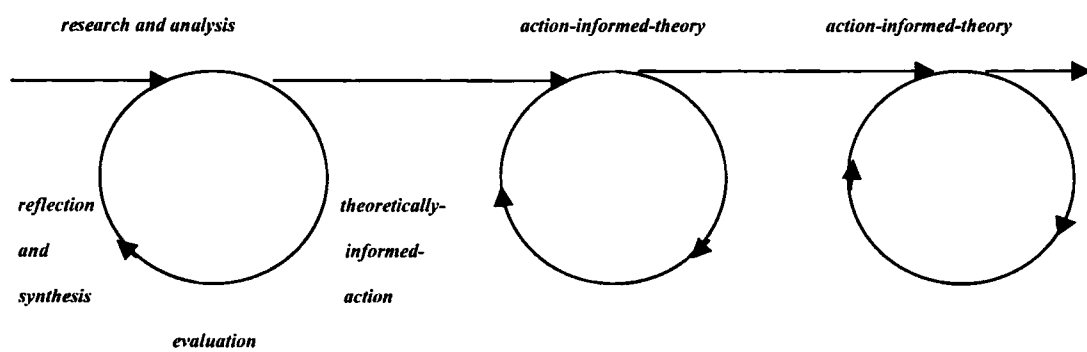


Figure 1. The Action Research Process