

‘Testing an institutional partnership in social enterprise governance’

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Abstract:

This paper reports a research study that investigated the application of a model of team-based philosophy to test the efficacy of an ‘institutional partnership’ between a UK university (hereinafter referred to as UNI) and a regional social enterprise development agency (hereinafter referred to as SEDA) as they sought to set-up and develop a work-integration social enterprise (WISE). Funding was granted initially to support the set-up and development of the WISE with the additional requirement of evaluating the ‘institutional partnership’ and its ability to transform a funded project into a financially sustainable WISE. The research design was longitudinal, conducted over a period of 18 months and had three data collection phases; ‘early’, ‘middle’ and ‘late’. This paper reports the analysis of data gathered during the ‘middle’ phase of this research. Individual, semi-structured interviews were conducted with 15 participants involved in the partnership organisations and the WISE programme delivery staff. Qualitative analysis of the interview data revealed five emergent themes, which were subsequently interpreted by the researchers as: ‘Objectives’, ‘Partnership’, ‘Staff/management interaction’, ‘Problems’ and ‘Individual Perceptions’. The theme ‘Objectives’ revealed that the overall philosophy of the company had not changed from the ‘early’ phase but a clearly defined pathway leading to the company becoming a sustainable social enterprise still remained elusive. The theme ‘Partnership’ revealed that there was no evidence of an effective partnership being created between the organisations involved and there was a deepening conflict within the UNI representatives based on the length of time required for the company to provide income for the UNI. The theme ‘Staff/management interaction’ revealed the links between the appointment of an unsuitable Agency Manager and the failure of the company to initiate procedures to address issues of future sustainability. The theme ‘Problems’ highlighted the negative impact of the Agency Manager on the company. This impact was considered by the board to be significant enough for them to require the Agency Manager to leave the company, which he subsequently agreed to do. Other problems were deemed to be related to recruitment processes, which resulted in the appointment of ineffective members of staff. This problematic recruitment process was partly attributed to recruiting staff from within the one of the employment enhancement programmes. Although this recruitment process supported the company’s social enterprise philosophy it produced problems because the staff appointed were incapable of meeting the funder’s mandatory reporting criteria on more than one occasion. The theme ‘Individual perceptions’ revealed the few positive observations made by two staff members related to their enhanced experience and enjoyment as a result of working at the WISE. The results of the analysis of the data from this ‘middle’ phase, when compared to criteria from the adopted team-based model, suggests that the partnership and WISE staff were still operating as a ‘loose group’ and had not yet metamorphosed into an ‘effective team’.

Introduction

This paper focuses on the ‘middle’ late phase of a three-phase longitudinal research study designed to examine the formation and development of a partnership between a UK regional social enterprise development agency (hitherto referred to as SEDA) and a UK University (hitherto referred to as UNI). The partnership was formed in order to set-up a work-integration social enterprise (WISE) with the support of grant funding and to test the notion of developing a financially sustainable WISE from a ‘funded project’. Work on the set-up of the WISE began during the early part of 2008 and resulted in a bid for funding being submitted by SEDA to a funding body in August 2009. The funding bid was successful and the partnership between SEDA and UNI was formed, which ultimately led to the set-up of the WISE that began trading in March 2010. The management structure of the WISE consisted of a board of directors, a steering group and CEO, in addition to company staff who administered and delivered three employment enhancement programmes to clients according to their age, qualification and prior experience. Client groups were young people not involved in employment education or training (NEET), unemployed graduates, and unemployed ‘executives’. For the purposes of the research study, members of the partnership between SEDA and UNI and the WISE staff were considered to be a ‘team’. The ‘team’ collaborated to fulfill the monitoring requirements of the funding body in terms of delivering a funded project. In addition to delivering the project, the ‘team’ sought to create income from trading to ensure the WISE’s continuing financial sustainability. In order to provide empirical evidence of the success of this ‘team’ venture the researchers reviewed team building literature.

Theoretical framework

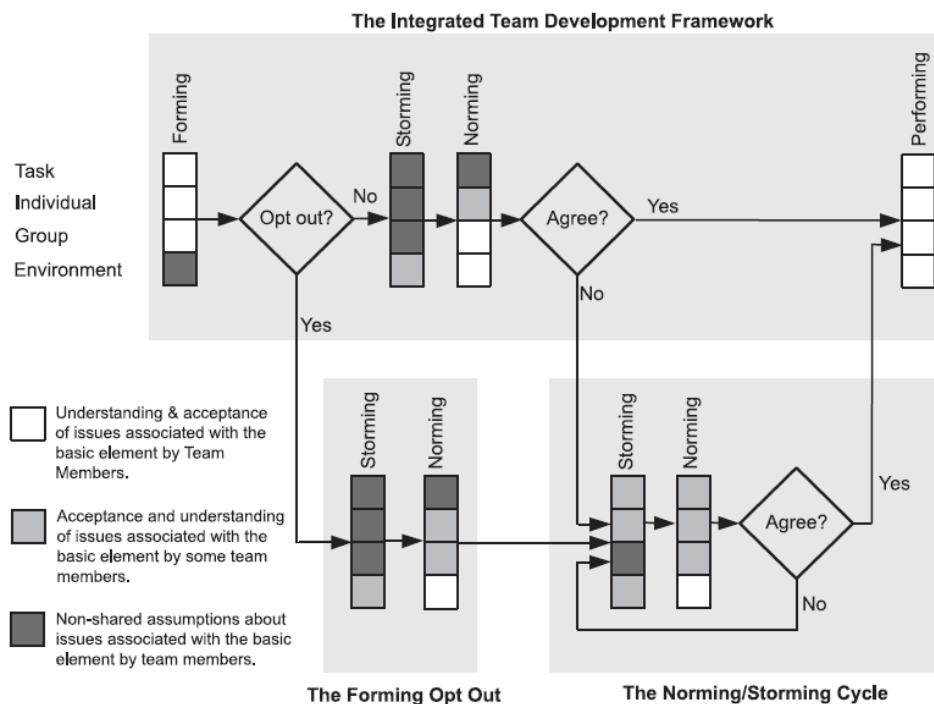
Prior research conducted by Tuckman (1965) established a four stage, team-development model, based on four stages: forming, storming, norming and performing. Tuckman (1965) proposed that passing through this four stage process transformed a ‘loose group’ into an ‘effective team’. Later research, Adair (1986), which examined group formation, postulated that groups of individuals share common needs that can be categorised into three basic elements (i.e. task, group and individual). Sheard & Kakabadse (2002) added a fourth basic element to the list of common needs (i.e. environment) based on the importance of organisation culture rooted in associated norms, routines and rituals. Sheard & Kakabadse (2002) argued that for a loose group to successfully transform into an effective team through the process of forming, storming, norming and performing, all four basic elements: task, group, individual and environment must be aligned. This alignment of the basic elements between individuals requires the management of any conflict in order to minimise negative impacts on the team. The developing nature of the management of conflict means that alignment of all the basic elements does not occur until the final stage (i.e. performing), which means during forming, storming and norming stages, alignment of the basic elements does not occur. Alignment of the basic elements evolves in three ‘states’, which can be assigned to each basic element at each stage of the team development process (Sheard & Kakabadse, 2002). These three ‘states’ are:

- (1) understanding and acceptance of issues associated with the basic element by team members;

- (2) acceptance and understanding of issues associated with the basic element by some team members;
- (3) non-shared assumptions about issues associated with the basic element by team members.

It is the alignment of the basic elements of task, group, individual and environment, as indicated by state (1) above, that signals the team's arrival at the performing stage of team development (See Fig.1).

Figure 1: The integrated team development framework (Sheard & Kakabadse, 2002. P. 137)



Sheard & Kakabadse (2002) extended the integrated team development framework by adding a 'forming opt out' and a 'norming/storming cycle' to the original Tuckman (1965) forming, storming, norming and performing team development model (see Fig.1). The 'forming opt out' is taken by individuals who do not immediately enter the storming phase. The 'norming/storming cycle' is taken by individuals who do not progress to the performing stage. Deviation from the Tuckman (1965) direct route is because individuals are not prepared to accept decisions that would involve them in doing something differently and prefer to retreat into denial. It is essential for key individuals in the team to 'buy in' to what the team is attempting to accomplish in order for the team to reach the performing stage. If non-key individuals do not 'buy in' to what the team is attempting to accomplish, this won't necessarily prevent the team reaching the performing stage. However greater efforts will be required from the others who do 'buy in' or the team will not perform as well as it could have done. Nevertheless, without the support of key individuals the team will remain in the norming/storming cycle and fail to reach the performing stage.

In order to apply the above framework to determining the stage of development a team has reached, the basic elements of task, individual, group and environment were broken down into nine key factors that collectively differentiate a loose group from an effective team (Sheard & Kakabadse, 2002).

To transform a loose group into an effective team requires a *task* for them to engage in. A *task* requires a goal, which must be clearly articulated to the group. Also, because in any organisation there will be constraints of time, money and available resources, a set of priorities around the task must also be clearly articulated. An *individual* must be considered as a team member, which relates to roles and responsibilities within the team and the extent of self-awareness of the consequences of one's actions and behaviours on other team members. The *group* refers to the team's ability to function as a unit, which can be broken down into three key factors: leadership, group dynamics and communication. *Environment* is defined by infrastructure and organisational context where infrastructure encompasses: IT systems, HR support and the ability of senior management to translate its strategy into a series of goals suitable for the teams to tackle and context is the organisation of the company.

Table 1: The nine key factors (adapted from Sheard & Kakabadse, 2002, P. 137)

Basic element	Key factor	Loose group	Effective teams
Task	Clearly defined goals	Individuals opt out of goals not understood	Understood by all
	Priorities	Split loyalty of individuals to other groups	Cohesive team alignment
Individual	Roles and responsibilities	Unclear, with gaps and overlap	Agreed and understood by individuals
	Self-awareness	Individuals guarded	Social system established and accepted
Group	Leadership	Directive	Catalytic
	Group dynamics	Individuals guarded	Social system established and accepted
	Communications	Formal	Open dialogue
Environment	Infrastructure	Task focused	Stable support from organizational infrastructure
	Context	Task focused	Influenced, but not controlled by organisation

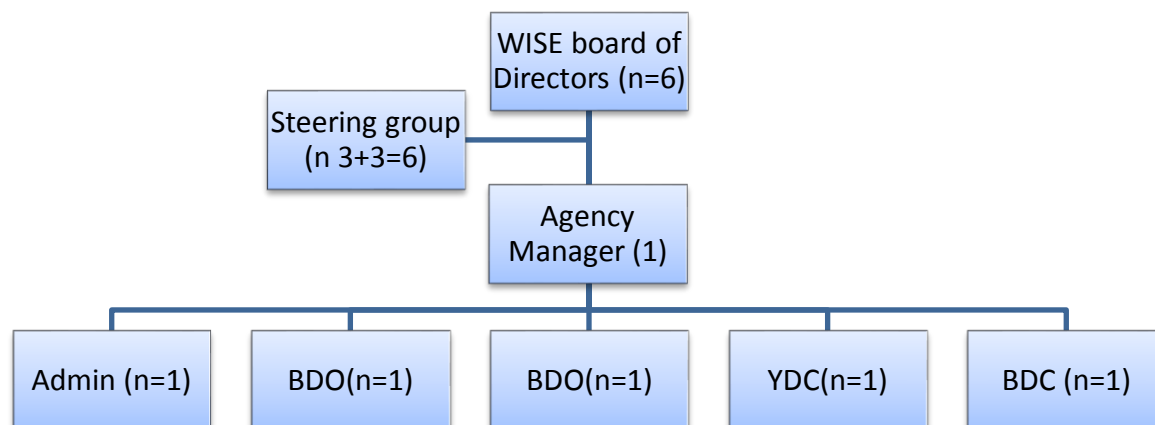
It is proposed in the current research-evaluation that elicitation of participant perception of these nine key factors will reveal the stage the partnership has reached in becoming an effective team in this ‘middle’ phase of development. For the purposes of the current research evaluation, the ‘partnership’ refers to the partnership organisations (i.e. SEDA and UNI) collaborating in the project, which is being delivered by the WISE.

Method

Participants

The total number of participants was 15, (N=15) which consisted of the members of the WISE board of directors, the Agency Manager, the steering group and the administration and programme delivery staff. The board of directors consisted of 6 members (including 1 chairperson) (n=6) the steering group had 6 members (3 of the 6 were also board members) (n=3) the Agency Manager (1) and 5 members of staff. The board of directors represented the two main partners and consisted of 3 representatives from the UNI and 3 representatives from SEDA (one of whom was the chairperson). The steering group was made up of representatives of the partners (i.e. SEDA and UNI) and other co-opted stakeholders. The WISE staff consisted of the Agency Manager and 5 members of staff: 1 involved with administration, 2 business development officers (BDOs) 1 youth development coordinator (YDC) and 1 business development coordinator (BDC) (please see Fig. 2 below).

Figure 2: The structure of the Partnership



Procedure

All 15 participants engaged in individual semi-structured interviews with the researcher. The interviews were conducted face-to-face (n=8) or on the telephone (n=7). The questions asked were open-ended in nature and were the same for all participants. As the interviews were semi-structured, the researcher asked additional supplementary questions when participants took the discourse in different directions. All interviews were recorded for future transcription and analysis. Interviews lasted from 16 minutes to 1 hour 6 minutes in length.

Analysis

Data

The data collected for analysis was 15 semi-structured interviews conducted by a researcher with the participants outlined above. One of the researchers also attended (as an observer only) a series of the WISE board and steering group meetings. The researchers are also engaged in the evaluation of all three employment enhancement programmes delivered by the WISE. This combination of data collectors and ‘insider’ experience combined to give the researchers a unique perspective on the development of the group partnership, which informed the interpretation of the data.

Procedure

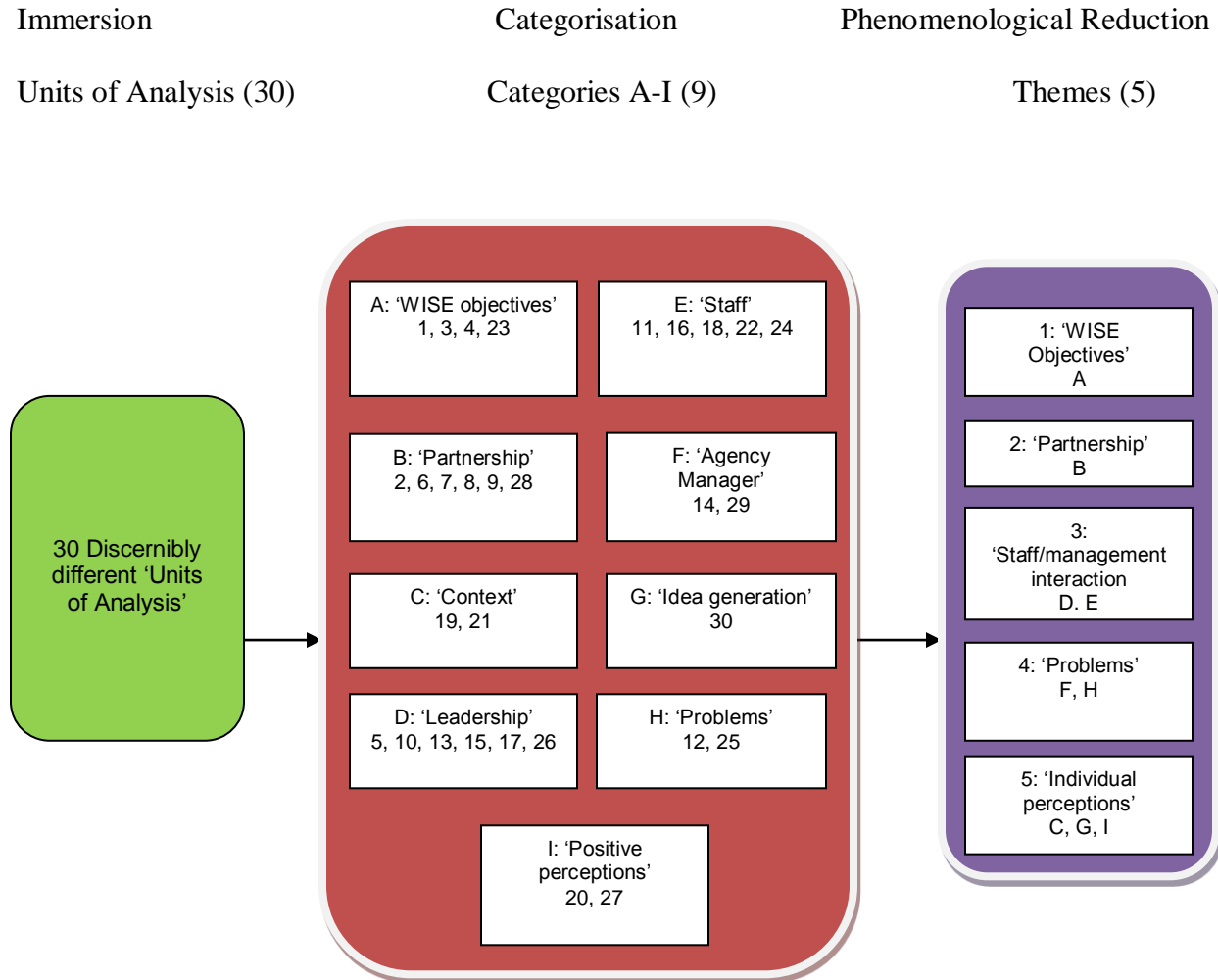
The method employed to analyse the 15 transcripts of the participant’s individual semi-structured interviews collected for this ‘early’ phase in the research, was ‘Constant Comparative Method’ (Glaser & Strauss, 1967; Lincoln & Guba, 1985). Constant Comparative Method (CCM) is an iterative procedure designed for the qualitative analysis of text and is based on ‘Grounded Theory’ (Glaser & Strauss, 1967). Constant Comparative Method has been successfully applied in previous studies across a wide range of disciplines from social venture creation (Haugh, 2007) to music composition strategies (Seddon & O’Neill, 2003) and musical communication (Seddon, 2004 & 2005). This method of analysis focuses on a process where categories emerge from the data via inductive reasoning rather than coding the data according to predetermined categories (Maykut & Morehouse, 1994). Constant Comparative Method involves five main stages:

- 1) Immersion, ‘units of analysis’ are identified;
- 2) Categorisation, ‘categories’ emerge from the ‘units of analysis’;
- 3) Phenomenological reduction, ‘themes’ emerge from the ‘categories’ and are interpreted by the researchers;
- 4) Triangulation, support for researcher interpretations of ‘themes’ is sought in additional data;
- 5) Interpretation, overall interpretation of findings is conducted in relation to prior research and/or theoretical models (McLeod, 1994).

Results and discussion

Stage one (i.e. ‘immersion’) revealed 30 units of analysis (e.g. ‘sustainability’, ‘conflicting roles’, ‘staff dynamics’ and ‘reduced team’). Stage two (i.e. categorisation), 9 categories emerged from the 30 units of analysis, which were: ‘WISE objectives’, ‘partnership’, ‘context’, ‘leadership’, ‘staff’, ‘Agency Manager’, ‘idea generation’, ‘problems’ and ‘positive perceptions’. Stage three (i.e. phenomenological reduction) five themes emerged from the 9 categories, which were: ‘WISE objectives’, ‘partnership’, ‘staff/management interactions’, ‘problems’ and ‘individual perceptions’. A diagrammatic version of this process of analysis is provided for further clarification (see Diagram 1).

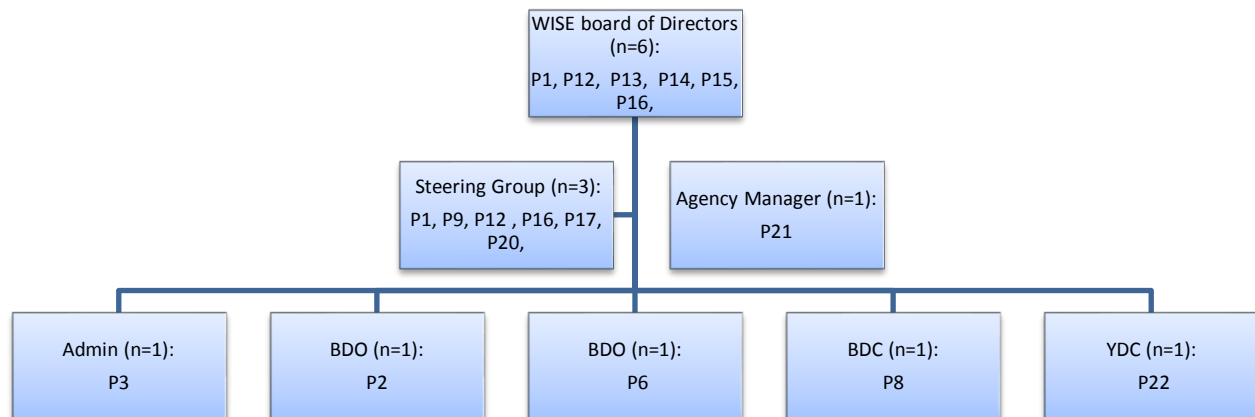
Diagram 1 CCM Analysis at ‘Middle’ phase:



NB. The numbers displayed above in Diagram. 1 in the ‘categories’ boxes correspond to the relevant units of analysis contained in that category. The letters in the ‘themes’ boxes correspond to the relevant category contained in that theme.

All participant quotations cited below are taken from units of analysis and serve to exemplify specific aspects of the overall themes of: ‘WISE objectives’, ‘partnership’, ‘staff/management interaction’, ‘problems’, and ‘individual perceptions’. In order to maintain participant anonymity, participants are referred to only by their participant number. In order to provide the context for the participant’s perspective, Figure 3 indicates the participant’s number in relation to their position in the partnership/company.

Figure 3: Key to participant number in relation to position in the company and the partnership



UNI: P1, P12, P13
 SEDA: P14, P15, P16, P20
 External agencies: P17 and P9
 Agency Manager P21
 WISE staff: P2, P3, P6, P8, P22

Theme 1: 'WISE Objectives'

This theme exemplified the unchanged overall philosophy behind the company as stated by the board of directors, steering group and staff of the WISE, the dual demands of achieving the target outputs demanded by the funding body and striving to establish a sustainable future for the company, which was an original fundamental aim of the partnership. This theme reveals how although the overall company philosophy was perceived as unchanged, the conflicting demands of funding body's target outputs and sustainability led to a focus on achieving the target outputs largely at the expense of striving towards future sustainability.

Unchanged philosophy:

'I don't think the overall purpose of [WISE] is changed in terms of its mission statement about supporting those particular target groups; supporting individuals to improve their employability, access to education or self-employment. I don't think in terms of the drive or the vision for the organisation, that has changed one bit and I think we have got to keep hold of that.' (P1)

'I think the purpose is still to meet the objectives of the programme and to try and be sustainable past the programme although time is getting shorter now. I don't think the purpose has actually changed.' (P20)

The above citations from the units of analysis for this theme provide evidence that the overall philosophy of the company had not changed and that philosophy can be described as a desire to help unemployed people back into employment, to return to education or to become self-employed. The following citations illustrate the emphasis placed by the company on achieving the targets set by the funding body.

Achieving the funder's target outputs:

'I did feel I had got a target. There were 70 young people we needed to get through the NEET programme. I think the goals to get the numbers through and that responsibility was given to us just get on and do that. That was about Christmas time. It was just getting people through the programme and meeting the target in the last three months and to recruit. I'm not sure we impacted that much, they just wanted us to get the numbers through.' (P9)

'I suppose it has been dominated by the project outcome, the project objectives, which have been the specific targets and I don't think the CEO and the company have specific targets outside of those three projects.' (P13)

As can be evidenced by the citations above, there appeared to be quite a rigid focus on ensuring that the target demands of the funder were met, in order to ensure no loss of income from that source. Although this aspect of income generation was very important to the company, it seems that the dominance of this perspective had a significant effect on the energies directed towards the future sustainability of the company. In addition to the dominance of funder's targets there seemed to be a lack of direction at all levels of the company. There didn't appear to be a real commitment to sustainability from the management at boardroom level and there were also doubts about the Agency Manager's entrepreneurial abilities. This situation left the staff with the desire to create a sustainable future but without the leadership to achieve it.

Sustainability:

'In reality, 18months with the problems that we have had in terms of the team, it's not enough to get from zero to sustainable; it's going to need another couple of years. People like P13 have got to consider what the hell they're doing sat round that [boardroom] table.' (P1)

'In terms of how the company operates we've got to move it very quickly to a commercial footing so it has to be able to get income in to support its social role, that of helping difficult cases back into work.' (P12)

'I think we've had a few changes in management, which have maybe put back the sustainability of the organisation. The stability of the organisation going forward, by stability I mean the sustainability and basically it's at the moment..... there's not enough income coming in' (P16)

'I think that there hasn't been enough emphasis on the sustainability of the organisation itself and also building the business opportunities that have arisen through the programme.' (P17)

Theme 2: 'Partnership'

This theme of partnership is quite an interesting one in that it reveals a conflict between the three UNI representatives from their perception, which is not commented upon by any of the other partners. Overall perceptions of the relationships between UNI representatives and SEDA representatives seem quite harmonious and improving over time, which would tend to suggest the partnership was at least compatible if not always efficient. It would appear that two of the UNI representatives are more in harmony with their SEDA counterparts than their remaining UNI colleague. The following citations illustrate the nature of the conflict between one of the university directors and the remaining two, which appears to be focused around the importance of the potential for the company to produce income for the UNI within a relatively short time-frame.

'I think SEDA are beginning to see a purpose for [WISE] from their perspective. But I think what I am beginning to see is that the SEDA directors are more committed to it and they have more of an interest now because they understand it and where they want it to go from their own organisational point of view' (P1)

'.....the board hasn't got a clear strategy. The board doesn't know what it wants to do. I had a meeting with P13 last Wednesday and he said to me "Well of course it's failing, it's just going to go down the toilet at the end of September isn't it?" Well actually P13, it depends how committed you are to it.' (P1)

'I think at the moment there is a real problem amongst the [WISE] directors appointed by the university and it's our own damned fault because we appointed three directors all from the same school in a hierarchy. I genuinely think P13 hasn't got a clue. I think that's a real problem.' (P12)

'.....I would want [WISE] to be more than a reputational enhancer for the university but to be an income earner. I mean income for social good....And I just don't think we are any closer to that than we have ever been.' (P13)

As can be seen from the above citations there is clearly a conflict between these UNI representatives about the priority of the requirement of the company to produce income for the university. The conflict seems to be centred on prioritising the fulfilment of the philosophical objectives of support for the beneficiaries over creating financial surpluses that can be channelled to the university to fulfil other social enterprise aspirations. This conflict between the UNI representatives is even more interesting when contrasted to the viewpoints expressed by the SEDA representatives who do not perceive any such conflict.

'I didn't know P13 at all when I joined the board but having got to know him a little bit over the time we have been involved with the board I've got a fair degree of respect for

him and his abilities to be the vice chair of the board and he and I share a fairly common perspective on what the way forward is from the board's perspective. So, I guess it's been good to discover there is not a big conflict within the board in any sense.' (P15)

Theme 3: 'Staff/management interaction'

The newly appointed Agency Manager was to continue with the funded project management when the acting CEO stepped down from this role but he was also required to develop business opportunities to provide income to ensure the sustainable future for the WISE. Unfortunately, during this period the Agency Manager was increasingly perceived by members of the board and the company staff as a poor communicator who lacked the necessary skills to develop the future business required for generating a sustainable future for the WISE.

The Agency Manager role is articulated by the outgoing acting CEO:

'So as a contract manager, [the Agency Manager should] pull the team together and hit the outputs. The [additional] role that was needed was that of an entrepreneur who didn't concentrate on the contract management stuff but looked to the future, to start taking the organisation forward.....actually getting out there to get the new business and position [WISE], that's what was needed.' (P1)

One of the Business Development Officers describes the problems she and the other team members have with the new Agency Manager:

'Probably it's a mess now whereas with P1 we used to feel like a proper team now it feels like us and him [Agency Manager] and we've both got totally different mind sets.' (P2)

This perception of the Agency Manager as a poor communicator and being unable to delegate is supported by other members of the team. Changes in management style from the outgoing acting CEO (P1) and the Agency Manager (P21) seem to have caused problems:

'I think I could possibly say with P1 it was this is a job go and do it how you want to do it just so long as we get to the end result we are after. With P21 coming in P21 will have this is a job I want to know what you are doing 24-7 towards that job.' (P3)

'Yeah we have had a very big change in our team leadership style because it's a new person entirely. It was just one of those things where he tried to give us some structure and it didn't quite work. I think he came in a number cruncher and he had these targets to hit absolutely.' (P8)

'I guess the only thing would be P21 coming in to [WISE] and that has impacted on the staff team I think he has a different management style completely to P1. I think they [the staff] struggle a bit with him' (P20)

In addition to management style issues there was a perception of confusion at all levels of the company around how the change from funded project to sustainable social enterprise was to be achieved:

'I think there has definitely been a change as the funding is drying up now.....we haven't really got a direction at the minute about whether we are going down that route [funded project] or whether we are going to be going commercial. It seems like we are stuck in limbo at the moment.' (P2)

'I think it wasn't clear who was responsible for sustainability.' (P17)

'My role as it stands at the minute is quite hard to explain. When I first came in it was I had a certain job to do. I'd one-to-ones to do, I had outcomes to achieve but now with changes in management and staff leaving it's I find it hard to grasp what it really is I've got to do. I feel I'm failing, I feel I'm not pulling my weight because I'm so lost on what I need to do. I like everyone at the office, don't get me wrong everyone has got different techniques and I think because the group has been broken up, new manager, staff leaving, there's been no team. There doesn't seem to be a whole understanding just everybody trying to work out what's going on.' (P22)

'The projects seem to drive out the ability to be entrepreneurial and I think it is very difficult for the board to be entrepreneurial on behalf of the organisation. The board has to stimulate entrepreneurship within the organisation and has by and large failed to do that to achieve that.' (P13)

The restructuring of the company also seemed to have created problems resulting in staff members who were re-appointed to new posts becoming disaffected and seeking to leave the company:

'I don't like being patronised and I never felt patronised when P1 was in charge, we were all kind of on the same level but I feel patronised and distrusted kind of to do anything or like I'm a stupid little girl.' (P2)

'I'd say the team, it's [problems with P21's management style] probably brought us closer together because we are all having to make sure that things are actually being done.' (P6)

Communication at all levels of the company, particularly between the board and the staff, was also was perceived as problematic:

'With the board we don't really hear what happens in board meetings or steering group meetings. It doesn't really filter down to us. I would say it's very much just with P21 because he is obviously the Agency Manager. I don't really know what the board thinks about [WISE] to be honest. I can't say we have ever been that brilliantly communicated with.' (P6)

Theme 4: 'Problems'

One of the main problems cited by participants was the inability of the Agency Manager to communicate with others but in addition to this, other aspects of his competence and ability to manage the company were called into question by board and staff members. These problems were perceived as so acute that P21 did not successfully complete his probationary period and he was asked by the board to leave the company towards the end of May 2011.

'His level of communication is very poor. He talks a lot, says very little but when he does say something it's actually quite blunt so he has begun to alienate his team a bit. So, he's actually on a performance management thing now.....he failed his probation and we've set him two months to achieve certain targets otherwise he's gone.' (P1)

'P21's preoccupations were not ones that were integral to the future of this organisation, they were minutiae, it was petty stuff and that lack of strategic concern was significant. I think I said, after he talked for 10 minutes, "I'd like to stop you there and just say these are your management issues they're not the board's issues. We as a board want to know where this organisation is going".' (P13)

P21 responded to the criticisms citing the high pressure of targets set by the board, which he felt were unreasonable given he took over responsibility for a difficult situation to begin with, inexperienced staff and the company's poor prior reputation based on not fulfilling client's expectations:

'It is no good putting a gun at my head because I know I'm going to get the bullet, it's not a problem. I have agreed that....this was a big uphill mountain to climb.' (P21)

Criticisms about the quality of some of the WISE staff were supported by the acting CEO (P1) who P21 took over from. The dilemma for the WISE was some of their unsuccessful recruitment was conducted from within their 'executive' programme. In other words, if the WISE didn't recruit from their own programmes how could they expect potential placement companies to do so? Although this recruitment policy helped to fulfill their social mission, it didn't always result in competent workers being employed:

'We have also offered placements to people on the 'executives' programme and I think we have done about 8 or 9 and I would say that only 2 have been successful. I think what goes through my head is that these guys are unemployed for a reason and I don't think they have overcome the issues of why they were made redundant.' (P1)

'I say that really it came to light this morning, we've got a lady from our own 'executive' programme that was meant to be starting yesterday and doing an induction phoned in sick and then has not turned up this morning.' (P3)

During the 'early' phase of evaluation, an emerging major financial problem was identified resulting from the WISE staff's failure to keep adequate records in order to facilitate the reporting requirements of the funding body. This potential problem was averted by the departure

of the original CEO and the bringing in of the acting CEO (P1). P1 managed to put in place a system for the staff to follow to enable them to address this problem and a potential financial disaster was averted. However, in this ‘middle’ phase of the evaluation it emerged that poorly administrated paperwork continued to be a serious problem for the WISE, which inhibited their ability to provide the funder with mandatory end of programme paperwork:

‘I guess things did change [in relation to poor paperwork] but now they are probably back to where they were in November [2010]’ (P20)

Concern was also raised about the WISE staff’s ability to control the finances:

‘Certainly finances, I have been quite aware of them in the fact that I’ve now had several occasions where I’ve looked at the finances and realised the people at [WISE] are not fully aware or don’t have proper financial control.’ (P16)

Theme 5: ‘Individual perceptions’

This theme emerged as being one where members of staff talked of their individual perceptions of positive aspects of being involved with the company. However, only two individuals made this kind of positive comment and these comments tended to be based upon acknowledging the experience they had gained from working in the company. The individuals concerned attribute increased self-confidence, feelings of success and professional achievement to their experience working at the WISE:

‘I feel like I have grown a lot, I am a completely different.....in myself I feel more confident as to when I first came into [WISE] and really not knowing anything. I feel like I’m walking away from [WISE] with a lot more knowledge that I can use.’ (P3)

‘I am leaving [WISE] for my own selfish reasons. [WISE] has been a rollercoaster and so many things have happened. So, if someone asks me what was your first job? I did this, this and this. It’s been fantastic it really has and I have learned a lot. Hopefully, I have developed into a professional and I’m really grateful for the experience, it’s just been amazing. There have been some ups and downs but I’ve really loved it here; it has been really good fun.’ (P8)

The above discussion of the emergent themes demonstrates that the overall philosophy of the partnership and the company hadn’t changed from the ‘early’ to the ‘middle’ phase. The company’s aims remained a combination of a desire to help unemployed people back into employment, a return to education or initiating self-employment. There is some evidence to suggest that prior failure on behalf of the WISE staff to fulfil the reporting demands of the funding body in relation to providing mandatory performance figures meant that the WISE management had to create short-term targets for its staff to correct this omission and so prevent any potential loss of funding income. It is suggested by both management and staff that these short-term targets impacted upon the ability of the company to focus sufficiently on issues of future sustainability. The analysis of the data reveals that during the initial part of the ‘middle’ phase the acting CEO (P1) was able to secure the company’s funding income by acting as a

project manager but during this period no progress was made in developing a sustainable future beyond the period of funding. This more entrepreneurial task of creating a sustainable future for the WISE was awarded to a newly appointed Agency Manager, who was also expected to continue to complete the funded project simultaneously. However, results of the analysis of the interviews undertaken during this 'middle' phase of the research reveals a perceived lack of direction and commitment to sustainability on behalf of the board of directors, which left the staff confused about how to move forward towards sustainability. Also, between February 2011 and March 2011, doubts about the competence of the newly appointed Agency Manager emerged at both board level and among the WISE staff. These doubts were based in perceptions of his poor communication skills, limited leadership abilities and his lack of entrepreneurial skills. The analysis also revealed some conflict between the UNI representatives on the board of directors, based on the timescale required for the WISE to provide income for the UNI. Interestingly, this conflict was a perception of the three UNI representatives themselves rather than representatives of the other partnership organisation.

The perceived negative changes in management style, communication and leadership associated with the appointment of the new Agency Manager meant that the staff believed that no clear direction was provided by the management on how sustainability beyond the funded project was to be achieved. This overall lack of direction combined with discontentment with the Agency Manager contributed to the resignation of a further two members of staff (P6 & P8) and the Agency Manager being asked to leave the company, having failed to reach the evaluation criteria of his probationary period.

As with the 'early' phase, communication at all levels of the company was perceived as problematic during this 'middle' phase. The ability of the management to recruit suitable individuals to fulfil the complex demands of their roles was questioned by P1, who was one of the company directors. One explanation proposed by P1 of this inability to recruit appropriate individuals was based on the management's desire to demonstrate their social enterprise principles by recruiting from the 'executive' programme. However the Agency Manager was recruited through a national competitive process and was subsequently revealed to be unacceptable to the board of directors. P1 also acknowledged the possibility of problems with the company's broader recruitment process. The evidence provided by the analysis of the data suggests that WISE management perceived the staff they employed to be somewhat inefficient in their roles. This inefficiency was evidenced by two separate failures on behalf of the WISE staff to collect mandatory funder data that required intervention by others from the UNI and/or SEDA to prevent serious potential loss of funding from the funding body. However, this interpretation of staff inefficiency should be balanced by the staff's perception of poor communication and direction from the management.

Stages four and five in CCM

If the evidence of the research evaluation from this 'middle' phase is triangulated with the Sheard & Kakabadse (2002) model proposed earlier in this report, it can be argued that the WISE social enterprise is still locked into the 'Norming/Storming Cycle' section of the model (please see Figure 1). By examining the basic elements of task, individual, group and environment in relation to their nine key contributory factors it can be argued that during this 'middle' phase of

the research evaluation, the partnership and the WISE staff are still operating as a ‘loose group’ and not yet performing as an ‘effective team’ (please see Table 1).

Task

For the basic element ‘task’ the key factors are ‘having clearly defined goals’ and ‘priorities’. In an effective team, these factors are understood by all and there is cohesive team alignment. Clearly, in the WISE, 14 months after the start-up of the company, the staff did not feel they had clearly defined goals, especially in relation to addressing issues of sustainability. Priorities were focused on achieving the funder’s outputs, which seemed to inhibit the initiation of engagement in entrepreneurial activities enabling the company to establish a marketable product. There was also evidence that the partnership (i.e. the UNI and SEDA) had not clearly defined their goals and could not agree on priorities for the company.

Individual

For the basic element ‘individual’, the key factors are ‘roles and responsibilities’ and ‘self-awareness’. In an effective team, roles and responsibilities are agreed and understood by individuals and the social system is established and accepted. In the WISE, the appointment of the Agency Manager and the subsequent restructure of the company meant that the roles and responsibilities of the staff changed, but as the analysis revealed these roles remained unclear. Concerns about the Agency Manager meant that the social system was not established and accepted and key members of staff became disillusioned and sought to leave the company.

Group

For the basic element ‘group’, the key factors are ‘leadership’, ‘dynamics’ and ‘communication’. In an effective team, leadership should be ‘catalytic’ and the social system ‘established and accepted’. Results of the analysis of the interview data revealed that in the WISE there was a perceived lack of leadership from the board and the Agency Manager. It could be argued that a lack of ‘catalytic’ leadership, brought about by focusing exclusively on the funder’s outputs, resulted in the majority of the staff being dependent upon a directive style of leadership. Communication was perceived as remaining problematic at all levels of the business with little open dialogue between management and the staff. In the partnership (i.e. the UNI and SEDA) the perception of the quality of the dialogue differed from partner to partner.

Environment

For the basic element ‘environment’, the key factors are ‘infrastructure’ and ‘context’. In an effective team the ‘infrastructure’ should be stable with support from organisational infrastructure. In the WISE during this ‘middle’ phase the infrastructure was again far from stable as the leadership changed and there were many changes of personnel. In an effective team, the ‘context’ should be influenced but not controlled by organisation. In the WISE the ‘context’ after the restructure of the company still seemed to lack effective organisation and the Agency Manager and staff were still focused on the funder’s outputs at the expense of sustainability.

The current evaluation research, conducted during the ‘middle’ phase, (14 months after start-up) provides evidence that the ‘team’ (i.e. the partnership and WISE staff) still had not reached the ‘performing’ stage in the ‘Integrated Team Development Framework’ proposed by Sheard & Kakabadse (2002) and is still performing as a ‘loose group’.

Summary

The results of this research study highlight the difficulty of establishing and developing a sustainable WISE utilising publicly contracted finance. It also highlights the added difficulties of doing so within an institutional partnership. There was evidence of a lack of focus and direction within the partnership that inhibited the WISE in achieving sustainability indicating that the ‘team’ was locked in a cycle of ‘storming/norming’. This lack of direction contributed to operational errors and problems, chief amongst which was an inability to satisfactorily complete basic reportables for the funding body. This led to crises that had to be continually managed and meant that the staff were consistently ‘firefighting’ when they should have been focusing on the social mission and achieving sustainability.

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