OPEN UNIVERSITY

THE UNITED KINGDOM

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1. CONTEXTS

1.1. Quality Assurance in the United Kingdom

Major changes were made to the UK higher education system in 1992. The previous binary division between the universities and the polytechnics and other colleges was ended and a unitary system of higher education established for the first time. This saw the creation of 35 new universities (previously polytechnics) and a unitary system of state funding through higher education funding councils for the constituent nations of England, Scotland and Wales. The funding councils were given a statutory responsibility for assuring the quality of educational provision funded by the councils. This was discharged through a system of external quality assessment by peer review.

Such a system was entirely new to the established universities although the former polytechnics had experienced similar processes over many years. Quality assessment focused on subjects and aimed to link quality of provision to funding, to improve quality, and to provide public information on quality to users (students and employers). Quality assessment reports were published and contained a graded summative result, initially on a three point scale of excellent, satisfactory and unsatisfactory and subsequently on a graded profile of six "aspects of provision". The assessment process required a self-assessment produced within the institution and a three-day assessment visit by a team of "peers" from other higher education institutions selected by the funding council. Much of the assessment visit was spent in observing classroom teaching plus discussions with staff and students and reviewing course documentation.

The original assessment methodology was developed from the experience of the old schools inspectorate which had operated a similar system in the polytechnics on behalf of the polytechnics' funding council and many of the inspectors had been employed by the new higher education funding councils to develop and run the new system.

The funding councils' quality assessment of subjects was not the only form of external assessment to which higher education institutions were subject. The funding councils also operated a system of research assessment. This had been introduced for the old universities in the eighties. Although its methodology changed somewhat over the years, it also was based on peer review although site visits were not involved. The most significant feature of research assessment was the strong link to funding. Considerable institutional resources depended on the outcomes of research assessment.

A third form of external assessment of quality was provided by the quality audit process carried out by the Higher Education Quality Council (HEQC). The Council was a creation of the institutions themselves and was "owned" by them through the Committee of Vice-Chancellors and Principals (CVCP). The HEQC was also created in 1992 out of existing separate organisations operating in the previous university and polytechnic sectors. Its audit procedure was adopted from the Academic Audit Unit of the CVCP, introduced in the "old" universities in 1990. The audit process also used peer review, in this case focused on the institutional level. Audit assumed and emphasised the autonomy and responsibility of individual institutions. It was the institutions that were responsible for quality. The function of audit was to test out whether institutions had their own internal quality systems and to ascertain whether they were working properly. Although the emphasis was on helping institutions to discharge their own responsibilities (and the HEQC had no powers over the institutions), HEQC audit reports were published and, on occasion, could attract a certain amount of publicity.

In summary, institutions faced assessment of quality of three kinds: *i)* of teaching, *ii)* of research, *iii)* of institutional management of quality. The first two of these were undertaken by the funding councils, the third by the HEQC.

This tripartite system of external assessment was initially unpopular, especially among the old universities which prided themselves on their autonomy and felt that it was being threatened by what were regarded as over-intrusive assessment systems. The arrangements were continuously under debate and major changes foreshadowed by the creation in 1997 of a new Quality Assurance Agency which took over responsibility for the assessments of teaching from the funding councils and of institutions from the HEQC. However, responsibility for the assessment of research remains with the funding councils.

1.2. The institutional context

The Open University is the UK's largest university and arguably its most distinctive. It has over 200 000 students who study by what the University describes as "supported open learning". Perhaps more commonly described as distance education, the University's teaching methods enable students all over the UK (and elsewhere in the world) to study for degrees in a wide range of fields. Courses are presented through specially designed printed materials, audio and video cassettes, software, and face to face tutorial support in study centres. Tutoring via the Internet is also being introduced on some courses. As well as its distinctiveness in terms of teaching methods, the Open University is distinctive in its admissions policies. Previous educational qualifications are not required for undergraduate courses. Its students are mature. They study part-time; many of them are in full-time employment. The University's courses are multi-disciplinary with only limited opportunities for the strong subject specialisation characteristic of traditional degree courses in the UK.

The University was created at the end of the sixties and, unlike other higher education institutions, received its state funding directly from the ministry. It thus sat administratively outside the old binary division, its distinctive character as an institution complemented by separate arrangements for its funding and accountability. In 1992, as part of the wider changes being made in higher education, the Open University was for the first time brought within the mainstream system. Its funding source shifted from the ministry to the new Higher Education Funding Council and it became subject to the same arrangements for external quality assurance as were being introduced for other universities.

The Open University operates from a central base plus thirteen regional centres throughout the UK, a centre in Ireland and a continental European centre. All activities related to course planning and writing, production of course materials and administrative arrangements such as the co-ordination of examinations and collection of student fees are based at the central campus. The regional centres provide services related to the delivery of courses -- selection and training of tutors (also referred to as "associate lecturers"), tutorial and all other support services to students. Academic staff in regions (known as "staff tutors" and "regional managers") are also involved in course development and presentation.

2. QUALITY ASSURANCE WITHIN THE OPEN UNIVERSITY

2.1. A quality culture

The innovative nature of the Open University meant that, from the start, it had to give a lot of attention to the quality of the education it provided if it was to achieve comparable recognition to other universities. The public nature of its education as well as its published course materials available to the general public in virtually all bookshops, its film and audio material is broadcast on BBC television and radio -- meant that its "quality" was subject to wide public scrutiny in ways and to an extent unknown in conventional universities.

The approach to quality in the Open University vested importance in two things: people and systems. The innovative nature and ideology of the University attracted academic staff who were committed to teaching as much as to research. The collaborative nature of course development meant that teaching intentions and materials were subjected to critique from many quarters from within the University as well as being formally evaluated as part of the course development process by academics from other universities. Quality assurance focused on the course teams. Their work received external scrutiny and critique both during and after course production. Academic reputations were thus affected by teaching ability much more than in the private worlds of teaching in conventional universities. The Open University teaching methods attracted and rewarded talented and committed teachers.

Quality assurance through "good people" was complemented by extensive quality systems. These were necessary in order to deal effectively with large numbers of students all of whom were "remote" from the University's centre. They included monitoring systems of the large army of part-time tutors who provided face-to-face tuition and undertook most of the continuous assessment. Regular student feedback was collected by surveys. Student assessment data was analysed. Procedures existed for almost everything although, in common with universities everywhere, were not always followed to the letter. An extensive committee system developed in order to oversee the operation of all the procedures and systems.

In addition to the special quality assurance arrangements within the University, the Open University also operated the quality systems common to the rest of UK higher education. Principal amongst these was the external examiner system whereby experienced academics from other universities would be involved in the assessment of students, including providing written reports to the University on the comparability of its standards with those of other universities. In addition, where appropriate, Open University courses were subject to the same professional body accreditation procedures as existed for university courses elsewhere.

Open University staff were proud of the University's distinctive achievements and quality.

2.2. External quality assurance

The University became subject to the previously described external quality assurance arrangements from 1992. In that year the institution was audited by the HEQC's predecessor, the Academic Audit Unit, and, from the following year, regular subject assessments were undertaken by the funding council.

The audit was critical of the University's procedures for quality management. Its main criticisms related to *i)* a lack of clarity about the location of responsibility for action on quality matters, *ii)* communications across the University, *iii)* monitoring and responding to the results of monitoring, *iv)* the management structure. The Audit Report contained a long list of recommendations, some of which were concerned with structures and procedures that lay at the heart of the University's quality culture, *e.g.* the relative autonomy of course teams and the division of responsibilities between the University's central academic units and the regional structure for course presentation. The audit process at that time contained no mechanisms for follow-up.

Consideration of the Audit Report and its recommendations within the University coincided with the arrival of subject based quality assessments and the public gradings of quality that they produced. The University was disappointed and concerned by the initial results. It failed to achieve the highest grade of "excellent" in any of the first three subjects that were assessed. There was considerable criticism of the assessment methodology within the University. It was felt that assessors failed to understand and were not in sympathy with the unique features of the University. The subject categorisation used by the funding council was thought to be inappropriate to the University's multi-disciplinary curriculum. Assessors were not realising how students experienced the separate elements of course materials, media and tutorial support as an integrated whole. Doubts were expressed about whether academics from conventional universities would be able to gain an adequate understanding of the Open University within the space of a single short visit.

These early concerns were allayed by subsequent events. The University was "successful" in the quality assessment process after the initial assessments. Better presentation and preparation for the assessment process appear to have been the main reasons. Criticism of the process largely disappeared with the greater success in it. Subject groups have been pleased by their good results and the University has used them in its promotional and public relations activities.

3. THE IMPACT OF QUALITY ASSURANCE

3.1. University policies and procedures

3.1.1. *Structural changes*

An early organisational change introduced as a result of the new external quality systems, and in particular reflecting the criticisms contained in the Audit Report, was the establishment of a new university committee -- the Quality Assurance Panel (QAP) -- to provide a greater central focus for quality assurance at university level. The Panel had a general responsibility "to ensure that quality is maintained in Open University programmes and courses" which was to be exercised by "advising appropriate bodies", "overseeing the preparation for and institutional organisation of assessment and audit visits" "monitoring the effective operation of the University's policies and procedures for Quality Assurance and to advise relevant areas on action to be taken" plus the consideration of staff

development and dissemination of "best practice" with respect to quality issues. The Committee was to be chaired by the Vice-Chancellor and its membership comprised senior academic officers of the University.

As the terms of reference of the Panel summarised above suggest, the Panel was essentially advisory to other decision-making bodies of the University. It did not in practice take over responsibilities previously exercised elsewhere. It fitted into the University's committee structure without disturbing it.

A second early organisational change was the creation of a Pro-Vice-Chancellor post for Quality Assurance and Research. The University has five pro-vice-chancellor posts intended to provide academic leadership in different functional areas of the University's work. Prior to the 1992 audit, "quality" had not been a specified responsibility of any of these posts. The assignment of this responsibility was accompanied by the appointment of a senior administrator who worked with the Pro-Vice-Chancellor on quality matters. Early priorities among the new central quality team appear to have been to improve the University's performance in external quality assessment and to raise the profile of quality assurance issues across the University.

3.1.2. *Activities generated from the centre*

The University has a complex organisational structure and, from the outset, the aim of the central quality team was to produce central quality guidelines which allowed flexibility in practices and procedures in different academic and administrative units to suit different cultural and local needs. This has resulted in better communication between units and in the dissemination of good practices which has been achieved in many different ways.

Staff from the central quality team participated in events on quality related issues organised by individual units and a programme of *seminars to raise awareness* of quality issues, in particular on external quality assurance requirements, was organised for the University's thirteen regional centres.

The University established, in 1996, the *Regional Quality Enhancement Group* to ensure that the quality assurance responsibilities of academic units and regional centres were well-defined and were being discharged in an effective way.

The quality team also prepared *A Guide to Quality Assurance*. The guide sets out the structural and procedural arrangements to support quality assurance through the University. It details the formal processes that need to be followed through all stages from the development of course materials and related activities to their delivery to students and customers. The guide has been issued to all academic and administrative units, including the regions, of the University. The quality team will regularly revise and up-date the guide.

In addition, the quality team produces, on a quarterly basis, an in-house newsletter -- *Quality Matters*. The newsletter reports on issues relating to external developments of quality and policy issues in higher education as well as internal quality related activities.

The Quality Assurance Panel has responsibility for all activities in relation to external quality assurance processes, from the preparation of documentation (in collaboration with relevant units) to the follow-up of recommendations. This is achieved through regular reports to meetings of the Quality Assurance Panel and the continuous maintenance of a *Quality Issues Log* which tracks the

progress on action on recommendations. The log records the source of each recommendation, the nature of the issues raised, the person/unit with overall responsibility for ensuring that the issues are addressed and progress being made. A regular up-date of the log is considered at each meeting of the Panel.

In 1995 the Pro Vice Chancellor for Quality Assurance and Research established the *Quality Assurance Fund* to support small projects which would lead to the enhancement of quality and the dissemination of good practice. In consultation with the Quality Assurance Panel, the Pro Vice Chancellor has overall responsibility for the allocation and management of the fund. Over the last two years the fund has supported over fifty projects which range from small conferences, to the development of questionnaires, to support for the appointment of short-term staff. The projects have addressed issues such as student and tutor feedback schemes, induction and staff development, management of quality, equal opportunities and access, innovative approaches to the production of course materials and delivery of courses.

In 1995 a working group was set up by the Pro Vice Chancellor for Quality Assurance and Research to develop a University-wide framework for *internal review* to complement external processes. The framework was piloted in 1996 in three regions, three academic units and a central administrative unit. It has been difficult to arrive at a common framework to suit the different aspects of the University's structure and progress has been slow. However, a common process for the review of the student learning experience from the regional centres' point of view has been agreed and will be implemented in 1998/99.

A University-wide *Monitoring and Feedback Steering Group* was established to co-ordinate the collection of data and to develop a strategic approach to policy in this area. The group is chaired by the Pro Vice Chancellor for Quality Assurance and Research.

The Institute of Educational Technology of the University is responsible for the monitoring and feedback of the University's courses. It regularly undertakes student feedback surveys and all new courses are reviewed at the end of the first presentation.

3.2. Impact on basic units of the University

Basic units are used here in the Becher and Kogan[1] sense of the organisational units of a university responsible for its core activities. These are usually academic departments, research centres and the like, but to these should be added in the case of the Open University the thirteen regions of the University which have responsibility for the tutorial and other support services to students. The following sections summarise the initial responses of five basic units -- three regions and two subjects, and provide a more detailed case study of one faculty -- the University's Business School.

The interviews on which section 3.2 is based were mainly carried out in the summer of 1996, *i.e.* four years after the external audit of the University and after several subject quality assessments had been completed. A total of 20 staff were interviewed including six heads of unit.

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1.   Becher T. and Kogan, M. (1992), *Process and Structure in Higher Education*, Heinemann Educational Books.

Some general observations can be made at the outset. The first of these is the "remoteness" of the basic units from the concerns of the University's centre and the national quality agenda. But, secondly, it is equally clear that the basic units had their own quality agendas which related to their day-to-day concerns of working with students. Thirdly, in the case of the Business School and one of the regions, there were external quality assurance issues deriving from specific client groups important to those units. Thus, the views of the basic units indicate a wider range and multiple sources of quality issues for the University than those deriving from the national quality assurance system alone.

It is also worth remembering that staff working in basic units of a university may sometimes be unaware of the sources of the policies and actions which affect their working lives. Thus, a staff member may be aware of a development project being undertaken in his/her unit. S/he may also be aware that its funding was obtained from the University's Quality Assurance Panel. However, tracing causality further back to the actions of a particular pro vice chancellor in setting up the Fund, how his post came to be established and the role of the external audit might be beyond the interests of the average staff member. That said, the staff interviewed for this project were either heads of unit or had been selected by heads of unit as people who were particularly interested or involved in quality issues. Therefore, it might be expected that they would be more aware of quality issues than the average staff member.

3.2.1. *Experiences of the Regions*

Not all regions are the same. Regional environments differ as do the personalities and priorities of the senior staff working in the regions. There is an inevitable tension between responding to the particular circumstances faced by the region and following the university-wide policies emanating from the centre. If the regions differ between themselves, they also share a common perspective on the university -- a closer day-to-day contact with students and with the part-time staff who provide tutorial support –- which sets them apart to some extent from staff working at the centre. However, it must also be recognised that there are all sorts of contacts between the regions and the centre and some staff have duties at both.

In a majority of the interviews, regional staff spoke of an element of remoteness from the centre. At one regional centre, the staff regarded the University's centre to be "too meeting-driven", "too many ginger groups", "too many initiatives". At another region, staff emphasised that academic autonomy made it very difficult for the University to implement institution-wide strategies and procedures. Staff had their own priorities and these were different from those of "management". External advice from quality bodies confronted the problem of "not invented here". Staff responded with scepticism -- "too long", "nothing new" etc. One regional director went further and claimed that the regions had been "blamed" for faults levelled at the University by external assessors. He, and others, felt that lack of clarity about reporting lines and communications lay at the heart of problems in the relations between the regions and the centre.

However, quality issues were live at all three of the regional centres. There was concern about impossible workloads for some staff. Consequently, there had to be a lot of discretion in how staff actually did their jobs. This made the implementation of standard policies from the centre quite difficult to achieve. Hard-pressed staff sought immediate solutions to local problems.

Most staff believed that a culture of quality existed in the University. It was seen as being "a way of life". Staff knew when things went wrong. Quality assurance happened in intangible ways. There

were not always systematic procedures in place. Some staff saw this as a weakness, others as a strength. Staff mentioned several quality issues which had been identified and tackled in their own regions: these included monitoring of tutorials, procedures for the appointment and induction of part-time tutorial staff, study centres and -- central to everything -- appraisal of the student experience. Some of these issues had been identified by external assessors, others had not. One group of staff expressed the view that external assessment rarely revealed anything new but could strengthen the case for action on known problems.

In all three regions, there were external influences on quality assurance. Of these influences, the work of external national quality agencies was seen to be of relatively minor importance. Thus, employment legislation, the development of a Student Charter, inspection of teacher training courses and the University's attempt to secure status (IiP - a generic national quality award applicable to all organisations) were all mentioned in one region. In another, the audit by a local Training and Enterprise Council (TEC) had been important because of its link to funding by the Council. These sorts of external factors seemed to have more immediacy for staff in the regions than either the national quality assurance processes or the policies and initiatives of the University centre.

3.2.2. *Experiences of two subject areas*

External assessment of quality in UK higher education focuses on the subject level. We interviewed staff who had been involved in the assessments of two subject areas, one of which had gone very well (an "excellent" grading had been achieved) and one which had been disappointing, receiving several criticisms and a grading of "satisfactory".

The staff who had been associated with the "excellent" assessment were positive about the whole experience. They had prepared for it well -- finding the self-assessment a useful experience -- and had no criticisms of the assessment process or its outcomes. The subject leader had acted as an assessor at other institutions and so had "inside" knowledge of the assessment arrangements. He was positive about subject assessment and believed that the University had benefited from the assessment of his own subject.

The other subject assessment -- one of the University's first experiences of external quality assessment -- was a less happy experience. The department had been judged to be satisfactory but several criticisms had been levelled at the style and nature of the courses and, in particular, the lack of computing. These criticisms had confirmed views already held within the Faculty. The Department had been left to address the criticisms itself with little oversight from the Faculty.

However, the Dean described how the Faculty had taken a number of general initiatives on quality assurance, including the establishment of a Faculty Quality Group. There was also a Faculty Presentation Group and meetings and workshops were being held to raise awareness. The Faculty had been the first to agree to undertake an internal review. Staff appraisal was seen to be important and improvements were being made to communications within the Faculty.

The Faculty was attempting to address the issue of clarification of responsibilities. New tight monitoring arrangements were being introduced, replacing a previously haphazard situation. However, at the University level, there remained problems of clarification of responsibilities of committees, links between course approval, presentation and resources. The University was perceived as providing no real pressure or academic scrutiny of faculties. Within the Faculty, initiatives were usually accepted and implemented but those coming from the University centre were

resisted. The centre was viewed as unrealistic and out of touch. Initiative fatigue had produced resistance. Investors in People had been regarded with suspicion, scepticism and "dismay".

Within the Faculty it was the students who were the "be all and end all". It was the students who motivated the staff, not central policies and directives.

3.3. Impact overall

The Open University is a large and complex organisation. In common with other universities, basic units possess considerable autonomy. The twin external quality processes of subject-based assessment and institutional-level audit impact upon the work of staff in direct and indirect ways. The most direct impacts are upon subjects which experience quality assessment. A lot of preparation is involved, some anxiety, and there is potential for change arising both from the self-assessment process and the experience and outcome of the assessment visit. That said, the two cases of quality assessment referred to briefly above do not appear to have given rise directly to significant changes.

Indirect impact comes from the variety of policy and procedural changes made from the administrative centre of the University. Some of these were described in 3.1 above. Many of these initiatives were taken, at least in part, because of developments in the external context for quality assurance. However, at the time of the interviews described in 3.2, indirect impact through University policies and procedures was perceived to be weak by most of the people we spoke to. There are several possible reasons for this. The first is that the people we interviewed were simply wrong: they had failed to recognise the source and significance of changes which have been introduced from the centre. This is not totally implausible. Staff in a University's basic units have their own concerns and agendas. Policy initiatives from the centre might seem to be remote and unconnected with the real experiences of students and staff. Does impact necessarily involve awareness by those affected? A second possible reason is that change takes time in universities. Policies and procedures may change but the organisational culture which shapes everyday behaviour changes much more slowly. The various policy initiatives from the centre had taken place only within the previous two years. External assessment and audit had themselves been introduced only recently. Thus, a further reason why impact seemed to be rather limited may be because of the time that cultural change takes, especially in a large complex organisation with a strong tradition of autonomy at the level of basic units.

There is a third reason why impact might have been perceived as weak. One of the regional staff groups articulated it when they expressed doubts about the extent to which the work of committees and adherence to procedures could actually produce quality. From this perspective, external quality requirements and the responses to them taken by the University centre were primarily about accountability. These were management issues, vital to managers and administrators who were responsible for managing the University's relationship with state agencies and the external environment, but not of immediate interest to academic staff, interested in their students and the improvement of quality. It is of course a controversial issue whether quality procedures developed for purposes of accountability -- *i.e.* to *demonstrate* to external bodies that quality is achieved -- can at the same time contribute to the creation and improvement of quality. It is an article of faith amongst the quality movement that they can. Some academics express scepticism.

3.4. Introduction to the Case Study

The next section presents a more thorough account of one large academic unit of the University, the Open University Business School. A number of characteristics of the School make it interesting but perhaps atypical of the rest of the University. One of the most important characteristics is the strong awareness in the School of its market position and competitive environment. Thus, quality pressures arising from accountability and improvement agendas are joined by pressures arising from market competition. It is of course the case that the rest of the University is also in a competitive situation. But it is accentuated in the case of the Business School, partly because of its self-financing status and partly because the academic values of the staff of a Business School are more likely to embrace ideas of competition and markets.

4. CASE STUDY: THE OPEN UNIVERSITY BUSINESS SCHOOL[2]

4.1. Introduction

4.1.1. Aims of the report

The aim of this case study report is to provide insights into the impact of quality assessment, from the experiences of the Open University Business School.

As such the focus has been on a range of quality assessment initiatives and systems primarily initiated and administered from outside the School, but which extend beyond the compulsory assessments such as teaching quality assessment of the funding council and the quality audit of the HEQC. This reflects the School's position as a self-financing unit within a highly competitive educational market where external evidence of quality assurance and improvement are essential to survival and growth. Therefore, although the lessons from this case may be atypical, they may nonetheless provide valuable insights about how quality assessment may move from being an externally-imposed threat to becoming integrated with routine management and decision-making, without compromising the institution's primary aim of delivering supported open teaching for managers.

The report has been compiled primarily from documentary evidence, much of which relates to meetings and other activities in which the author was a participant and may therefore be regarded as primary data. Secondary material such as formal reports and promotional publications were also drawn upon. The compilation has involved considerable selection from a large volume of material, and in order to reduce the risk of author bias, comments have been obtained from colleagues about the interpretation of events described here.

4.1.2. The Open University Business School

The Open University Business School (OUBS) was founded in 1983 and is a faculty of the UK Open University. In common with other faculties it operates through the University's regional centres in the UK and Europe to deliver supported open learning to students throughout the UK and Continental

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2.   This case has been prepared by Jacky Holloway. She has a special interest in organisational performance and quality improvement. She was convenor of the School's TQM Co-ordination Group and has been an active participant in many of the activities described in the report.

Western Europe. In addition the School has a number of discrete operations in Central and Eastern Europe and in other countries. Since its establishment over 125 000 managers have studied the School's courses. The School's Mission Statement is:

> *OUBS is one of the leading UK and international business schools. It is committed to improving the quality of management by building on the Open University's commitment to openness and its excellence in supported, open teaching. OUBS will achieve this by:*
>
> − *delivering high quality management education and development to a wide range of individuals in a range of organisations;*
>
> − *providing excellent student and sponsor support;*
>
> − *advancing management knowledge and teaching through research and scholarship;*
>
> − *valuing all members of the School so that a shared commitment to its work and direction can be achieved.*

(Source: School of Management[3] Plan 1997/8-2001/02)

This Mission Statement is in itself a reflection of the culture and climate of the School, which this report will suggest has affected its experience of, and attitude to, external quality assessment. As a management school the OUBS is beholden to practice much of what it preaches; many of its employees (including academic staff) have had organisational experience in industry or the public sector outside higher education; and its need to operate in a self-sustaining way (*i.e.* without subsidy) in a competitive market has been present since its inception. The corollary of the latter is that students generally pay the full cost of their studies through their fees, and tend to be discriminating and demanding purchasers on many criteria. Therefore there may be a climate which is less innately hostile to – though no less critical of – so-called managerialist influences in higher education. Staff in the School generally accept the importance of sound management as well as high quality teaching and learning as facts of life. A Mission Statement is a normal ingredient of a well-managed business of today, but it also serves to provide a common focus for the disparate roles that staff play in a very busy and geographically-dispersed operation.

As suggested in the Mission Statement, staff in the School also undertake research, the outcomes from which are fed into teaching wherever appropriate. While the assessment of research quality may be largely beyond the scope of the current project, it should perhaps be noted that during 1996 much energy was spent in submitting evidence to the funding council's research assessment exercise (RAE) which the School had not previously participated in. Therefore the nature of that activity, together with the major importance attached to its outcome, may have influenced attitudes to external quality assessment among some staff. The RAE also provided a contrasting model to the funding council teaching quality assessment in 1994, in terms of assessment processes, criteria and performance indicators.

3.　　　The School's "trading" name is Open University Business School but as an academic unit within the University it is referred to as the School of Management. Both terms tend to be used interchangeably in many contexts.

A report to the University following the completion of a project within the School funded by the OU's Quality Assurance Fund concluded with the statement that "Quality is not a dirty word in the OUBS, and the vast majority of staff see continuous improvement as a logical way to work whether they are mainly in contact with internal customers or students, tutors and sponsors". (Holloway, 1996[4]). It is in the spirit of this statement that this case study has been written, and it is hoped its findings may be shared in the same spirit.

4.1.3. *Structure of the report*

In Section 4.2 a few key terms are defined to assist the reader in interpreting that which follows. Section 4.3 describes the OUBS's experience of externally-driven quality assessments since 1992. Not all are standard parts of the higher education system, but some have been vital in marketing terms and each has played a role in quality improvement by providing an external view of the School's processes, outputs and outcomes. In Section 4.4 links are made between these external influences and internal quality assurance processes. The final section draws some conclusions about the extent to which external quality assessment may have directly influenced management and staff behaviour and decision-making, and the importance of organisational structure and culture in fostering a climate of continuous quality improvement.

4.2. Definitions

The main focus of the IMHE project has been on external quality *assessment*, that is assessment by bodies independent of the higher education institutions of various aspects of those institutions' inputs, processes, outputs and/or outcomes. Sometimes attempts are made to define "quality" in a general way; more often and more usefully these assessments set out to seek the ingredients in terms of practices and structures which are conducive to appropriate levels of quality in the particular sphere under examination.

From time to time, the term "quality assurance" is used in the project's literature. In this case study at least, this is given a distinct meaning which by definition has an internal focus. Quality assurance (QA) is taken to mean the development and operation of management systems that ensure the design and delivery of good quality services and products – those which are fit for their intended purpose. The focus is on prevention of mistakes, and QA systems may embrace quality control processes (to detect errors where they have not been prevented) where relevant.

Even where the assessment of a QA system may be undertaken by an external body (for example inspections by certification bodies of QA systems for the purposes of ISO 9000 certification) against externally-defined standards of good practice, the QA system itself is designed and managed from within.

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4.   Holloway, J.A. (1996), "The European and UK Quality Awards – a study of their potential value for quality improvement in the Open University Business School". Quality Assurance Fund project summary final report (unpublished).

4.3. Making a virtue out of necessity: OUBS experience of external quality assessment

The main focus of this section will be on the two "compulsory" external assessments which the School has experienced in common with the rest of the OU and UK higher education sector. The section ends with a brief review of some additional externally-driven assessments which the School volunteered for, and some recent developments whose impact is not yet known.

4.3.1. The Academic Audit Unit Report, 1992

During 1992 the then CVCP's Academic Audit Unit (AAU) undertook a detailed audit of the University's academic provision, through extensive documentation and a four-day visit. In November the final agreed report was discussed by the University's Academic Board and circulated widely to units and regions, who were to comment on its findings and identify actions, for report in March 1993.

In the OUBS the main forum for detailed discussion of the report and its implications for action was the TQM Co-ordination Group, which drafted the School's response to the University for discussion by School Board in March 1993. This group was a working group rather than a formal committee within the School's government structure, but was chaired by the Dean and involved representatives of all main staff groups including a number of senior management staff. It operated in the early 1990s and its members tended to be people with an active interest in quality, who were all prepared to take away actions and involve more staff in their implementation, in the spirit of total quality management.

The group felt strongly that the AAU's recommendations should be addressed within the wider context of quality-related activities within the School. Many developments already under way were consistent with the recommendations. What follows here is a selection of the points which have led to or influenced significant action, debate or longer term change. Context-setting information is necessarily brief, but one can identify at least two contextual factors which may have shaped the Schools response to the AAU report and which may be described as "taking it in its stride" (rather than seeing the report as threatening or diversionary).

First, the School had for some time seen itself as taking a lead in being responsive to external customers – students, their sponsors/employers, and tutors. In turn it saw (and still sees) itself as an internal customer of many University service departments which appeared in some areas to be less than fully committed to responding to the School's needs, thereby contributing directly or indirectly to poor service to external customers. The audit report provided an opportunity for the School to make a number of points about the need for other units to improve their performance in order that the School could undertake its own work more effectively. It also provided a vehicle for comments reminding the University that as the OUBS offered a range of programmes in a growing number of countries, operational systems needed to be able to cope with increasing diversity. Discussion of the report coincided with consideration of the University's "good practice checklist" on Quality Tuition, and in places the School's response to the latter document reflected a similar tone: making sure that its own innovations and standards were mentioned together with its commitment to improvement; and identifying ways in which the wider University ought to be more pro-active in fostering best practice both in course production and presentation.

A second contextual factor to mention here is that the School was in the process in 1992-3 of revising its government and management structures and senior management posts and responsibilities

(following a series of "focus meetings" involving all staff). Improvement of quality of products, services, and staff working lives, was a driver for these changes (together with a need to operate more cost-effectively) so it was not difficult to envisage being able to address the AAU's concerns better in future.

Turning to links between the AAU recommendations and the School's response, the format is to refer to each relevant recommendation followed by the School's response and any longer-term change and/or immediate action. In most cases the recommendations were divided by the University into "clusters" which are identified below.

Cluster 1:   Structural matters

Recommendation concerning a simplification of the University's committee structure: as indicated at the end of this Section, the School was already reviewing the roles, number and structure of its committees. When the new structure was introduced it was accompanied by a commitment to keep its operation under review and subsequently two of the "new" committees (Presentation Board and Academic Board) have been dissolved. The current emphasis is on devolving most aspects of operational decision-making affecting teaching to programme-level committees and working groups. The AAU report may not have had any direct influence on the School's tendency to reinvent its government structure every few years but it did perhaps reinforce the expectation that when the political and market environment is dynamic, internal structures need to be open to change too.

Cluster 2: Faculty/region and production/presentation linkages

Recommendation to review the adequacy of mechanisms to oversee the monitoring of tuition by faculties. This was interpreted broadly by the School, and again it is less a case that the AAU prompted a review of otherwise-neglected activities; rather it added legitimacy to concerns already exercising staff in the School. Areas the response concentrated on, and subsequent actions, were:

   − The need for structured and coherent feedback from students, which can be acted upon. This remains an area of dissatisfaction particularly with regard to resources to administer routine surveys of student opinions about their courses, and to analyse the results. Continuing discussions about whether to undertake such work in-house have not produced a solution and surveys of student views remain largely subcontracted to the Institute of Educational Technology (IET). IET in turn remains limited in capacity to undertake all the surveys the School could commission (and pay for), and to provide results within a reasonable time to allow improvements to be made for students even within a year or two! In this instance the desirability of avoiding potential duplication of a service has overruled the provision of an adequate service at all. To complement routine and larger scale surveys, a simple feedback route for use by students and tutors was developed for one-off queries, complaints and compliments, known as the Quality Issue Card, which continues to provide information about both systematic and unique problems.

   − To ensure that student expectations were appropriate (and therefore perhaps even higher). Considerable effort has been put into improving the information about course content and qualifications, service levels and course choices. This is in any event essential in a competitive market like management education, but the experience of the

School may also have influenced the content of the University's Student Charter as the group which drew it up included an OUBS staff member, and a former staff member who was also an OUBS student.

– To have adequately-resourced staff development so that feedback obtained through monitoring systems can be acted upon. At the time of the AAU report, concern in particular focused on feedback about tutor performance. It was, and remains, difficult to obtain timely feedback about tutors while students are studying a course and their tutor is marking their assignments, so priority has been given to defining and promulgating best practice for all. Resources for staff development for tutorial and counselling staff have increased during the 1990s and their use has been planned rather than ad hoc, including mentoring systems, more systematic monitoring of assignment marking, and the production of a series of staff development packs and handbooks. In section 4.3.3 below improvements to staff development more widely are discussed in the context of the School's pursuit of the Investor in People standard.

Recommendation to encourage the effective transfer of good practice between the centre, faculties and regions, was strongly endorsed. Following on from the previous recommendation, the School proposed potential vehicles such as: a detailed staff handbook covering best practice in course presentation in particular, and better documentation of systems and procedures. This is in part still an outstanding agenda item, as a consolidated source of information has been planned but not put into wide circulation. However, electronic newsletters, working groups, management responsibilities and the introduction of programme managers all focused on identifying and disseminating good practice have been introduced; perhaps "a manual" would have been far less effective! The School did give detailed consideration of applying for ISO 9000 certification, but decided that the practical and organisational cultural problems outweighed any market benefits. Following the School's response to the AAU report, other recommended ways forward have been acted upon: a staff handbook explaining the workings of the School and University was developed and is now issued to all new staff, together with mentoring, as part of a formal induction process; a weekly electronic newsletter by and to all staff has now been running for several years; and key documents are now made available electronically from a central server.

Cluster 3: Integration of academic and resource issues

Recommendation which emphasised improved integration particularly in programme design and approval, was regarded as a highly-desirable change. The School's response at the time was to reiterate an often-stated complaint that any such integration was precluded by the lack of activity-based costing. Since the AAU report, resource allocation within the University has been changing very slowly towards greater devolution to units. However from the School's perspective this has progressed far too slowly, and in terms of management information relating to the real costs of services purchased from internal provider departments has hardly progressed at all. The opportunity to make this basic point posed by consultation on the AAU report does not seem to have borne fruit.

Cluster 4: Use of external contributions

In response to the recommendation for greater use of external contributions to course development and review, the School noted that it already used external contributions in these areas in a number of courses. This has increasingly extended into course presentation. For example, tutors and consultants

are frequently involved in writing course units, many course teams and some exam boards have an associate lecturer among their members, associate lecturers undertake monitoring and script marking, and students and alumni are increasingly drawn on as critical readers and developmental testers. These trends were already starting in 1992, partly on principle and partly because the School's full-time staff resource was not adequate to undertake all these duties internally.

For the recommendation advocating mid-life reviews of courses, it was noted that these could be more rigorous. In effect any systematic introduction of mid-life (or more frequent) reviews of courses has continued to be limited by the constrained capacity of IET mentioned above. However there was and remains strong commitment to undertake such ongoing reviews. The MBA programme introduced an annual audit of courses in 1992 including student and tutor surveys, leading to an annual report, but the same IET bottleneck rendered the survey analysis very late (and prevented it entirely in 1994) in spite of money being available to pay for the staff time.

With regards to the recommendation suggesting a more formalised procedure for acting on the reports of external examiners including more effective central monitoring, it was felt that this could also be more bureaucratic. However, more active use could be made of such reports. As well as bringing these reports into the MBA Audit referred to above, an annual review of examination procedures including external examiners' reports was prepared for an Assessment Working Group until this oversight role was subsumed by the Director of Presentation in 1993. Today, staff involved in examination processes are urged to undertake training and reminded of key procedures, and if it appears that proper practices have not been followed these are discussed with the relevant staff, formally if necessary.

Cluster 5: Staff management

Many aspects of the AAU's recommendations covering areas such as induction and training procedures, reporting lines and promotion procedures had already been addressed by the School (some of which are mentioned above). The School's decision to seek Investor in People status (discussed below) provided another opportunity to check that any relevant gaps were being filled.

Cluster 6: Research students

The recommendation on the development of more effective guidelines for the supervision of research students was strongly endorsed. Before the University introduced its new Code of Practice and increased the training available to students the School had run several training sessions for supervisors, introduced an annual Research Students' Day to bring full and part time students together, and developed a monitoring system to support supervisors and students which is still operating. It is highly likely that all these developments would have taken place without the AAU's recommendation but the latter added weight to their desirability.

In summary then, the AAU's recommendations were largely endorsed by the School. This was not too painful as many of the improvements recommended were already under way and to have an external body suggesting that the rest of the University should be similarly innovative was a benefit to the School. However, four years on it is difficult to identify any significant areas where the University has acted in ways that the School needs, the under-resourcing of survey capacity and inadequate financial and management information systems being particularly problematic. It is difficult to

attribute any changes in decision-making structures or processes to the AAU's recommendations because some significant changes were already under way.

4.3.2. HEFCE Teaching Quality Assessment: Business and Management Studies

In July 1993 the School claimed to provide an excellent education in business and management studies in its submission for teaching quality assessment by the Higher Education Funding Council for England (HEFCE). "The assessors came to the conclusion, based upon the assessment visits and an analysis of the self-assessment, that the quality of business and management studies at the Open University is excellent." (HEFCE 1994[5]).

By the time of the Business and Management Studies assessment, the University had experienced three "first wave" subject assessments and the School was participating with two other subjects in the second round of assessments. There was some sharing of experiences between those involved in these six subject areas, and from the subjective view of a participant in the process of producing the School's submission (the author of this case study) the prospect of this external assessment was viewed with greater alacrity than among colleagues in other faculties. There was concern about the amount of work that would be involved, lack of clarity in the guidelines, and the constraints on the amount of evidence which could be submitted, but fairly rapidly a working group was set up and the report was brought together in a systematic way. Central and regional staff, academics and administrators worked side by side.

The assessment visits took place during the spring of 1994 and included observations of group tutorials and residential school teaching sessions, as well as interviews with students, tutors and sponsoring employers. A wide selection of central and regional full-time staff were interviewed individually or in groups.

One factor contributing to a sense of readiness for assessment (and perception that a positive outcome could have marketing benefits) was that the School's MBA programme had undergone assessment by the Association of MBAs earlier the same year (see 4.3.4 below). In addition, the School has to operate in a market where detailed information about academic and service aspects of its provision is sought frequently and actively by students and sponsors, so explaining its operations to outsiders is nothing new.

The assessors' feedback report was complimentary in many ways. There were three aspects which the assessors recommended consideration of, which are set out next together with information about the action which has followed:

> – *Undertake more vigorously and routinely the updating of those courses which are treating matters subject to rapid contextual changes in business and management practice*. The report mentioned in particular the need to refresh material on human resource management in the Diploma. At the time of the assessment, work was already commencing on the replacement of the original suite of Diploma courses with two new ones; together with a new Certificate. While some of the modular courses offered in 1993-4 have been retained, the majority have now been substantially updated. In

5.   HEFCE (1994), *Quality assessment report: business and management studies.* The Open University School of Management (The Open Business School), Feedback Report, HEFCE, Bristol.

addition since the assessment a new Stage I of the MBA has been presented and the Stage II courses are currently either undergoing major revision, or are due to be replaced within 2-3 years.

− It is almost certain that these changes would have taken place in spite of the assessment; indeed many were under way or included in the School Plan. However by drawing attention to the desirability of updating the Diploma courses, the report reinforced concerns within the School about the desirability of more systematic feedback, enabling changes to be prioritised taking customer views into account. As mentioned above, this has proved difficult to commission on a regular basis and was the subject of a number of discussions within a working group on feedback and surveys.

− *Achieve greater consistency in the quality of face to face tuition, paying particular regard to the tutors' skills in encouraging independent learning and in establishing an appropriate academic level of the course content addressed in tutorials.* Since the assessment, staff development for tutors (associate lecturers) has been addressed in a systematic way from the centre, as well as through improved procedures for recruitment, selection, induction, mentoring and monitoring which are primarily acted upon at regional centre level. Several packs have been developed and issued to all tutorial staff (with priority going to new staff) providing good practice guidance on face to face tutoring (including presentation skills), student support, and residential school tuition. These materials provide a resource tailored to the particular needs of management tutorial staff, as they are not always the same as those of associate lecturers in the undergraduate programme. They include self-assessment exercises and should an associate lecturer be interested in building up a portfolio of evidence relating to their teaching experience (for example as an NVQ Assessor/verifier) the materials could be used to structure the evidence for some elements.

Although such materials have been made available for tutors, to an extent open loop control operates. It is hoped that these inputs contribute to high quality outputs. However, the resources at regional centres to ensure that associate lecturers' face to face sessions are monitored at least at the University's desired minimum frequency do not appear to have been available in some regions particularly where regional centre staffing has not kept pace with the growth in student and therefore part time associate lecturer (tutor) numbers.

The organisation of monitoring of face-to-face teaching at residential schools has gradually improved in the mid 1990s but as many schools are only of two days' duration it is difficult for a course director to observe much teaching directly. However, monitoring reports of residential school tutors' work based on observation and student feedback are provided to the tutors and regional managers. Where the reports identify staff development needs it appears that there is no system to ensure that such needs are met before further teaching takes place. This "gap" seems to have persisted in spite of the Teaching Quality and IiP assessments (the latter having been extended to tutorial staff in 1995 when the University as a whole was assessed).

One area where the monitoring resource problem may have been avoided is that of electronic conferencing. From 1996 many more students have been required to participate in electronic conferencing and associate lecturers have needed training to

support students and contribute to their participation. An online training programme has been developed (informed by research into the pedagogic role for conferencing). This and the conferencing activity itself also provide opportunities for facilitator and moderators to monitor the content and extent of associate lecturers' contributions should that be desirable. "On-line monitoring" has taken place on one course and the process has been commended to other course teams.

– *Review the arrangements for appraising the performance of tutorial and counselling staff, and for their development, to ensure that the present processes of monitoring the marking of students' work and offering courses have a greater impact on the quality of tutoring. The problems with monitoring of face-to-face tutorials have been mentioned* above. It is not possible to measure precisely the impact of monitoring on the quality of tutoring. Monitoring of continuous assessment involves peer feedback on correspondence tuition to all tutors. Course team members and regional academic staff also contribute. It is assumed that if such monitoring is undertaken properly the associate lecturer's marks, turnaround and commenting content and style should improve. However, if a desired change does not occur within an acceptable time then a direct intervention may be necessary, usually through the regional manager arranging additional staff development or occasionally replacing a very poor associate lecturer.

This sort of intervention can only occur if all the steps in the monitoring process are operating reliably. The regional manager should always see the monitor's feedback and can mediate in its delivery to the tutor. However if monitoring is not set up accurately in the first place or delays occur then the impact on quality of tutoring will be reduced. To improve the smoothness of the operation a review of monitoring has taken place over the past several years, with the production of new guidelines and more recently the establishment of a database aimed at ensuring that all the monitoring which should take place, does take place. It is likely that these developments were encouraged by the HEFCE report.

Overall, again the HEFCE's assessment endorsed many of the approaches developed by the School and report was extremely positive. The process of the assessment visits was felt by quite a number of the participants (on both sides) to be constructive and developmental rather than threatening. When the "Excellent" rating was awarded, the School used this actively and rapidly in marketing. While a "Satisfactory" rating would not necessarily have alarmed students or sponsors, many of whom would be unaware of the assessment system anyway, an external judgement placing the School among "the best providers" also gave distance and open learning greater credibility. It was also a cause for some School-wide celebrations and perhaps something of a morale booster for a while, showing the rest of the University that despite its more business-like image, when judged on academic grounds in the same way as other subjects, the OUBS could gain the highest rating.

In this case one could say that the School definitely made a virtue out of the imposed necessity of assessment. If a re-assessment was imminent there are some areas which the School knows need attention to ensure that best practice is defined and followed consistently, but there would also be innovations since 1994 which it would be pleased to bring to external attention. The "Excellent" rating is still referred to in promotional materials but for some staff it is past history and subsequent quality problems and workload pressures have contributed to a sense that its impact was at best transient.

4.3.3. Investor in People

In November 1994 the School submitted a portfolio of evidence as part of the process of gaining accreditation to the Investor in People (IiP) standard. This is a UK-wide scheme run through local Training and Enterprise Councils (TECs) for the (then) Department of Employment, aimed at establishing best practice in human resource management. This was part of a pilot as the University as a whole was to seek accreditation later. For parts of organisations to be assessed separately they are required to be sufficiently autonomous to control their recruitment, selection, staff development and training practices and policies, and the School was deemed to have such autonomy. Although responding to a University request, the School had previously assessed the relative interest among corporate sponsors in certification to ISO 9000 and IiP accreditation, and IiP had been regarded as more relevant by these customers so there was also some potential market value in participation. (It should be noted that part time tutorial staff were not included in the School's assessment in 1994 as they are employed through regions, although the School plays a part in their development. Subsequently they were included when the School was reassessed in 1997.)

The IiP standard contains a number of indicators which organisations seeking accreditation use to structure the evidence they present, in a portfolio. This evidence covers policies, structures and practices pertaining to staff development (commitment to it, resources, management of it, links between staff development and business objectives, and evaluation of development at individual and organisation-wide levels). At an early stage the TEC appointed an advisor who administered a questionnaire about staff training and development, and advised the School about the development of the portfolio. Before it was submitted a number of new systems were introduced and the operation of others, such as staff appraisals for different groups, was reviewed and improved. When the portfolio had been submitted, a wide range of staff were interviewed about their experiences of the operation of the practices described in the portfolio.

It is fair to say that the approach adopted was not universally felt to be appropriate, as it involved the identification of key result areas and competencies for all staff groups linked to the School's objectives. For some groups with varied jobs which were more knowledge- than skill-based, particularly academic staff, the competency framework felt like a straitjacket. In addition the questionnaire administered by the TEC reinforced the impression that the standard was designed for smallish, basic manufacturing firms and was not suited to a relatively large academic institution like the OUBS. The desirability of operating best practice in human resource management was, naturally, accepted; the question was how to define locally-relevant best practice and would this be compatible with IiP requirements.

IiP operates in comparable ways to assessment for National Vocational Qualifications. Rather than "passing" or "failing", the organisation's performance is assessed as being satisfactory or not yet satisfactory on all the indicators and an overall result is arrived at by the assessors. In the School's case, their view was that performance was satisfactory and the accreditation was awarded. The School now includes the IiP logo on its letterhead and displays a plaque in the main entrance. However, the assessors identified a number of areas where performance could be improved, in particular the evaluation of development activities. There was a view from some staff that had the assessment been more thorough, situations would have been identified where systems were not operating as comprehensively as claimed and some dissatisfaction with management quality or commitment would have been revealed; a minority felt that accreditation was not deserved. Nonetheless many members of staff had used IiP to review and improve their own practices, and for some groups much effort went in to establishing better systems which are still operating successfully. What was accepted more

or less universally was that there was more work to do and that complacency would be very dangerous. When some time later the rest of the University was assessed as "not yet ready" for accreditation, this reinforced the concern about the need for genuine embedding of systems, management training, and increased management commitment to staff development.

Again this successful outcome of an external assessment of the School was widely publicised for marketing purposes. Successful re-assessment took place in 1997. Losing the accreditation would have sent negative messages internally and externally. So considerable work took place to consolidate the practices and management structures required for policies to continue to be implemented effectively.

4.3.4. *Association of MBAs*

The Association of MBAs (AMBA) is the "accrediting" body for MBA degrees in the UK. Only generalist MBAs presented by business schools are eligible for accreditation, and until recently distance taught courses were excluded from applying. When accreditation became open to distance taught MBAs the School was very keen to obtain early endorsement of its programme and in 1993 work commenced on making a submission. In 1994 the School's MBA programme was accredited by AMBA following the written submission and assessment visits.

This was an important recognition for the School. To date only around 30 of over a hundred MBAs presented in the UK are accredited by AMBA and the OUBS is the only wholly distance learning accredited provider. To be accredited by AMBA may not necessarily mean that a school wants its MBA programme to be just like all the other approved ones, but to fail to gain accreditation would have very negative marketing implications even if the reasons were more about technical eligibility than intrinsic quality.

The assessment by AMBA was rather less against the School's own objectives than was the case with the HEFCE teaching quality assessment: AMBA had a rather traditional view of the modules which MBAs should include and for instance the School had to explain where "marketing" was addressed as there was no course with that title. In addition, and to a greater extent than with HEFCE, the way that the University operates had to be explained many times, to ensure that the assessors understood for example the roles of printed course units and part time tutors. AMBA was also concerned that the School had an open access route to the MBA for those without first degrees. Nonetheless the OUBS MBA was admitted to this important grouping, which could be said to have changed the composition of AMBA's graduate and student population quite significantly. Students may join the Association on passing Stage I of the MBA, and as the School's alumni association becomes more active, current and former OUBS students may bring some distinctive sorts of experiences and values to AMBA.

AMBA either give or withhold accreditation, they do not provide feedback or advice about how to improve. Therefore the School was not obliged to take any action following the assessment. In the short term this external assessment could be seen to have provided a marketing advantage and it has been well publicised, but in the longer term as more competing part-time MBAs are accredited too it may not contribute a competitive edge. But not being accredited would be a major problem now; it differentiates generalist MBAs in a way that students and sponsors recognise, and also differentiates the OUBS MBA from a specialist MBA presented elsewhere in the University. Currently there are discussions taking place among management education providers about accreditation of MBAs within Europe and the School also has to keep abreast of any new developments, influencing them if possible.

4.4. Internally-driven quality assurance and its relationship to external assessment

The impression conveyed by the descriptions of experiences of external quality assessment in Section 4.3 is primarily one of "little overall impact". Some relatively minor changes have been initiated in response to assessment reports; the improvement or continuance of some activities have been given added weight by comments arising from assessments;   but on balance most of the assessors' comments have been favourable and outcomes have been successful principally because good practices were already being implemented. Therefore one cannot say that internal quality assurance processes or structures have been strongly influenced by external assessment.

Two ways in which external assessments may be affecting some ongoing and future activities can be noted, however. First, during the 1990s the School has moved from treating quality management and quality assurance as discrete activities (with a separate section in the School Plan, programme-specific Quality Groups and a TQM Co-ordination Group) to integrating them with normal business. The external assessments reported on here, taking place in parallel with this "mainstreaming" of quality, have provided an independent diagnosis of areas where quality assurance processes could be more comprehensive or reliable. Where the external assessments provided pointers for improvements, they tended to reinforce messages from other studies.

For example in 1992 a consultant was employed to undertake a review "to help clarify key issues and concerns in the areas of quality of service and products, and quality systems and management; to help in identifying the impact, in terms of quality of O(U)BS products and services, of the services received from the wider University;   to assist in identifying and consolidating existing quality standards." The project involved the identification of the expectations which key stakeholder groups held of each other, and how far these were met. The consultant's report highlighted strengths in terms of course materials, logistics, caring tutors, and good service provided from the School to regions. Shortcomings were many and varied, and their overall impact was diverse. But the report concluded that action taken in the following areas would lead to significant improvements:

- employee induction, training and development
- infrastructure: processes, procedures, communications and systems
- policies
- management.

It is reasonable to conclude that the first action area has received, and continues to receive, serious attention which is delivering positive results, as IiP accreditation demonstrated. In terms of infrastructure, a range of new procedures, communication channels and processes have been developed which are reducing some of the dissatisfiers the study identified. In terms of robust systems, there are probably still some gaps particularly where feedback loops are not always closed; this was also identified for example by the AAU, HEFCE and IiP assessors. In practical terms this partly reflects the lack of survey resource, but in organisational behaviour terms it also reflects the fact that many systems are not fully understood and could be better controlled.

The latter action areas – policy and management – have not tended to be identified as problematic by the formal external assessors in the case of the OUBS. However, they are areas where a more recent consultancy project has revealed continuing scope for improvement. This could be seen as a second way in which "external assessment" has had an impact on the School. While recognising that it needs to improve quality continuously to gain and retain customers, there is perceived to have been some pragmatic benefit in undergoing four substantial external assessments within several years. The art of

putting on a public face, the marshalling of evidence, the use of assessment results in marketing, have all been less difficult second, third and fourth time around. Therefore if the next external assessment from the higher education system may be far enough away for there to be a long gap in practising for assessment and generating some positive marketing results, perhaps a voluntary exercise in assessment may be useful?

Partly with this in mind, the School made a successful bid for funding from the University's Quality Assurance Fund to undertake a feasibility study, during 1995-6, of the UK Quality Award model as a framework for quality improvement in the OU context. This model, based on the European Foundation for Quality Management's Business Excellence model, identifies a weighted set of "enabler" and "results" criteria against which an organisation's performance can be assessed (through self-assessment by trained assessors, and in a competitive way for a national award if that is desired by the organisation). It takes quality assessment into all aspects of an organisation's operations and its results, and as such is more far-reaching in scope than assessment by a higher education body is ever likely to be.

An associate lecturer, who was a qualified assessor, was employed as a consultant to undertake the study. The consultant's report revealed, unsurprisingly, some strong and some weaker areas. Among the "enablers" of good quality, the integration of policy with strategy through the planning process was a strength, but communication and consultation was too complex. A need for managers to take a more visible lead role and to develop a stronger focus on employee satisfaction was noted. The limited control which the School had over the quality and cost of services provided by the wider OU would lead to a low score on the UKQA criteria – a message echoing that in the School's response to the AAU report on the need for activity based costing. Core processes were in need of much more active and regular reviewing (including those in regional centres) and more evidence of innovation and creativity was desirable. Thus the lack of "closure" of feedback loops noted in 1992 was still a weakness, also reflected under the "customer satisfaction" criterion by the limited amount of evidence of regular collection and analysis of data over time, and limited comparison with targets and other organisations.

These observations suggest that some relatively major changes implemented between 1992 and 1996 in committee structures, programme administration and the organisation of regional staff, designed to simplify decision-making and facilitate sharing of good practice, have yet to have a full impact. Making these work better or changing them if necessary would seem desirable to ensure a positive outcome of either a formal assessment under the UKQA criteria or another teaching quality assessment.

The relationship between external quality assessment and management and decision making will be explored a little further in the concluding section.

4.5. Impacts, success factors and lessons learned

This concluding section is premised on the assumption that the four examples of external quality assessment described in Section 4.3 have had relatively little impact on quality assurance systems and processes per se, primarily because the OUBS was already actively seeking improvements on a number of relevant fronts. The two commissioned consultancy projects described in Section 4.4 have identified a number of quality improvement needs which remain to be fully addressed, but which went largely unremarked upon by the AAU, HEFCE, AMBA and IiP assessors. Clearly external

quality assessment as experienced elsewhere in UK higher education has not been required to keep the OUBS "on its toes" to date.

Has external assessment however affected decision-making, management style, organisational culture or any other important generic aspects of the School's operations? "Management" is taken here to encompass the Directorate and those with a line management responsibility (which includes a number of academic staff temporarily elected or seconded into management roles). Many other staff have significant budgetary or project management responsibilities, but attention will be focused here on those who have chosen to make management of human and other resources a core part of their role.

Changing committee and governance structures have coincided with external assessment, and in terms of explicit decision-making activities perhaps it has led managers in particular to be aware of the wider range of stakeholders which they may be held accountable to. Therefore decisions may need to be more formalised, recorded, reported and adhered to. As an example, minutes are now circulated (electronically) from Management Committee meetings, where many important decisions are formulated or initiated, to all staff. However, this is also associated with a change of personnel and improved electronic mail systems. These systems are also being used to make a wide range of policy documents available on demand, making distribution more efficient for some parts of the supply chain but not necessarily contributing to any simplification of decision-making processes recommended by some assessors. The possibility that they simply speed up information overload is strong.

IiP more than the other external assessments drew attention to the roles of managers per se in the School. Although the process of preparing for assessment included ensuring that systems such as appraisal were operating more comprehensively than in the past, again relatively few staff development activities were solely initiated by the presence of external assessment. In particular the management of academic staff has undergone major change over the past three or so years. But while this for instance was important to the IiP assessment, it was driven by internal recognition of the need for change following growth in academic staff numbers. Providing more training for staff new to management roles is a current concern, but again given the nature of the School's business it is almost inconceivable that this need would only be identified through external assessment inputs. On the other hand the IiP re-assessment influenced the timetable for meeting certain staff development priorities.

It is possible that the climate in higher education where external assessments are an increasing likelihood could have affected the willingness of staff to put themselves forward for management roles. Perhaps those whose management style was entrepreneurial, and "customer oriented" rather than solely "academic standards" oriented, are now likely to be the successful applicants for management roles in the School (and University more widely). Staff who are interested in all dimensions of performance including efficiency may find themselves more comfortable in negotiations with the University and other suppliers, and in internal performance evaluation, than those who are primarily concerned about "traditional" academic values such as research excellence or teaching effectiveness. However, most management posts involve some element of election or peer approval before they are filled. Therefore the management style of those who attain such responsibilities must reflect at least in part what their constituencies prefer.

This is probably the driving factor in the OUBS's responses to external assessment and the outcomes of such assessments. The organisational culture is not a traditional University one, although the School's mission statement is consistent with the core University values of "openness to people, places, methods and ideas". This case study is not the place for a discussion of how organisational culture develops, but suffice it to say that the School's culture reflects a convergence of the personal

values of individual staff and students, macro market conditions, contemporary management thinking, and emergent properties of the interactions of all these inputs and more.

The OUBS was allowed to emerge, and then formally constituted as a faculty, because business and management studies could self-evidently be funded through fee income (*i.e.* be "self-financing") and not have to compete for the continually-strained government grant to the University. This was happening elsewhere and the School's programmes arrived in a market which in the 1980s was hungry for such courses. Although some government funds were provided to assist in the establishment of the MBA, the continued willingness of employers to sponsor the majority of the School's students even through the recession of the early 1990s has kept the School more strongly externally-focused and industry-oriented than other faculties are likely to become in the foreseeable future. (That other faculties need to become more aware that they too have competitors is a point which is slowly being accepted in some University circles.) The drive to sustain and increase fee income does pose challenges for quality assurance and management, it should be noted, because the UK is now a relatively static home market and growth overseas is seen by some as essential to survival. Existing quality systems may not be adequate if diversity of modes and sites of operation grows too rapidly, and additional resources are required to ensure that quality of service to the home market is not neglected.

Staff (including associate lecturers) who are unwilling to accept that the vocational needs of post-experience management students have to be valued as well as their academic needs, may not be comfortable working for the School. While this vocational/academic distinction can lead to some tensions between for instance the balance between theory and practice in MBA courses (common to other institutions too), the basic premise is that students are already practitioners in the field about which the School teaches. This makes "student centred" teaching and learning – a University value – come naturally, but because managers are often expert in service delivery and customer satisfaction and they know the cost of the courses, student-centredness has to be customer-centredness too. To the extent that a number of the School's academic staff chose to move to the OUBS from a more traditional faculty after the early courses had been developed, and most are still with the School, one could assume that this distinctive culture has at least in part evolved from University roots.

In turn the climate of customer awareness has made the School very concerned about the service it receives from the wider University. The concern about poor quality and high cost of such services surfaced from time to time in responses to external assessments and the internally-commissioned consultancy projects. It would probably argue that if the University wishes to succeed in future assessments then service from support departments will need to improve, as the assessors will not be solely concerned with academic content of courses if their delivery is also not up to scratch. The Student Charter, issued in 1995 in accordance with government Higher Education policy and setting out standards of service which students can expect from the University, could in theory add weight to the School's demands for better value for money and effectiveness from support departments. Forthcoming academic collaboration with other faculties on a larger scale than in the past may also reveal differences between academic cultures more tangibly than hitherto.

A final observation would be to stress that the above organisational cultural factors combined with some structural ones should in theory make the OUBS no less ready to face external assessments with alacrity than it has in the past, as being prepared to be "inspected" by customers is now part of "the way we do things around here". However, even the OUBS may be at risk of "assessment fatigue", and as resources become more constrained across the University this could have a significant impact on the School's capacity to implement continuous improvement and thereby to ensure that best practice is really embedded in all the areas likely to be of concern to external assessors in the future.