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The politics of management: Secrecy and openness in decision making in New Zealand

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ABSTRACT

Within the last two years the authors have taught a series of courses under the title of Educational Decision Making. The course comprises a one-day introduction to a model of discretionary decision making, developed, trialled and used in a major training programme for the State Services Commission (Marshall & Peters 1985, 1986). This paper briefly reviews the background to the development of the model and, on the basis of cases presented in the courses, discusses issues related to the new era facing 'managers' in the polytechnic system. The paper argues for the notion of collaborative style in management and outlines how it fulfils the principles of openness and responsiveness in institutional governance. Collaborative management is also contrasted with a form of management, adopted and encouraged by the recent reforms to administration in the tertiary sector, which is hierarchical and based on a concept of line management where power and control is concentrated in the hands of the 'chief executive' and invested in explicit lines of delegation to specific individuals.

Introduction

Within the last two years the authors have taught a series of courses under the title of Educational Decision Making. The courses are designed for the new 'managers' created under the *Learning for Life* (1989) reforms and specifically for those working within polytechnics. Associate Directors, Heads of Department, Course Supervisors, and other polytechnic staff holding a variety of positions which entail responsibility and the power of discretion, comprise the majority of course participants.

The course itself originated from the demand for 'management' skills generated by the new environment and forms part of the Certificate in Professional Leadership recently mounted by the Centre for Professional Development (CPD) at the Auckland Institute of Technology (AIT) as a response to changes created by Government policy. The course comprises a one-day introduction to a model of discretionary decision making, developed, trialled and used in a major training programme for the State Services Commission (Marshall & Peters 1985, 1986). The model, termed Administrative Discretionary Justice, is based on the work of Davis (1969), an acknowledged authority in the United States on discretionary justice. It is introduced within the context of a case study reconstructed from official files and documentation (eg correspondence, reports, notes, memos, newspaper clippings) which is based 01:1- an actual and recent case of personal grievance under the *Labour Relations Act* (1987). The introductory day is followed three to four weeks later by a three-day workshop where participants examine and analyse actual cases they have prepared according to a particular format. Participants are encouraged to select cases involving controversial

and complex decisions from within their own institutions and they are required to present their cases, chairing the discussion, and providing necessary background information where appropriate. The model of decision making, which is introduced through a specially produced video and outlined in an accompanying text, then becomes the framework for the analysis and justification of decisions.

The course is based upon small group participation (limited to ten participants) and held in closed sessions where the anonymity of the actors is preserved and the confidentiality of the issues fully respected. Participants often present cases in which they themselves have an interest or involvement. The course is designed to promote and model processes of open collaborative management based on principles of collegial or peer review and criticism. The course, particularly the analysis and justification of decisions, is promoted through a critical and open approach which encourages participants to challenge each other in a friendly atmosphere. In essence, the course is based upon a series of simulations or role plays where participants are allocated various roles and called upon to make decisions within a certain time constraint on the basis of information provided by the case study. The authors have conducted five such courses and another two are scheduled as part of the Certificate in Professional Leadership later in 1992.

This paper briefly reviews the background to the development of the model and, on the basis of cases presented in the courses, discusses issues related to the new era facing 'managers' in the polytechnic system. The paper argues for the notion of collaborative style in management and outlines how it fulfils the principles of openness and responsiveness in institutional governance. Collaborative management is also contrasted with a form of management, adopted and encouraged by the recent reforms to administration in the tertiary sector, which is hierarchical and based on a concept of line management where power and control is concentrated in the hands of the 'chief executive' and invested in explicit lines of delegation to specific individuals.

The traditional management control paradigm

There is a fundamental change taking place in the political ideology of New Zealand polytechnic management of education. Reflecting wider social and economic policy changes, a technical-liberal marketing approach is being introduced through *Learning For Life* (1990). The approach has led in many cases to the uncritical adoption of what Tomkins calls the Traditional Management Control Paradigm (see Peters, 1990: 11). Under this rationalistic model an organization's objectives are clarified with well defined responsibilities. Tasks and priorities are set, clear lines of delegation are established, and output is measured against stated objectives at each level of the hierarchy.

Management's unexamined belief in the value of the Traditional Management Control Paradigm gives them an illusion that education is limited in its aims to an efficient economy and their own personal economies. Decision making as a performance by management is strongly indicated by *Performance Indicators For Tertiary Institutions* (1989). But this latter publication does not address the central question of the appropriateness of the application of the executive model of management to educational institutions. The point is that:

> Efficiency is not synonymous with effectiveness. Ultimately we must relate spending to the value derived from the outputs in terms of benefits to society. An improved input - output ratio has only limited value if we are not sure that we should be doing this activity at all or that it could be done in an entirely different way (Peters, 1990: 11).

There will thus be a strong control by business interests and over what ought to be taught in Polytechnics. Through the mechanisms of the New Zealand Qualifications Authority (NZQA) education is limited to an economic sense along the lines suggested by Treasury in its recent *Briefing to the Incoming Government* (1990). The Treasury acknowledge that education serves many objectives. They admit that 'the focus ... is predominantly on these narrower economic benefits of education. This is not to claim superiority for the economic or vocational objectives of education' (1990: 129). But then the report proceeds to discuss the economic perspective while ignoring other

views. Thus one sector of the population (ie the business sector) has its interests represented and legitimated through state intervention. The assumption here is that business interests are the interests of all of us. This might be acceptable if the outcomes of education were equally distributed. However in New Zealand this is not the case; the 200,000 unemployed is a fair measure of the way business interests do not represent the interests of the community at large. New Zealand capital is international capital which has its interests firmly embedded in capital accumulation rather than in notions of social justice and equality in New Zealand.

In contrast a summary of the research about the submissions to Government sponsored commissions and task forces over recent years illustrates that social institutions must make their policies and programmes comprehensible to clients, clients must have access to services that meet their needs, policies and programmes must be relevant to clients, and institutions must allow clients to participate in the design, delivery and evaluation of programmes (Peters, 1990: 40). Thus it follows that the management of these polytechnics should take heed in their decision making of such public requirements. Two notions of responsiveness suggested unproblematically in recent Government policy are those of accountability and performance indicators. One of the forms of accountability mentioned in *Learning for Life* is the need for the development of a responsive institution. But notions of accountability and performance are complex matters and they place new demands on decision making on the current management for which little or no training is provided. There are many models of accountability that are more comprehensive than that proposed by *Learning For Life* (see for example Peters, 1990). The notion of accountability proposed by *Learning For Life* is an individualised notion of accountability with the competitiveness implied in inter-departmental and institutional comparisons that inevitably arise in the competition for scarce resources. A possible individual reaction to current rapid reforms is for managers to see themselves in personal terms with the result that decision making becomes limited to the few people who hold executive power. Such outcomes are as much inadequate for the social justice and equity initiatives envisaged by the Government for educational institutions as they are inefficient.

Thus in the current atmosphere of intensified competition, Polytechnic management may identify more strongly in their decision-making with the demands of one section of the economy rather than with the wider social good. What this identification with the economy does is to ignore the fact that the economy itself is a social construction that functions to allow only certain cultural norms to be reinforced. If polytechnics approach the future with the uncritical adoption of a productivity ethos as a norm, there will be tensions for equity. For example, minority groups who, in a participative notion of democracy at least ought to be considered as stakeholders (if we admit cultural values as important), may not be able to participate equitably in a competitive environment with an executive, individualistic, managerial model. It has been suggested that there may be problems for the value system of the Tangata Whenua in a capitalist system where

> ... the prime loyalty is to efficiency and performance in the marketplace. The central question is what changes could be expected from that marketplace in response to the higher profile of the Maori. Are traditional Maori (collective) values a barrier to successful (individualistic) competition in a market led economy? How do communal loyalties sit with the ethos of competitive individualism? (Spoonley, 1989: 588).

Spoonley (ibid) further adds that 'racism is defined as an absurdity by the economic libertarians of the 'new right' as they interpret social problems from ill health to educational underachievement as matters of individual responsibility, or lack of it, and· not a structural issue'. Thus the cultural concerns of the non- dominant group will probably be excluded in institutions that use executive managerial decision- making. The use of executive accountability thus shrivels the notion of community to the idea of a social formation that few people can access. These concerns indicate that polytechnic management is politicized. Political and legal redress may be required of management and these actions may be costly in terms of· resources: the very thing institutions aiming at efficiency need to avoid. However the *Employment Contracts Act* (1991) may override all other concerns as it further individualises social relations through allowing management to

negotiate individual contracts. How then does executive management control promote a 'spacious' notion of community where people hold each other accountable for responsiveness, comprehensibility and reasoning in their decision- making activities? In tension with its demand for a responsive institution, *Learning For Life* (1989) also supports an executive managerial decision-making style. An ideology gf executive managerial control is problematic in educational institutions. It is a managerial orientation based on liberal individualism or, as the 'new right' would term it, 'a rational self interested utility maximization', which does not represent an ideal community with deep social bonds. Under the previous liberal-humanist educational policies there was an opportunity structurally, if not in practice, for collaborative management in decision making.

The model of administrative discretionary justice

Background to the model

In 1984 a project was initiated by the States Services Commission - the Administrative Decision Making Skills Project - to produce a model of discretionary decision making and an associated teaching/learning package aimed at executive middle-management in ministries and government departments. The project originated with concern over the implementation of the *Official Information Act* (1982) and the number of decisions taken by government officers that were being questioned and overturned by the Ombudsman. The Case Notes issued by the Ombudsman suggested that many of the cases investigated involved decisions in the area of discretion, where departmental rules and established precedents no longer had direct application and where judgement must be exercised. In this context ethical questions involving notions of justice, equity and cultural difference loomed large. The State Services Commission (SSC) was requested to consider decision making in relation to the *Official Information Act* (1982). The Act was the result of the movement towards Open Government. For this purpose Robert Shaw was seconded to the Commission in November 1983 to direct the project and James Marshall and Michael Peters of the University of Auckland were contracted to advise upon the development of the model and its associated teaching/learning package. They were also to provide a substantive evaluation of the total project (Marshall & Peters, 1986).

The developmental project was undertaken between March and October 1984 and the course was conducted a number of times with government officers between 1985 and 1986. Apart from the project team involved in the development of the model, a total of 50 senior administrators from 17 government departments and the private sector presented actual cases documented from departmental and business files during the trials. A further 90 senior government officers participated in courses promoted by SSC in 1985. By the end of 1986 a further 120 officers had participated in the course and were introduced to the model. The course has since been used as a training vehicle within departments.

In 1989 Patrick Fitzsimons from the Centre for Professional Development at the Auckland Institute of Technology developed and adapted the course for use by 'managers' within the polytechnic system. The project seemed particularly apposite in the context of the ·restructuring of educational administration at the tertiary level given its emphasis on ethical issues for informed discussion. of questions concerning equity, EEO Policy (equal educational and employment opportunities), personal grievance, 'industrial relations', biculturalism, consultation and so forth. The course was developed further with a particular reference to styles of management suited to educational institutions. It emphasises a form of collaborative management based on taking seriously notions of collegial and peer review, consultation, and democratic decision- making. It continues to uphold the underlying principles of open management over the values of secrecy, and hierarchical control.

The model of Administrative Discretionary Justice used on the Educational Decision Making course is derived from Davis' (1969) discussion of the notion of discretionary justice. Both the model

and the teaching/learning package differ considerably from previous approaches in the area of decision making in educational institutions (ie decision or game theory):

> The model is based on a philosophical (as opposed to a psychological or sociological) approach to decision making. It addresses itself to the objective factors that should be examined in the justification of complex, problematic decisions, and does not prescribe an approved or ideal set of decisions but, rather, encourages the investigation of alternatives (Marshall, Peters & Shaw, 1986: 8).

If this approach seems overly philosophical and abstract, the point must be made that the original project proposal demanded that any such model be based upon actual cases involving actual decisions and reflect the experience of its participants.

The model has its source in the work of 'new age' theorists of public administration (eg Frederickson, 1981) who wanted to make radical changes in the way government organisations operate by placing 'ethics' at the centre of practical administration. Here the expressed concern involves the area of discretion and the importance of values and morality. The model originated in a paper presented at an annual conference of the New Zealand Association for Research in Education. Shaw (1982) provided an initial step towards a philosophical model of decision making by considering values as one set of factors, among others, which must be taken into account when a decision is made. If decisions are thought of in this manner, then the approach to decision-making is considered in terms of factors, or logical components (cf. Wilson et al., 1967). If the concern is with the area of discretionary justice then the meanings of the terms 'discretion' and 'discretionary justice' require clarification in order to become a basis for an operational definition.

The model of decision making is a philosophical model in that it depends upon key concepts, the derivation of logical components from these concepts and the key role these play in questions of justification. The key concepts were derived from Davis (1969) and Rawls (1971). From these definitions it follows that if a decision is made in accordance with principles of discretionary justice then it would **have** considered the following factors: legality, morality (or values), facts of the case, just procedures, possible options and their implications. To these components were added the categories of strategies and implementation. These were considered in terms of operational requirements the 'logical' components of the model. In addition key questions were developed systematically for each component to provide a check-list. Within each component's key questions other subsidiary questions were developed together with a series of explanatory notes.

While the model is claimed to be a philosophical model with logical components no claim is made that it is an algorithm for calculating or reading off the correct decision. Essentially, the model provides a framework for the analysis and justification of decisions. It is. a vehicle for discussing the issues and is developed specifically for use in collaborative settings based on peer collegial review.

The principle of collaborative management

A collaborative management style is an orientation to management rather than an identifiable end product to be achieved. A fair description is of an institution where the chief office holder promotes the examination of the content of decisions taken, the processes by which they were attained and addresses the power differentials that typically exist in traditional management paradigms. The orientation is characterized by such notions as: a bias towards openness in the provision of information, debate over means as well as ends, deliberation by those staff involved in the management coalition, a consideration of all stakeholders, and the open justification of decisions while promoting the sharing of power. A collaborative management style involves acceptance of the following:

- A sense of collective responsibility which includes all stakeholders;

- The acceptance of plurality within agreement rather than seeing consensus as total agreement;

- Exploration of known differences rather than insistence on cohesion and integration;

- Professional staff taking responsibility for the direction of their choices;

- An organic model of management;

- The responsibility of staff to acquire the necessary knowledge to address the issues; and

- The need for time to develop the necessary group processes and skills.

Collaborative management in terms of a phenomenological perspective of organizations can be seen as 'ideas held in the human mind, sets of beliefs, not always compatible, that people hold about the ways they should relate to one another' (Greenfield, 1973: 560). In other words it is not always what is actually happening to people that matters to them most but the interpretations they hold of the event. Thus the language we employ to describe management makes a difference and amounts to more than a mere choice of words. The way we interpret the world influences bur actions. According to Lakoff and Johnson (1980: 3) our metaphorical system is pervasive not just in language but in thought and action as well. In collaborative management we need to employ metaphors that are emancipatory in their effects and which allow for reflection, analysis, and socially responsive decision making.

A common mis-interpretation of collaborative management rests on a view of a 'permissive' organization where members are free to pursue their own goals regardless of their social obligations. However this mis-interpretation need not lead to managers advocating anarchy as the only viable alternative. If organizational purpose and organizational culture have any validity at all, the task of leadership must be to create a moral order that binds participants. This cultural emphasis implies a collective experience and the negotiation and re-negotiation of what constitutes meaning, value and culture within the organization. The focus then is on tasks; involvement and knowledge about both the organization and other peoples' perceptions of the organization.

Hierarchical structures are not necessarily incompatible with collaborative organizational development because control is an inevitable correlate of organization (Tannenbaum, 1968). But power can be shared through the use of an influence pie agenda (Likert: 1967). An influence pie process is one whereby influence can be shared equitably among participants who are collaborating. When there is a perceived need for more control the manager increases the amount of control available by involving more participants or increasing the intensity of the participation; in other words, this process enlarges the pie. Such mutual accountability promotes a negotiated sense of order. A collaborative management style will be effective when management also retains a high level of control. Sharing control with staff or increasing their involvement is not synonymous with giving up control, in fact it is seen to be desirable (Tannenbaum, 1968: 309). Management practices in this view are more the art of the possible rather than some abstract executive managerial version of reality.

One indigenous initiative that is aimed at developing the notion of collaborative management in polytechnics is that of the Certificate in Professional Leadership offered by the Centre for Professional Development. The case studies presented by the participants in one of the courses entitled 'Educational Decision Making' suggest that collaborative management is an appropriate style for decision- making in New Zealand polytechnics.

The value base

In the face of reforms in New Zealand education that give ascendance to the value of market liberalism with its emphasis on highly directive executive managerial control, democratic values will have to be argued for. The prevailing management ideology of polytechnics appears to be that of

the traditional management control paradigm which is concerned with hierarchically ordered control and takes for granted the presumed value of the ideology of the dominant economic and social forces in society. In a traditional society with a homogeneous culture this presumption is not a problem. An institution within a totally homogeneous culture would not be involved in a debate over management values as each member's actions in the institution would be an expression of public policy. By contrast, if we use a collaborative set of values we are acknowledging• the reality of pluralism in the value orientation of its constituents. In New Zealand society with its increasingly pluralistic value orientations, it becomes impossible to impose rationally or legitimately through management, one view on people who define their interests in different ways.

The Educational Amendment Act (1990) was pushed through Parliament very rapidly and the consultative process flew in the face of collaborative principles. The Act gives the Government more control over education than in any other western country (cf. the UK). It suggests a utilitarian view of the world that has been severely criticised for harbouring such a view. It proposes to restructure education in line with business practices. An industrial sociologist (Weir, 1986) writing in the Times Higher Educational Supplement draws the conclusion that Universities in the United Kingdom were to be restructured in line with 'new right' business management practices that had already been shown to have failed by 1976 when the changes were made. Weir's claim is that British industry was failing badly by world standards and could have been modelled instead on the more successful British University collegial managerial processes. In New Zealand, the credibility of Theory K, (Inkson et al., 1986) has collapsed in its own argument with the demise of a large portion of companies that were used as examples of efficient management in the traditional management control paradigm. Yet the Educational Amendment Act introduces executive managerial control and divorces democratic notions of education from its daily management. Under the Act, the Minister of Education has the power to appoint a commissioner in cases where charters are deemed to be working inappropriately. Such control diminishes the democratic process as well as the accountability traditionally exercised by the international academic community. This latter point will be important if New Zealand qualifications are to be recognised internationally.

Bates (1986) discusses these issues of economics, rationality, legitimacy and motivation in society which he calls the 'Cumulative Crisis of The State'. Essentially Bates (1986) is arguing that if the economy does not have enough resources to support the values of the educational institution then rationality is missing in the political support of education. Accordingly, the legitimacy of the institution must also be questionable and the motivation of the staff towards the institution's goals will there£ ore wane. Secretiveness in decision making is therefore seen to be a means whereby management of education can retain control (ie to be seen to be rational and legitimate) within the confines of an ideology that promotes the reduced consumption of resources in a drive towards efficiency. The liberal market approach to education through application of the principles of Learning For Life (1989) promotes an essentially technico-rational management orientation which views education as a product to be marketed. Such an approach implies an unproblematic ideology with the further assumption of non-contestable managerial control. The need for consultation is acknowledged in Learning For Life but it is a superficial gloss because subsequent legislation has concentrated power in the hands of the Chief Executive Officer (CEO). In the past, management in education has, in many cases, used consultative mechanisms to 'cool people out'. Consultation in this manner has a poor reputation and the liberal marketeering approach promoted through Learning for Life has capitalised on this problem by asking for more executive decision-making. The implication is that traditional leadership in educational institutions were 'limp' autocracies. The liberal market approach has captured an apparently more appealing image in line with current perceptions concerning the efficiency of private enterprise.

According to Learning for Life institutional charters were originally intended to be the repository of the democratic process. However, charters have remained unsigned by some institutions, including secondary schools. Charters are perceived by some institutions as too one-sided to constitute the legal contract that was originally envisaged in the reforms. Further, charters

are now reviewed on a five yearly cycle instead of a three yearly one as originally intended and, therefore, have ceased to be an effective instrument for institutional evaluation. Performance indicators are now the principle technical means of institutional evaluation. These indicators are chosen by management and delegation of responsibility for their development in an executive management paradigm is one-sided and non-collaborative. Forms of consultation take place in practice but are usually directed through in-house seminars and workshops towards helping staff accept decisions within the parameters already framed by management. Management, especially CEOs, have much more power than previously without participative democratic checks and balances. Since the charters do not function as democratic instruments, the legislated structures used by management are determining in the last instance. But as Bates (1986) has pointed out, the documented inequitable outcomes of education will be reinforced by executive managerial control and actually contribute to the current crises.

Although the previous management arrangements in education (ie prior to *Learning for Life)* did not address the issues of equity and productivity very well (in fact this was the very argument used to legitimate change), managers were at least able to exercise a large amount of discretion within the given parameters of consensus-type cultures which allowed for some accommodation of value differences. This is not the case envisaged for the current conflict-based structural arrangements as mandated by the *State Sector Act* (1988), the *Labour Relations Act* (1987) and the *Employment Contracts Act* (1991).

Openness is a value that supports a consensus culture and collaborative management style. It is interesting to note our use of Davis' ideas which are from established legal sources at a time when the *State Sector Act* (1988), the *Labour Relations Act* (1987) and the *Employments Contracts Act* (1991) put New Zealand's social institutions on a conflict base in their management - employee relations. In contrast to previous assumptions of consensus cultures and collegial styles, disputes of interest, disputes of rights and contracts are now common language and many case studies in the decision making course have been centred around issues of personal grievance procedures. One case study in the last category showed costs approaching $50,000 and the case is still unresolved. If we add to this the costs in time and stress at a personal level there appears to be a good case for opening decision-making to a more rational process.

Secretiveness and accountability

The observations of the writers are that secretiveness in decision-making in polytechnics is endemic and has a variety of unwelcome consequences. During the courses the writers became aware that the participants were reluctant to allow the use of their case studies for research purposes. Many participants numbered all their copies and collected them at the completion of their case study seminar. Their reasons were various but the underlying theme was stated as fear of censure or retribution from their supervisors. Many participants were unable to ask their superiors for the necessary documentation to develop their case studies because they did not want to provoke a negative reaction from management. Some said they did not want to upset, their future job chances. Other participants surreptitiously retrieved at least some of the documentation to develop the case studies and a few gained all of it in this manner. Institutional management with a bias towards secretiveness in its decision-making and consequent distorted communications could be claimed to be indoctrinatory rather than educational. The reactions of the course participants indicate the decline of collaborative management in the various polytechnics and a large degree of mistrust and suspicion.

Secretive decision-making limits the notion of accountability to an executive managerial focus which is to be distinguished from other models of accountability in that control rests solely or finally with management. The crucial question is to what extent will democratic values of participation, responsiveness and partnership fall siege to a management ethos which perceives accountability in terms of technocratic control (Peters, 1990: 50).

There is a further difficulty centred around an institution managing with a secretiveness orientation but which professes openness in its rhetoric. If modelling is a well accepted teaching technique then the message will not be lost on stakeholders: there may be problems with credibility in subsequent evaluations by stakeholders as actions rather than words prevail in their evaluations. In Bates (1986) terms, there is a crisis of legitimacy.

The Educational Decision Making course showed that many of the problems might have been minimised in their early stages if the management processes had been open and the component parts of the model of discretionary justice were used to inform the discussion. In some case studies senior management used the situations to define the limits of their authority after the fashion that case law precedents in the justice system are used to inform a current contest. Staff felt manipulated. Some cases showed clear evidence of management using situations to control the behaviour of their staff through manipulation. Often the difficulties were magnified because staff were unaware of their rights. In these latter cases grievance procedures under the *Labour Relations Act* (1987) were initiated with all the inefficiencies and costs that involved. In a system that is genuinely interested in accountability as a moral obligation this state of affairs will be unacceptable. Accountability in these cases extends to the quality of life in the institution as much as it does to cost efficiency.

The Official Information Act (1982) would allow much of the case study materials to be released for public scrutiny so one must ask why their superiors did not allow the dissemination of the information in the first place. Some participants found that neither themselves nor their managers had kept adequate records to complete their case studies. A few were meticulous in this regard. Some examples of issues dealt with in the case studies so far are:

- Staffing deals done behind closed doors with only some of the interested parties present;
- Managers who became the meat in the sandwich between the Regional Access Committees through confused lines of authority between polytechnics and the community training providers;
- Giving temporary tutors false information about the reasons for their non re employment;
- Job descriptions written without the involvement of the incumbent;
- After numerous meetings over two years the initiative to appoint a staff member to monitor equal employment opportunities was shelved.

One particular case ·resulted in a course participant stating that 'at no time during the process did the Head of School consult us or clarify the composition of the new management team in spite of being asked'. Complaints against this latter procedure by the manager in the polytechnic concerned were then reduced to personality issues by management which resulted in a personal grievance case. Davis' (1969) discussion, from which the course was derived, suggests that not enough rules were in place for dealing with these management changes. The educational decision making course takes the view that more rules are not necessarily needed but that the model of collaborative· management outlined by this article suggests a means of proceeding in dealing with the issues.

A further dimension addressed in the case studies presented on the course was the costs of decisions that had been made in relative secrecy and without consultation of interested parties. The costs relate to conflicts arising out of the consequences of - decisions made with a bias towards secrecy. Costs noted include: diminution in staff motivation; inefficiencies due to tensions in personal relationships; finance from a finite budget redirected to personal grievance cases; resignations and subsequent retraining of new staff; over-zealous memo and report writing; and increased staff absenteeism. These costs detract from financing the central function of polytechnics - teaching and learning.

The participants' evaluations

Of significance in the course participants' evaluation was their heightened perception of the need for proper documentation. Other points in their evaluation of the use of the model were that it:

- Provides a systematic application of some common sense approaches;
- Was good dealing with real live cases;
- Provides a framework for testing the justification of decisions;
- Reinforced and extended my knowledge;
- Is a useful tool for management; and
- Challenges the morality of the way issues are generally handled in our department.

Specific management practices for New Zealand polytechnics

How then should we approach decision making in management in New Zealand polytechnics?

> In the tertiary sector in the new environment it is essential that we learn to manage reforms effectively and efficiently so that the technical approach does not dominate at the expense of human interests. To do this tertiary institutions and especially polytechnics, should begin to develop their own conceptualizations and research base rather than being largely reactive on an ad hoe basis (Peters, 1990: Foreword).

In order to conceptualise the issues inherent in an educative enterprise, managers will need to reflect on their philosophy; management is 'philosophy in action'. But to ground the reflection it must take place within an articulated context - an approach to theory that embraces the wider forces in society that define the educational context and hence its outcomes. Philosophy involves a set of beliefs about how the world is structured and managers, whether they know it or not, put those beliefs into action in all their daily practices. Humanist liberal ideology is concerned with some concepts basic to our society; individualism, rationality, equality and privacy. These concepts could, equally underpin the traditional management control paradigm. Therefore we need to examine the liberal approach briefly for inherent assumptions and dilemmas. One example is the competitiveness inherent in the current reforms that are leading to a privatisation of education which in turn leads to the treatment of knowledge as a commodity. When knowledge is commodified it is produced and parcelled for consumption and profit rather than necessarily for adding to the shared social wealth. Evidence that this process was happening under Government policies prior to *Learning For Life* can be seen in Lauder et al. (1985). It follows that if possession of knowledge is needed for entry into high status occupations, then the more wealthy a person is the more of this commodified knowledge he or she can purchase. Access to economic wealth then is reinforced by access to education. Social relations can therefore be seen to be located within economic relations which favours some groups over others.

There are the fundamental contradictions inherent in a liberal approach to any social institution. As with a humanist-liberal ideology, a liberal market approach to education merely serves to perpetuate the dilemmas rather than to resolve them. The problem for polytechnics is that they are charged with implementing equity in their structures, procedures and outcomes. Management has to face this difficulty and it is proposed here that collaborative decision-making management practices go some way to addressing what are essentially much larger questions than can be properly addressed under currently favoured approaches. A greater range of interests are represented and admitted to the decision-making process through collaboration than through executive decision-making styles.

What specific management practices derive from this discussion? Although guidelines for charters and corporate plans specify that consultation for programme responsiveness must take place, the empowerment of an institution and its effectiveness in terms of this requirement will be dependent on the interpretation in practice of Government policy by management. Collaborative

management is only one way to proceed and, given the case study data, the most unlikely to be adopted. Institutional self evaluation can increase standards and improve morale. An annual review and audit of management by a democratically elected committee is a useful starting point. The committee could standardise the reporting format which could include written as well as oral submissions. To enhance Government requests for responsiveness and accountability of social institutions, a selection of stakeholders could be involved. The subsequent report should be written in language that is easily readable and the report should be widely debated. This notion is supported by the *Review of Efficiency and Effectiveness in Higher Education* when they state:

> By making institutions and their staff the agents of reform, standards can be increased and morale improved. The committee is convinced that this approach is more conducive to high levels of efficiency and effectiveness then greater outside direction of influence through increased bureaucratic control or the free rein of market forces. (Report of the Committee of Inquiry, Commonwealth Tertiary Education Commission, 1986: 1, cited in Peters, 1990: 17).

There is a plurality of interests involved in the notion of effectiveness. 'Effectiveness seems to involve all the effects whether intended or not and needs inputs from a variety of sources. Once one admits the relevance of different groups, one must allow for the emergence of competing interests' (Peters, 1990: 21). Therefore the notion of power-sharing is a useful approach to implementing openness in management. The ideal of a participative democracy is central to a collaborative style of management. An educative enterprise such as a polytechnic has multiple goals based on multiple value positions; even the notion of education itself inherently involves a plurality of interests.

Undistorted communication (essential for educational encounters) entails a pervasive democratic interaction which acknowledges that all stakeholders have the capacity to take part in the making of decisions. The means by which decisions are processed is as important as the eventual outcome. Groups as well as individuals who have an interest in the polytechnic as a public institution rather than personal fiefdoms of management should have a hand in deciding the nature of the issues, how and who shall be chosen for decision-making committees and what the decision-making procedures ought to be. There should be time given over to exploring the issues without pressure initially to make decisions. The implication is that 'accountability is strengthened by giving greater power and responsibility to all parties affected by the decision' (Peters & Marshall, 1988 a, b, c; Peters, 1990: 41).

One persuasive argument is concerned with costs. The costs of making decisions without the collaboration of the stakeholders would need to be balanced against the costs incurred in setting up rational consultation procedures that promote responsive decision making.

Conclusion

A pragmatic approach to increasing effectiveness begins with the identification of the interested parties and not necessarily with management goals (Peters, 1990: 22). This is what the course on Educational Decision Making teaches the participants. It is derived from Davis' (1969) discussion of Administrative Discretionary Justice in the legal arena and has had extensive use in the senior public service in New Zealand (Marshall et al., 1986). The course on Educational Decision Making promotes the notion of collaborative management and consequently a more equitable process for the resolution of educational management issues in New Zealand polytechnics.

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