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<th>Author</th>
<th>Bryant, J. &amp; Jones, R.</th>
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<td>Title</td>
<td>'Practising alchemy ': conceptualising best value reform as a failing process</td>
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<td>Conference name</td>
<td>British Academy of Management Conference (BAM 2005)</td>
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<tr>
<td>Conference location</td>
<td>Oxford, United Kingdom</td>
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<tr>
<td>Conference dates</td>
<td>13-15 September 2005</td>
</tr>
<tr>
<td>Place published</td>
<td>London</td>
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<tr>
<td>Publisher</td>
<td>British Academy of Management</td>
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<tr>
<td>Year</td>
<td>2005</td>
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<td>URL</td>
<td><a href="http://www.bam.ac.uk/">http://www.bam.ac.uk/</a></td>
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‘Practising Alchemy’: Conceptualising Best Value Reform as a Failing Process

Abstract
The purpose of this paper is to illustrate how organisational development personnel, responsible for oversight of public sector reform programmes, mediate and effect projects of rule. The analysis is located within the Best Value reform programme in local government in Victoria, Australia. Grounded theory is employed to examine responses in four local government units characterised by divergent socio-economic and population demographics, as well as environmental and rural-urban differences. In-depth interviews provide data to scope key issues and concerns of participants responsible for change management and organisational development. The paper responds to a call for studies directly addressing experiences of those implementing Best Value as opposed to studies of macro-level politics of Best Value. There is an urgent call for empirical detail on ‘take up’ of Best Value by local authorities to consider if there are grounds for critique that studies of programme implementation are overly focused on ‘success’, rather than considering why programmes fail to achieve their desired effects in ‘shaping’ projects of rule.
Introduction:
Recently, it has been argued by Higgins (2004:457) that “failure of programmes to achieve their intended outcomes is a constitutive part of regulation”. This challenging position is diametrically opposed to the more familiar interpretation of programme failure as ‘an exception’, rather than the rule or, as shortcomings “to be eventually overcome though improvement in knowledge or technique” (Malpas and Wickham, 1995:39). Higgins suggests sociologists have given too little attention to failure, being more interested in accounting for structures through which social life operates more or less successfully (Malpas and Wickham, 1995). In keeping with Higgins, theorists such as Barry (2001:7) suggest with respect to governmentality, that rule should be constituted as a “space of contestation and dissensus”. On the basis of such conceptualisation, Higgins asks, “how does the failure of programmes to achieve their desired effects shape projects of rule?” (2004:458).

Using a grounded theory approach (Glaser, 1998, 2001), this paper aims to illustrate how organisational development personnel, responsible for oversight of public sector reform programmes, mediate and effect projects of rule. For this purpose we locate our analysis within the context of Best Value reform which is currently being implemented within the local government sector in Victoria, Australia. Best Value in Victoria underpins a reform agenda aimed at modernizing the local government sector, as it has in the UK (McAdam and Walker, 2004; Martin and Hartley, 2000; Boyne, 2000; Martin, 2000, 1999a, 1999b). Like the UK, Best Value is not being created on a clean canvas. On the contrary, the Victorian canvas has already been significantly graffitied by earlier prescriptive and coercive reform measures of forced council amalgamations and compulsory competitive tendering (CCT) introduced by the previous (Kennett) Liberal government. The subsequent (Bracks) Labor government abolished CCT and replaced it with Best Value as from 2000. The requirements are very broad. Councils must develop quality and cost standards for all services, achieve continuous improvement in all services, and consult with, report to, and be responsive to the needs of, their communities.

This paper responds to a call for studies directly addressing experiences of those implementing Best Value (see Higgins, 2004), as opposed to studies of macro-level politics of Best Value, for example, issues concerning central-local government regulatory relations (see Geddes and Martin, 2000). There is little doubt that during the New Public Management era regulation of the public sector has increased (Hood, James and Scott, 2000) yet the literature on public sector reform provides few insights on how changes to regulatory frameworks impact on local authorities. A grounded theory approach is used to redress this gap in the as yet nascent literature on Best Value.

This paper provides insights about the process of implementing public sector change by way of Best Value and it also aims to improve sociological understanding of challenges and barriers met by those directly experiencing the associated reform agenda. The intermediary role of such personnel is problematised in a number of ways. First, there exists the inherent paradox of reform agendas of ‘enforced self-regulation’ such as Best Value. That is, Best Value (unlike the prior enforced
regulatory regime of CCT in Victoria) to succeed as a programme is dependent on ‘enforced self-regulation’ (see Ball, Broadbent and Moore, 2002). This requires those responsible for implementing the reforms to move beyond the simple reactivity that meeting the prior demands of CCT necessitated. By its very nature Best Value entails a proactive response from local authorities including both accountability to central government and local council, at the same time as depending on innovative response to idiosyncrasies and needs of particular constituencies. Second, the legislative requirements for demonstrating achievement in tangible, even quantifiable, ways must be met in accordance with a set end-date. Third, although reporting requirements are specified there is little by way of procedural guidance because by providing this the flexible nature of the programme would be compromised.

Given then that effective implementation of Best Value is dependent in the last instance on how local government units a) interpret best value, b) what they are ‘capable’ of delivering service-wise and c) what the State government is prepared to accept as effective, the business of implementing Best Value becomes one of decided magnitude. With regard to the implementation of Best Value in Britain, Ball, Broadbent and Moore (2002:10) contend that the best value regime, in its totality, “might represent a considerable demand even for a respected world-class organization”. With the end result of quality and continuous improvement, councils are required to undertake fundamental performance reviews and to set targets for sustained improvement in services which take into account both the views of the local constituency and any national standards set by the government.

Not surprisingly, the transition to Best Value has been interpreted by some as simply another facet of the on-going thrust of neo-liberalism (see Geddes and Martin, 2000; Keen and Scase, 1996). There seems to be little doubt that regulation during the New Public Management era has increased (Hood, James and Scott, 2000); yet, the literature on public sector reform with some notable exceptions (see Jones, 2000; Ball, Broadbent and Moore, 2002) provides relatively few insights on precisely how local authorities respond to the paradox implicit in the ‘enforced self-regulatory’ nature of Best Value. Organisations, as Ball, Broadbent and Moore (2002) point out, must develop both self-regulatory organisational infrastructures, whilst simultaneously demonstrating improvements in ‘effectiveness’ of how services are delivered. In Victoria, the question remains unanswered as to how Best Value is being taken up and managed, by those responsible for implementation, or to whether the programme goals are manageable and, indeed, achievable. More importantly, our data and analysis (which follow) address these issues. By providing insights into the extent that Best Value becomes ‘thinkable’ (which it must be logistically before it is ‘do-able’) for practitioners – it shows how as a programme Best Value is embedded in a web of potentially contestable accountabilities, bounded by pressures to pursue best practice with an emphasis on business excellence, and driven by the desire to achieve organisational learning as the basis of an innovative, flexible organisational culture.

Organizational development personnel must successfully mediate between external (the State) and internal regulatory bodies (local councils), and between operational personnel to integrate Best Value principles and make them part of everyday practice. In real terms, this entails a reconstitution, or melding, of the programme itself (partially because Best Value entails a high level of pro-activity) so it sits comfortably with the local authority. As well as this, a degree of ‘moulding’ of the local authority
itself is necessary for the new programme to be accepted and taken up. Hence the title of the paper ‘practising alchemy’ for, like the early chemists, from the inception of Best Value it appears that social actors concerned are essentially working blind. To ‘practise alchemy’ seems an appropriate response for people who carry the main responsibility for oversight of the new programme. They are attempting, as it were, to create some new base-metal (not gold of course like the alchemists), but nevertheless a *fusion* of existing organizational culture and memory about how to do new things, with the need to invent some entirely new ‘you beaut’ evaluation tool and deliver demonstrable Best Value outcomes by the time the deadline for the review process is up in 2005. There is an urgent call for empirical detail on ‘take up’ of Best Value by local authorities to consider if there are grounds for critique that studies of programme implementation are overly focused on ‘success’, rather than considering why programmes fail to achieve their desired effects in ‘shaping’ projects of rule. Such a challenge can be met through studying the interface of social actors with macro-level processes in shaping and maintaining the social world. This would include consideration of the role of contestation, conflict and failure *within* the regulative process, and of the manner in which this (not necessarily intentionally) may function to derail (or if not ‘derail’, at least distort, mould or reshape) programme objectives. As there appears to be little doubt, at least in Britain, that during the New Public Management era regulation of the public sector has increased (Hood, James and Scott, 2000), and some evidence in the Australian situation to support this (Meek, 2001), there would appear to be strong grounds for taking a closer look at the impact of public sector programmes, situated within a New Public Management regulatory framework, on those responsible for implementing change at the micro level. This would further consideration of whether there *is* a case for arguing programmes for public sector change are compromised due to contestation, conflict and failure *within* the regulative process, and thus lend support to Higgins’ (2004) proposition that failure of programmes to achieve their intended outcomes is, indeed, a constitutive part of regulation, rather than failure *of* the program per se, or aspects of it.

**Methodology**

We sourced interviews from a purposive sample of four local councils characterised by divergent socio-economic and population demographics, as well as environmental and rural-urban differences. The constituencies chosen were:

- a relatively prosperous inner city constituency ten kilometres from Melbourne CBD;
- a fairly homogeneous and well-established affluent coastal constituency around twenty kilometres from the CBD;
- a rapidly developing outer south-eastern suburban constituency with a very heterogeneous population about thirty-five kilometres from the CBD;
- an outer-eastern community about fifty kilometres from the CBD with a diverse demographic and outlying rural areas as well as highly developed urban pockets of settlement.

Five in-depth interviews have been conducted since late 2003 with the leading Best Value personnel in these councils. Two were conducted with the Business Management Officer in the inner city council, one with the Coordinator of Best Value in the outer eastern council, one with the Organisational Development Coordinator in the coastal council, and one simultaneously conducted with two personnel, the
Corporate Systems Coordinator and the Leader in Change Management, in the southeastern council. Thus, whilst representation in terms of geographical and demographic factors was diverse, all interviewees held comparable roles within their organization.

Of the five individuals interviewed, three had been in their organisation for between seven and twelve years so had direct experience of the transition period from CCT to Best Value. Interviews were informal and unstructured using open-ended questions of the "tell me about..." variety. This is to allow participants maximum freedom to introduce topics that are of direct importance and relevance to them rather than to the interviewer. Glaser refers to such an approach as big-ear listening (Glaser, 2001:175).

Each interview was recorded and transcribed in full, then subjected to a rigorous open coding procedure. This involved a sentence by sentence analysis of the interview transcripts to identify a range of codes for sorting specific incidents participants engaged in as part of daily activities, as well as isolating in vivo codes stemming more directly from the language of the participants. The first type of coding format, or incident coding, included identification of all substantive material in the interviews, for example, relating to managing the review process of Best Value, transitioning from the prior CCT regulatory regime etc. For instance, all participants made many references to problems entailed with establishing a workable framework for the review, managing time constraints in the review process, and so on. To this end concept cards similar to those used by Martin and Turner (1986) were developed to sort and codify the thematic substance of the data. Thus, all incidents relating broadly to 'developing a review framework' or 'managing the review process' were sorted to look for commonalities in the experiences of participants (despite the rather different constituencies with which they were concerned). 'Managing the review' naturally entailed several behavioural sub-categories which became evident in developing substantive codes such as establishing review frameworks / templates, community consultation, measuring and evaluating continuous improvement, meeting time constraints and so on. These were also sorted and collated to show subsets of the various more general constructs such as 'managing the review'.

In contrast to the substantive codes established via this open coding session, a second layer of coding emerged from the data tapping into the affective domain of participants. The purpose of this mode of coding was to identify overall 'mood' of participants' responses, and less tangible features such as perceptions of organisational ethos. Thus, the in vivo codes generated concern meanings of participants, based on their experience with Best Value principles. These codes were extrapolated either directly from turns of phrase, or exact wording used by participants to describe their everyday experience and reality, or they represent a summary conceptualization of sentiments involved for participants. For example, in one interview the respondent mentioned that "there was still a lot of grieving happening" when Best Value was introduced. This sentiment appeared in different guises in stories of all participants with each one recounting personal and organizational insecurities, losses and affective responses such as scepticism about the new programme, stemming from the previous regime of amalgamation and CCT with its corollaries of downsizing, merging of often disparate local government units, restructuring, personnel changes, and so forth. Thus 'grieving' became a useful in vivo code to capture and conceptualize the affective response of participants in recovering from prior 'hostile legislation' and transitioning to Best Value.
Analysis then focused on identification of significant themes and issues for participants in the interviews. The aim was to identify patterns rather than total descriptive capture. The following six themes have been identified from our data.

**Common Themes and Patterns Emerging from the Interviews.**
Themes are conceptualized in order to identify participants’ main concerns and grouped under broad substantive codes. As each of the patterns documented below had a related domain of affective response this has been conceptualized using *in vivo* codes.

**THEME 1: “Transitioning” - Changeover to best value from CCT.**
Interviewees, particularly those around during the period of the Kennett government (long timers) shared many perceptions of the changeover to Best Value. Generally Best Value was portrayed as a ‘shift for the better’, and there was a sense of recognition that the worst was behind them (this was equally recognized by both short timers and long timers), although scepticism about change generally was widespread being characterised by at least three participants as something that had to be dealt with in terms of shifting organizational culture. One long timer said relaxation of the prior legislation would have eventuated whether or not there was a change of government. The implication was the prior programme had ‘run its course’ – and the pendulum swings as a matter of course from extreme back to more moderate positions. By ‘shift for the better’ participants included things such as the chance for ‘rebuilding trust and communication’ in their organizations, and potential for moving beyond what one participant called ‘the one size fits all model’ of the Kennett period to a model which embraced community difference and developmental needs. Others mentioned potentially positive outcomes of the reforms in terms of efficiency, but argued organizations with good business management were already well practiced in terms of competitive values required by the changes in legislation during the Kennett period resulting in organisations being ‘skilful players in the tendering game’. The impact of the prior period of legislation then could clearly not be ignored in the next phase of research as it had a number of ‘affective’ consequences for all participants. These consequences necessitated participants be skilled in reading the mood of their organizations, and in recognition on their part that this was a prerequisite for moving things forward. In the following section *in vivo* codes relating to the transitioning phase are discussed to ground the substantive incidents of organizational change in terms of participant’s main concerns. ‘Transitioning’ is a term that provides good conceptual grab for the themes and patterns discussed above.

‘Transitioning’ entails complex and interwoven affective organizational and behavioural responses, which participants in their role of implementing changeover to Best Value must mediate. These include primarily coping with consequences of the prior period of CCT. The collective mood of these responses brings to recall Jones’ notion of recovery from ‘prior hostile legislation’ (2000:20). All five participants spoke of both personal and organisational consequences of loss of personnel through retrenchment. Loss of organizational identity as a result of mergers of disparate organizations as part of the radical amalgamation program set in train by the Kennett government was mentioned by more than one participant. Another participant spoke of this in strong affective terms as ‘grieving’. Others mention the corollary of uneasiness about job security, ‘scepticism about change’, dealing with organizational
mistrust, ‘we had to spend a lot of time in getting over suspicion between our people because of the breakdown of team cohesiveness due to the competitive nature of CCT’. One respondent mentioned loss of corporate memory, saying that ‘of course the best personnel were the first to take their skills elsewhere because they found jobs most readily’ when the draconian effects of the Kennett period came into play. A summary code for this collective organizational sentiment could well be ‘reform recalcitrance’. As far as transitioning was concerned, then, all participants shared the common problem of dealing with and overcoming ‘change weariness’, and ‘reducing change resistance’ amongst personnel in their organizations.

THEME 2: “Rebuilding” - Recovery and repair work.
Rebuilding is a useful term to summarize the co-requisite ‘work’ needed to get transitioning happening, or at least underway. Incidents described by participants illustrate the need for organizations to recover from changes in the previous period and to develop new resiliencies in order to take up Best Value principles. Rebuilding was dependent on a number of quite tangible initiatives such as developing communication technologies, and rebuilding teams. In addition, more obvious factors such as an appropriate allocation of resources and funding had to be dealt with. Rebuilding and recovery could be thought of in many ways as co-requisites in the sense they are necessarily interdependent processes. More than one participant suggested that they had to do ‘more new things with what was effectively less in terms of staffing and resources’ and in some cases new personnel were required. Reference was made in these instances to new personnel acting as ‘new brooms’ by making their mark on visions for the organisations concerned and/or bringing ‘manna’ on how best value should be interpreted in the organisation. The requirements to re-establish communication networks and organizational trust were also referred to by all participants. One participant spoke of the urgency of rebuilding teams which had been broken down as a result of the prior period of change. In order to do this, and implement programmes required to drive Best Value, the organization had to start from scratch building an efficient intranet. Technological changes then had to be accommodated as part of the uptake of Best Value and appropriate re-skilling of staff undertaken. Three participants talked of ‘restructures’ taking place either just prior to the introduction of best value, or around the time it was introduced. These restructures involved redefinitions of organizational units, merging domains of responsibility, and developing an interface between Best Value principles and visions that leaders had within the organization. CEOs in two of the organizations had ‘put their stamp’ on the organization and this was perceived as being highly significant by the participants in determining how their organizations responded to and interpreted Best Value. One participant spoke of the need for people ‘to move on’ and for ‘getting over the cost cutting mentality’, a residual of the prior contractual period.

‘Rebuilding’ is a useful conceptual code because it captures the ethos of organisations needing to regroup. Before rebuilding could occur one had a sense that a ‘slothing off the old skin’ (which by all accounts, had had to become a thick one to survive the very real consequences of the prior period of contractualism) had to occur. Other in vivo codes emerged to describe this process including the need to allow time for ‘organizational settling’ or ‘letting things shake down’, ‘re-bonding’ to occur among work units and teams, leadership ‘branding’ to be taken up, ‘selling the reforms’ in the face of scepticism about change, ‘giving ownership’ of the new principles to newly developed teams by ‘inclusion’ in the Best Value process. Generally rebuilding
appeared to include processes whereby Best Value principles were integrated into the organization both in a structural and cultural sense. From discussion with participants, it was inferred that in order for transitioning to occur there needed to be some form of reinvention of organizational culture. One participant referred to this as a need for 'shifting mindsets'.

THEME 3: “Review anomie” - Establishing a review framework. One of the most problematic aspects of implementing Best Value, based on responses in our interviews, was developing an appropriate framework for conducting the review in time for completion mandated for 2005. Despite the fact that the review process was well underway in all organizations, at the time of interviewing, all participants conveyed a sense that this had been very much a ‘trial and error’ exercise. It appeared there was little by way of external guidance apart from the Best Value directives and the mandated completion time. It was abundantly clear from the range of responses that ‘how’ review frameworks were developed was not in any way a standard outcome of the legislation. Many examples of ‘unevenness’ between units within the organizations, or ‘lack of review convergence’ within organizations were cited. How Best Value reviews should occur was clearly neither stipulated at the outset, nor interpreted in any sort of uniform manner by participants. Both the mood of the interviewees, and their descriptions of prevailing organizational ethos surrounding the task were surprising. There seemed to be a mood of confusion and uncertainty, yet paradoxically, respondents were generally satisfied that reviewing was well underway and in most cases on target with timelines that had been set up by themselves. They had evolved strategies to meet time constraints such as cutting back on the number of reviews they had initially set out to achieve, or merging domains into new review units. There was little consistency of response between interviews about what seemed to have materialized as a review framework for Best Value, and very different approaches were used from organisation to organisation. By the same token, however, no-one seemed to be in doubt about the end reporting requirements. There was an astounding plethora of responses in terms of what was being done including efforts to draw on organizational memory, use of already existing measurement practices, surveys, focus groups, community panels, application of benchmarking approaches, use of standardized instruments used by a range of other local government units, drawing on expertise of external consultation, and so forth. Equally diverse were the mechanisms that various authorities were using to report back to the community on the outcomes of Best Value in order ‘to close the feedback loop’ which participants generally recognised as an important aspect of community consultation. There was a corresponding awareness about shortcomings of nearly all of the different approaches being used to evaluate and conduct reviews. The main problem for participants in developing the review framework was creating an appropriate interface between operational outputs of various units within their organization and needs for consulting with the community in a meaningful fashion. This was all contingent on ‘managing conflicting reporting requirements’ to meet legislative requirements and to dovetail this with the need for community accountability. How ‘accountability’ should be construed for each domain was viewed by more than one participant as being substantially different.

“Review anomie” seems to be a useful conceptual code at this point of the analysis to capture the sense of confusion and air of subterranean anxiety evident amongst participants in ‘dealing with review unevenness’. ‘Anomie’ is a construct used by
Durkheim (1979) to describe collective ‘angst’ that might surface in a society undergoing rapid change. It is usually associated with a pervading sense of normlessness. Personnel responsible for development of their organizations gave the impression that they were, particularly at the inception of Best Value, ‘working blind’ in the pursuit of a ‘fusion’ of existing organizational memory about how to do these things, with the need to invent some entirely new evaluation framework in order to deliver outcomes compatible with Best Value when the end date for reviewing comes up in 2005. Developing such frameworks generated further useful in vivo constructs. These were mostly associated with participants trying to meet both legislative demands and still remaining committed to community consultation imperative of Best Value whilst ensuring services were of a high quality. Maintaining organizational autonomy was clearly important to the interviewees, one participant used the metaphor of ‘driving our own car’ to describe their unique approach to implementing Best Value. Another spoke of ‘getting on with the call with big brother watching over our shoulder’. Lack of preparation for managers about review requirements not previously part of their core business is conceptualized as ‘review unpreparedness’. Given all participants mention devolution of the process to operational managers, and their teams, appropriate umbrella conceptualizations for the affective response to developing the review framework might be ‘thinking on your feet’ or ‘hitting the ground running’.

THEME 4: “Juggling and Feinting” - Managing reviews, time constraints and external pressures
Discussion of problems associated with managing the review process was by far the most predominant theme to emerge from the data. What became apparent from sorting incidents relating to implementing reviews was the sheer complexity of trying to achieve an evaluation of any form or consistency, in an organization as multifaceted in terms of services provided as the local government units tapped in these interviews. Thus, logistics were at the forefront in discussions for example ‘review scheduling’ and dealing with time lines, as well as kowtowing to external regulatory pressures. Responsibility was in all authorities devolved to unit level teams or operational managers. What appeared to be mainly problematic was the tension between meeting accountability requirements and maintaining operational functions. Institutional autonomy was unquestionably perceived by all participants as challenged in one way or another by the pressures of reviewing and reporting.

“Juggling and Feinting” is a useful code that conceptualises a continuum of coercion concerning the role of our interviewees in terms of keeping the operations managers focused on the review process. This ranged from the gentle ‘facilitating and supporting’ type role, to ‘pushing’ managers along’, and on the more coercive end of the spectrum ‘pressuring managers’ to engage in the process. One respondent mentioned the need to ‘keep your internal drivers of the review process on side’.

THEME 5: “Developing Synergies” - Community consultation and interfacing operations with needs.
One participant spoke of the main task of local government units as being ‘maintaining and preserving community assets’. This included infrastructure such as roads and local buildings, as well as cultural heritage and environmental assets. All participants recognized that in the last count achieving Best Value entailed inclusion of inputs from diverse constituents of the different local government areas considered
in the scoping session. However, socio-economic factors, demographic characteristics (both age and ethnicity specific), historical developmental evolution and varied geographical terrains were all mentioned as factors impacting on what really constitutes 'need' in a particular community. The problematic aspect of this for the organizational development officers was how to 'demonstrate' that a council is addressing need when such needs are so multi-layered. Interfacing legislative requirements with community accountability, at the same time as 'meeting community needs' in an inclusive fashion was problematic. Maintaining and 'demonstrating continuous improvement' to both parties did not necessarily overlap in a tidy fashion. Establishing genuine needs required a range of responses such as tapping and 'identifying gaps in community response patterns'. Understanding permeations in local public-private provision of public goods such as childcare, and making decisions based on 'finding out what a community actually values', is complex and difficult. For example, one participant mentioned with respect to the public library in her community 'even people who rarely or never used the library valued it highly as a facility'.

"Developing Synergies" emerged as a most problematic process and, although community inclusion is essentially a primary driver of Best Value, this represented a domain of confusion for participants. At least three respondents conveyed a strong community developmental perspective both in terms of personal commitment and in interpreting how Best Value principles should be equitably implemented. Thus, the importance of 'tapping the sleepers' or 'ensuring inclusion' were stressed by one interviewee, whilst another referred to the necessity of consulting 'not with just the usual suspects'. Interviewees were not entirely satisfied that the diverse range of methods used for community consultation including community panels, focus groups, satisfaction surveys, benchmarking approaches and so forth were good indicators of successful community consultation because of uneven participation in some instances, or limited validity of the measuring instruments in others. So as far as being successful in terms of community engagement, it could be argued that a mood of 'review scepticism' prevailed. That is, in terms of how well overlay between review procedures and addressing real community needs was met. Reporting practices were also mentioned – the problematic aspect with community consultation apart from inclusiveness issues was 'closing the feedback loop' when evaluation is undertaken so community members are aware of the changes underway.

This theme emerged as a key concern in the interviews. The logistical demands involved to further this, apart from 'multi-skilling staff', and undertaking a range of staff development initiatives to improve skills of operations managers, included responses like 'mentoring', 'modeling', 'nurturing' as well as 'developing managerial autonomy'. The extent of programmes in the organizations varied widely with one organization developing a systematic 'whole of organization' change programme which all units had to work through systematically as part of the review process. Others addressed the learning required more as an individual staff development issue and looked at possibilities of calling on external consultants as adjuncts when there was a shortfall in organizational knowledge with respect to particular aspects of the review process. Overall the participants gave a sense that 'stretching managers' was a necessary adjunct to implementing organizational change. Most interviewees were themselves 'participating in knowledge networks' or some form or knowledge sharing
beyond the confines of their own organization. Being in touch with processes connected with Best Value in other similar organizations to prevent 'reinventing the wheel' was considered important. One participant said they made their processes available on their webpage for public access – 'we have a lot of hits on the site but we are sure they are coming from other councils rather than our local community'. Keeping reviews relevant and looking for opportunities to 'review re-cycle' (re-using review processes that worked well in other parts of the organization) were seen as important by all participants to carry organizational learning forward.

"Knowledge Brokering" entailed participants to take on roles as 'knowledge brokers' or 'knowledge intermediaries' between various levels and units in their organizations, for example between CEOs, councils and operations managers in their organizations. Given the anomalies of developing the review frameworks from scratch, participants saw themselves as having an active role in negotiating a good 'fit' between the reform program of Best Value, and organizational processes required to achieve it. One participant mentioned she was glad she had worked previously in customer service in the organization because this gave her a balanced view of the realities operational managers from different parts of the organization and their problems with reconciling the review process with their core business. The networking involved moving beyond the bounds of the organizations which would also make it possible to characterize organizational development staff as 'knowledge purveyors'.

**UMBRELLA THEME: "Moulding and melding"**

At this point in our analysis we were able to conceptualise an umbrella theme that was able to straddle all the six substantive themes above so as to relate incidents that may be quite varied thematically, but which nevertheless share a common trait of 'shaping' Best Value to achieve fit with the local government units concerned. In this sense then 'moulding and melding' provides a suitable umbrella construct in the sense that it is present like an undercurrent with respect to all of the substantive themes. 'Moulding activity' stands as antimony to 'melding'. Both are part and parcel of each other, occurring as interfaced simultaneous projects. Through 'moulding' shaping of new demands occur to effectively blend them with existing practice, thus some form of 'melding' is achieved. It is undertaken primarily one assumes so individuals feel less threatened by Best Value changes and are thus more ready to take the reform process on board.

For instance, with 'transitioning' a great deal of 'moulding' activity was required in order to gain acceptance for Best Value. This may have entailed developing slogans to reassure members of the local government units concerned, that the changes were not threatening – 'it's nothing new, it's what we do' was a slogan they used said one participant. Another said that Best Value just provided an umbrella to put everything they do under, and provide what was already done with some unity. A third participant actually equated the Best Value charter with sound business plans already part of good business management in her organization, and convinced operations managers of this – 'I don't think fitting in Best Value is necessarily a difficult process.....it's just a good approach to management – it doesn't necessarily have to be different to what you might be doing anyway'. A quote from a fourth participant illustrates the complexities of integrating the new in with the framework of prior practices so it is palatable for staff: 'it's just an extension of your everyday operations, so when you are working day to day you're looking to make improvements to how you
deliver your services and how you carry out your functions which is what Best Value is about...it's about improvement, right? Umm, it's been.....look it's been a difficult process ...umm..., more to keep them [operational managers] focused on it, because day to day operational issues will impact and cut into the review process. If you look at Best Value it's not like doing your normal day to day work here and then conducting Best value over there'.

What is evident from these quotes is that without 'moulding' (in at least two of these quotes you can almost hear the words being spoken between the participant and their operational personnel) there will be no 'melding'. The tension of the task is evident, thus despite the confident start of the last quote, what follows on in that quote demonstrates the problematic of maintaining focus on, and proper take up of, the reforms. Similarly, by exploring other substantive themes we can readily find incidents to illustrate the effort required to blend the new reform regimen with what is already there. This occurs with restructures – 'when it came to Best Value, he [CEO] pretty much kept to those already established units, from CCT time, except for a couple of minor changes'. It also occurs with respect to personnel changes, for example when a new CEO encourages piggybacking Best Value onto existing missions: 'the emphasis here pins very much on sustainability. We have two criteria; one relating to a sustainable community and the other to a sustainable organization so we have introduced sustainability into the Best Value process - a sustainability vision statement positioned us well to pick up on Best Value, and it fed very easily into the process – we already had a sustainability group existing and Best Value provided them the opportunity to build on...you know, their plans and actions that they had already put down as their strategies'. Another interviewee responded in similar manner by observing that the CEO 'wanted to do quite a different style [of BV], he was very much about developing the organization and so he just incorporated the Best Value principles into an overall programme that he wanted to introduce'. Examples of moulding and melding relating to other themes can also readily be found, for instance in the themes of 'establishing a review framework’ and ‘managing the review time constraints’. Thus one participant recounts how they started out with the idea of reviewing fourteen units in their organization and gradually reduced it down to eight which aligned exactly with the mandated review requirements – a case of cutting the cloth according to your coat as it were.

Discussion and Conclusion

Essentially then, a number of theorists (Malpas and Wickham, 1995; Miller and Rose, 1990; Higgins, 2004) are arguing for the need to ‘subvert’ the manner in which we conceptualise governance. Thus, instead of seeing governance as ‘complete’, albeit occasionally flawed by minor (and potentially transitory) shortfalls, we should see it as necessarily incomplete, and consequentially as always failing. Whilst this is a confronting viewpoint, Higgins (2004:459) points out it “does not mean either that governing fails in some absolute sense or that it is void of order or durability, but simply that ‘projects’ of regulation need to be seen as the result of conflicting attempts to make the activity of government thinkable and manageable” (see also Rose, 1999).

The findings in our data illustrate that developmental personnel in local authorities are continually operating to try and achieve some form of fusion to make Best Value principles both thinkable and manageable and that the effort this entails is well
captured in the notion of ‘practising alchemy’. In order to achieve this they must successfully manage the process of ‘moulding and melding’ by aligning objectives of the program to contingencies stemming from the needs of operational managers, the culture of their organizations and idiosyncrasies of their constituents, as well as to an external regulatory regimen.

Our findings suggest local authorities deal with considerable, and at times contradictory and confusing demands implementing Best Value. A range of complexities and ambiguities inherent in setting up review frameworks compatible with the needs of constituents and organisational capabilities must be dealt with, while simultaneously accommodating pressures associated with completing a total review process that satisfies legislative reporting requirements, by 2005. The paradox of Best Value lies in the fact that it is a doctrine of ‘enforced self-regulation’, as such requiring much “interim faith” in as Hood (2000:283) calls it “a mixture of oversight and mutuality for regulating regulation”. It is suggested here that in order to regulate organisations respond diversely and flexibly. The nature of the response suggests that local government authorities should be viewed as sites of incessant negotiation to quite literally create a rule that accommodates organisational abilities and local needs, simultaneously responding to demands of external legislation. The data indicates a context of uncertainty, and at times confusion because of a lack of specified guidelines on how to proceed. Demonstrating evidence of community consultation and effective service delivery appear challenging when the parameters of these tasks are essentially not specified in any standardized fashion, presumably because this would by default automatically compromise the self-regulatory aspect of the programme. Importantly too, these challenges must be understood as temporally situated in a period of organisational transition from a period of prior ‘hostile legislation’ including major boundary restructures, draconian competitive contractual regulations, and attendant collateral damage for the authorities concerned. ‘Practicing alchemy’ is apposite as a conceptual grab for all of the experiences entailed in ‘transitioning’, the generative work involved in ‘developing a review framework’ and the balancing act required to create a workable interface between the needs of being accountable to both community and external legislative requirements.

The greatest challenge for the development personnel who provided our interview data is to produce a credible procedure that dovetails the programme requirements with their organisations’ capacity to deliver them. Alchemy is invariably perceived as a mysterious or paradoxical process, championing the search for a universal elixir or magical potion that can convert the mundane to the precious. Thus practising alchemy not only gives a sense of the immensity and indeed great uncertainty of this task, but it also provides some conceptual basis for supporting Higgins’ claim of taking failure of governing as a useful starting point “to argue for an alternative way of conceptualizing regulation” (Higgins, 2004:458). From a grounded standpoint the task of the development personnel is quite literally as impossible as the task of the early alchemists. As with the alchemists this factor seems neither to erode aspiration nor motivation.

In summing up we see that the construct ‘practising alchemy’ sits comfortably with a Foucaultian influenced literature on governmentality. For example, Miller and Rose (1990:10) argue that despite governmentality being eternally optimistic ‘government’ itself is “a congenitally failing operation. The world of operations is heterogeneous.
and rivalrous, and the solutions for one programme tend to be the problems for another”. They point to the need for developing different appreciations of the will to govern arguing it should be understood less in terms of the degree of success for example of a programme, and more in terms of the difficulty in actually operationalizing that ‘will’ in order to achieve aims of particular programmes.

One limitation of our research is that findings are derived on the basis of a small number of cases. From the viewpoint of grounded theory analysis however this is not necessarily a serious drawback. Grounded theory findings are always incomplete in the sense that they are always modifiable by the introduction of new data. Our findings as presented provide a range of important insights into challenges, tensions and contradictions inherent in the introduction and implementation of Best Value which is essentially a programme of enforced self-regulation. We argue that practising alchemy is a valuable gerund construct to encapsulate the highly agentic and idiosyncratic nature of programme implementation, as undertaken by local authorities with Best Value. From an empirical standpoint it would certainly warrant a much closer inspection of complexities and difficulties surrounding attempts to govern and to redress their relatively neglected status as a valid focus of inquiry.

References


Hood, C, James, O and Scott, C. (2000). “Regulation of government: has it increased, is it increasing, should it be diminished?” Public Administration, Vol 78 No 2, pp. 283-304.


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