

Why Students are not (Just) Customers (and other reflections on Life After George)

GEOFF SHARROCK, *Management Consultant, Melbourne, Australia*

In industry, management decides ... but universities don't have that pyramid structure ... I can't remember a single instance in which anybody admitted that there was any aspect of our existing arrangements that was indispensable. Everybody recognises that there have to be cuts, because the Government controls the purse-strings, but nobody will actually make them. (From Nice Work by David Lodge, 1988).

The Big Argument

Hannie Rayson's new play, *Life After George*, has struck a chord with universities. In a few deft, resonant scenes we see George, the left-wing professor of history, arguing with his ex-wife Lindsay, now dean of the faculty. Facing a funding crisis, Lindsay is moving to close the French department, and replace existing courses with vocational, income-generating courses. She says students want jobs when they graduate, and that as clients they should get what they want. She argues for links with the corporate sector, to generate income. George is outraged. Students aren't customers, he says. We can't just give them what they want. They don't know what they want until after they've heard what we have to tell them. We should be producing educated citizens, not corporate fodder! And I won't work with those corporate bastards! All they care about is business!

Lindsay emerges as the most compromised figure in the play. But her dilemma is real enough. She is not the author of the funding crisis—just the person whose job it is to somehow make the best of an impossible situation. So she says, OK George, we have a two-million-dollar deficit: what's *your* strategy? He replies, Wrong question, professor. You're still just being a manager, implementing the corporate agenda. The real question is: How do we fight it?

George doesn't have a solution, but he does have a point. Traditionally, universities don't regard education as a 'product' or 'service' to be sold to students, nor students themselves as 'products' for the labour market. The language of the marketplace doesn't translate well to the work of universities, and allergic reactions like this suggest that something important is at stake. Writing about government a few years ago, Mintzberg (1996) argued that the failure of communist regimes in Eastern Europe doesn't mean simply that the private sector works and the public sector doesn't. What's been working for Western economies is the *balance* they have struck between a strong private sector and

a strong public sector. This is now at risk, he argues, due to the orthodoxy that a commercial, customer-oriented approach can be readily applied to any social purpose. For Mintzberg, the role of 'customer' is just one of 'four hats' we wear in society—as customers, clients, citizens and subjects.

The question I want to ask George and Lindsay is, 'When is it useful to think of students as customers, or clients, or citizens, or subjects?' It might help to see them as *customers* if what they encounter is indifferent teaching, or an unresponsive administration. And as *clients* when they need advice to help them understand their concerns, and make informed decisions. As *citizens* of the university, they have access to its resources, and can exercise certain rights. And as *subjects* they have obligations, as members of its community. On any given day, a student might be:

- A customer wanting routine information (from a department or faculty office),
- A client in need of expert guidance (choosing a course, or reviewing an assignment),
- A citizen with certain rights (borrowing a book, or appealing against an act of discrimination), and
- A subject with certain obligations (being fined for an overdue book, or working to make a grade).

The list could grow to express other relations of membership or exchange. Students might also be novices, acquiring the habits and values of a profession; or investors, intent on gaining expertise with a certain market value. Insisting on a single definition, market-oriented or not, doesn't automatically enhance their education. A workable policy for doing so has to define what these relationships mean, and how the parties might enact them. When expectations on both sides are discussed at an early stage, as Scott suggests (1999, p. 199), staff can be clear about which hats *they* wear, to make their dealings with students more transparent. This would be more constructive than debating whether students are customers, and doesn't preclude the idea that under the hats we all wear, there's a *person* in Rawls' (1972) sense of the term, who deserves the kind of treatment we Australians call 'a fair go'.

As George says, students can't just be given what they want. They don't passively consume their education: they actively co-produce it. Staff don't just feed them information. They challenge their thinking, engage them with ideas, assess their understanding, and ultimately decide whether to pass or fail them. So whether students pay fees or not, calling them customers obscures the fact that 'going to university' isn't the same as going to McDonald's, or staying at the Hilton. The analogy doesn't work because in the marketplace, there's no-one at the door to assess whether you're qualified to eat those fries, or rent that room. And when you leave, no-one assesses whether you're now qualified to go and practise what you've learned. In this respect universities aren't just service providers, but regulators and standard-setters. They incur risks when they underplay these roles. If you call students customers, charge them full fees, then fail them, there's a fair chance that they'll sue you—especially if the teaching falls short of their expectations.

Customers and Quality in the Public Sector

The policy issue is: what kind of social contract does a university make with its students? How does this relate to its wider obligations? Because the answer varies with the discipline, local definitions will prevail. A university-wide policy may not amount to much more than the idea that all constituencies are best served by high standards. A

university-wide concern will be, how well are these promises kept? This is where efforts to apply 'Quality management' come into play. To widen my theme about customers, I want to explore why 'Quality' (which itself has many variants) seems to work so well in the private sector, and yet so badly in the public sector.

As a modern approach to management, Quality transformed business by 'inverting the corporate pyramid' (although as Hilmer & Donaldson (1996, p. 31–33) observe, this overstates the case). It changed the basic premise of 'scientific' management: that managers think, while workers do. In manufacturing, it enabled shop floor workers to modify the system, stripping the waste out of mass production. In service industries, it shifted the focus of front line staff from 'pleasing the boss by following procedure' to 'finding new ways to please the customer'. By combining 'customer focus' with worker discretion and system improvements, Quality enabled corporations to meet the needs of consumers, and win their hearts and wallets. Management was reoriented toward 'making the system support the work' rather than 'subjecting each person to detailed control'. Compared with what it replaced, this was so revolutionary that some consultants wore T-shirts that said 'Subvert the dominant paradigm'. It's now routine to place Customers at the heart of Quality (Cole, 1998, p. 43–44; Billing 1998, p. 140), and Quality at the heart of Best Practice.

All this makes good sense—in business. The trouble is that in the public sector, 'customer focus' becomes a problematic concept, because a basic function of the sector is to balance competing interests, and regulate social contracts. If you work in the tax office, and start treating taxpayers as customers, you find that they're not 'always right', and that trying to please them can land you in jail. Making them equally unhappy might be the best you can do. This doesn't preclude what Quality implies for timeliness, clarity or courtesy. But it does show that the work of government is not really concerned with the private preferences of consumers. It's about meeting the needs of citizens, and managing the relationship of individual actors (persons or corporations) to the wider community.

So it's hard to apply Quality thinking in public institutions. In universities, there are also pre-existing structures and practices which diminish the value that Quality might otherwise add. With academic work, the benefits of 'inverting the pyramid' will be slim, because in academia there never really *was* a pyramid in the first place. At the front line of teaching and research, thinking and doing are *already* inseparable, and the scope for people to use discretion and creativity is *already* assumed. Standardized systems, that make mass production economic, rarely apply. Where Quality thinking *can* be applied, and may offer benefits, is in streamlining complex administrative processes like enrolment.

The debate about whether Quality approaches really work only makes sense in terms of *where* they work, and how well they're adapted. For many in the public sector, prescribing Quality as a doctrine simply adds to their list of headaches by overriding their sense of context. The same can be said of any other form of 'best practice' that's lifted from one context and imposed in another. Consultants are sometimes complicit in this, when we take sophisticated techniques that have been successful, and package them as generic solutions. Governments and administrations are sometimes complicit, when they take our generic solutions and standardize them as compliance procedures.

This is not to deny the virtue of Quality in its own context. As an approach to manufacturing, Quality is one of the better examples of Kurt Lewin's dictum that there's 'nothing so practical as a good theory'. My concern is about how it translates from one context to another. The will-to-standardise reflects its manufacturing origins, and the

will-to-idolise-customers reflects its marketplace origins. These tendencies need to be curbed in a university context. There's no theory quite so good that it can't be misapplied. The Quality template works best as an open set of questions, rather than a closed set of answers. It's like Rorty's conception of the proper relationship of philosophy to politics, 'a good servant, but a bad master' (1999, p. 232).

Quality, Value and Identity in Universities and the Marketplace

George is right to reject the idea that students are simply customers, and to insist that the business of education is education, not business. But his idea that producing 'educated citizens' is its *real* purpose won't suffice. It implies that learning to be a good employee somehow diminishes one's role as a citizen. And emphasising citizenship might not do much for students from overseas, who may not want to internalise a culture other than their own. George's invocation of Newman's 'Idea of a University' harks back to an era of elite institutions and secluded nation-states, where cultivating a 'philosophical mind' was supposed to temper the exercise of privilege, and the intellectual virtues were supposed to trickle down to the rest of the populace. Yet Newman himself didn't entirely dispossess the utilitarian benefits of higher education (Coady, 2000, p. 7-8).

George seems blind to these other benefits for students and those who employ them; and blind to their contribution to a wider economic well-being that is *one* precondition for social well-being. He'd be more convincing if he espoused a more promiscuous, less monogamous view of the purposes of a university, or wedded his vision more closely to the Idea of the Humanities.

Many of these arguments stem from different conceptions of quality and value. Marketplace conceptions are like the idea of beauty: they finally rely on the eye of the beholder. So providers defer to the waves of consumer preference. These keep shifting, endlessly redefining what constitutes quality, and what represents value-for-money. That's why in business it's a useful discipline to keep asking who the customers are, and what they want (although preferences can be influenced by marketing, or by innovation). But in universities and the wider public sector, where users may not be the only beneficiaries, transactions are not just acts of consumer choice. They are enactments of social purpose. Professional protocols, vocational norms and institutional policies loom large in the minds of practitioners, enabling them to calibrate 'customer' perceptions against internal standards of practice, and the interests of other parties *outside* the transaction. The standards themselves may be shaped by the time and tide of circumstance, and by new currents of thought emerging within the discipline. But these adaptations are negotiated: they don't just go with the flow.

Conceptions like these enable people to serve their different purposes, and practise their different disciplines. Meanwhile we all paddle the waters of globalism, and ponder the risks of being culturally swamped, or economically stranded. It's hard to draw the line. For those entrenched in the debate, accepting the validity-in-context of different conceptions might help them articulate their resistance to the undertow of each other's purposes. This would prevent a person's identity from being submerged in the other's authority, anchored as it is in another kind of value. Ideally, it would help people deploy each other's disciplines, and surf each other's purposes, without relinquishing their own. The challenge for universities is to learn from the disciplines of business without becoming one, and to engage with business in ways that are constructive as well as critical. This more pluralist dynamic would be an advance on George's anti-market, anti-business prejudice, and also on Lindsay's wholesale abandonment of educational

purposes. We no longer simply take sides between being anti-business or pro-business, or between the social and the economic. More nuanced positions are available, which neither idolise the marketplace nor dismiss it as inherently pernicious (Stretton & Orchard, 1994; Drucker, 1995; Giddens, 2000).

To summarise so far, the debate about students-as-customers can be reframed as a set of questions about multiple relationships, social contracts, and how these are related to context-specific purposes. The gulf that exists between diverse perspectives on quality and value can be bridged, by considering in detail how far management techniques translate across different contexts, and how they support or subvert different purposes. But there are still larger policy questions lurking in the background. These go to contemporary problems of public sector financing, and how different players think about the role of management in universities.

Funding Dilemmas, Value-for-Money and the Humanities

George Bernard Shaw once said that lack of money is the root of all evil. While making money isn't the purpose of universities, much of what afflicts them can be traced to the lack of it. One reason tensions have escalated is that they're no longer masked by the government 'largesse' (Macintyre & Marginson, 2000, p. 61) of the 60s and 70s. At the start of the Whitlam era in the early 70s, it seemed that the growth of higher education would be matched by an endless expansion of government funding. It was a time of abundance in which more public money was spent on higher education (as a percentage of GDP) than in any period before or since (Karmel, 1999). That moment of largesse proved unsustainable, in part due to economic concerns, and also because the continued growth of the sector coincided with escalating costs in other areas of public spending—notably health and welfare.

In the face of these pressures, governments changed their thinking about economic management and public sector financing, and looked to the private sector for alternatives. Containing the cost was always high on their agenda. While growth in student demand continued, the climate of abundance in universities gave way to a climate of scarcity. Administrations were encouraged to make internal changes, oriented toward capturing non-government income. They succeeded in doing so, to the extent that about half of university funding overall now comes from non-government sources (Kelly, 2000a). Meanwhile, as a percentage of GDP, public spending in the sector by the end of the 90s was about a third less (Karmel, 1999) than it had been in the mid-70s. But the new scarcity hasn't done much for quality, academic lifestyles and working conditions have been eroded, and life in the mixed economy of the university has become more complicated. While pressure for growth continues, the prospect of large increases in government funding seems remote.

From a government perspective, the dilemmas are real. Doubling the higher education budget over the next decade would be money well spent. But halving it would still not free enough tax dollars to meet the expected growth in the cost of (say) health care. The old left answer to this dilemma used to be about increasing corporate taxes, or cutting defence spending. But in an economy like ours, which relies on attracting global capital, increasing corporate taxes has negative consequences—at least until nation-states tackle this in a much more unified way, as thinkers as diverse as Giddens (2000), Rorty (1999) and Saul (1995) agree. And our military spending is already at a fifty-year low (Kelly 2000b), with a different political meaning post-East Timor than it had post-Vietnam. Nor do the pressures end there. The Australian Council of Social Services (ACOSS, 2000)

argued recently for an extra three billion dollars of welfare spending, on compassionate grounds—and also argued that on economic grounds, this would be money well spent. Yet this amount equates to more than half our public spending on higher education each year.

Perhaps governments will reorder their priorities as universities build their case. Meanwhile, from an institutional perspective, internal dilemmas abound. In technoscience alone, our universities struggle to find the resources to engage with the sheer proliferation of knowledge worldwide. But even if they could do this adequately, they have much wider commitments. They serve communities that also need philosophers, historians and classical scholars. The fact that technoscience offers prospects for economic benefit doesn't mean we should relinquish the study of humanism. Nor should a focus on economic performance displace the kind of critique that examines the human consequences of technoscience, and seeks to locate economic agendas within broader social agendas.

Within institutions, adopting the principle of 'parity of esteem' among the disciplines, as suggested at Monash University in 1992 (Marginson, 2000, p. 205), can serve as a corrective when economic pressures start to narrow the options, forcing choices about which forms of knowledge to support. But, even as we accept all of this, 'parity of esteem' still doesn't resolve the pragmatic question of how many taxpayer-funded philosophers, or historians, or classical scholars the community actually needs. Nor does it tell us in how many places they should congregate, or to what extent any particular institution should contain and cross-subsidise their work.

The dilemma of pursuing boundless knowledge with limited funding is complicated further when we consider that in a university context, 'value-for-money' is itself problematic. We can't determine the relative worth of the different forms of knowledge by adding up their intrinsic virtues, their social benefits, their market value and their economic utility, subtracting the associated costs, and comparing the results. The kind of cost-benefit analysis that a business might use to allocate resources doesn't apply, because much of the work of universities isn't amenable to this kind of calculus. The fact that among the disciplines there is no stable currency of value, or rate of exchange, goes with the territory. As Oscar Wilde might say, we can know the price of everything they do, without knowing the value of anything they do. One problem for the humanities is that they often find themselves arguing for public funds, in competition with disciplines that are seen as economically useful, while insisting that the kind of value they represent can't be translated into economic terms, and failing to offer a compelling account of social and cultural benefits.

Meanwhile, postmodernist thinking has dismantled (if not quite abandoned) humanist conceptions of knowledge, truth and value (Norris, 1994). As Saul (1995, p. 173) puts it, 'deconstructionists have effectively attacked our addiction to answers, but in such a way as to undermine the validity of our questions'. This makes it hard to develop a compelling rationale for further public investment in the humanities. If truth is not just complicated or elusive, but technically unavailable, why should ordinary citizens even try to make sense of all the technical-sounding stuff that comes out of the humanities? In a world where human suffering is commonplace, why spend scarce tax dollars on those who endlessly profess that in the end you just can't *tell*?

On both counts, what starts as an epistemological problem gets played out as a handicap in the funding game. At some point public investment in the humanities, while perfectly reasonable, is no longer (financially) rational. It's an act of faith, truncated by the prevailing bottom line. For many universities, especially those without deep pockets,

this threatens to skew the balance of spending. What the humanities can (and do) say is that a broad education combined with a capacity for critical thinking complements any professional discipline, and is in itself attractive to employers. For taxpayers, this is an improvement on the argument that the study of culture is worth funding because—well, because it's *culture*.

University Culture Versus University Management

These are some dilemmas facing universities generally, and the humanities in particular. What follows is addressed primarily to those who, like Goering and 'culture', reach for their revolver whenever they hear the word 'management'. You don't have to work in academia to know that many academics are disenchanting. You can always read about it in the newspapers. One effect of scarcity and change is to lay bare the exigencies of organisational life. Power relations become more explicit, choices become more stark, decisions entail winners and losers, and workplace politics become more intense. For many, the failure by governments to maintain, or even approximate, full funding feels like betrayal. The internal change agenda, with its dislocatory effects, also feels like betrayal (Molony, 2000, p. 62–84). In Australia as elsewhere, what Said (1992) called the 'utopian space' afforded by universities has shrunk, and the balance of power between the faculty and the administration has shifted. This shift entails an encroachment on the assumed freedoms of academic life, and fuels resentment toward institutional authority. It also lends power to non-academics, many of whom are otherwise seen as second-class citizens in their own institutions (Aitkin, 1998, p. 124; McInnis, 1998, p. 162). So it's understandable when scholars infer that something must be rotten, higher upstream, and enact a kind of antic disposition toward their institutions.

Alongside the scholarly debate, there's a public debate in which scholars defend their interests by denouncing the encroachments of 'management' in general. Managers are seen as a barbarian elite—corporate high-flyers with low cultural capital, narrowly fixated on the bottom line. In the play, George compares them with cockroaches. He keeps seeing them on planes, reading Wilbur Smith, just as John Ralston Saul keeps seeing them on planes, reading Sidney Sheldon.

Some of these denunciations turn on different conceptions of 'the university' itself. Thus Campbell (2000) in a colourful tirade against 'managerialism' recalls telling a 'minor bureaucrat' at Deakin University that 'she was not the university, I was. Further, the task of the administration was to serve the academics and students who comprised the university'. The substance of the dispute is unclear, but Campbell's conception deserves comment. It recalls a story by Gaita (2000, p. 44), in which the dons of Oxford University rebuke a visitor by insisting that 'We are not employees of the university. We *are* the university.' In both cases, two conceptions of 'the university' are at play. The dons of Oxford prefer a conception that reflects their collegial identity, their sense of scholarly vocation, and how these sacerdotal attributes go beyond mere wage-earning to embody 'the university'—when seen as a set of institutionalised *purposes*. Yet scholars do exist separately, and do engage in relations of exchange with 'the university'—when seen as an institutional *entity*.

The trouble with the dons' conception (or its virtue, depending on your point of view) is that it limits the role of the institution-as-entity to merely servicing the requirements of scholars, without providing any basis for requiring anything of them. Any administration that accepts this undercuts its own role in protecting the interests of the institution and its students in their relations with academic staff. That is, accepting the claim that

scholars simply *are* the university is tantamount to making *them* the real 'customers' of the institution. This in turn supports the comfortable assumption that scholarly freedoms and preferences, no matter how pointless or damaging they may seem, are to be privileged ahead of the concerns of any other constituency.

The recent experience of a group of Oxford undergraduates (Omrani *et al.*, 2000) illustrates the problem. They were dismayed to encounter dons who were remote, self-obsessed and intellectually stagnant, who fell asleep in their own tutorials, and who read their lectures from ancient notes while making it clear that the topic bored them even more than it did their students. If stories like these are indicative, the inner disciplines of collegiality and vocationalism are failing at Oxford, and its culture is in need of a dose of 'customer focus'. If this is not administered by academics themselves, the task falls (unhappily) to management. Problems like these don't flow automatically from the idea that a university equals the sum of its scholars, but the risks are real. To ignore the existence of a social contract that cuts both ways misrepresents the relationship, and ultimately risks eroding the rationale for governments to fund the work of academia. The fact is, academics *are* employees of their institutions, and also members of the communities those institutions support, and also contributors to the purposes those institutions serve. They may be connected to something more than the payroll, but they're not connected to less. I know that Gaita himself is a dedicated scholar, writer and teacher, and probably the last person anyone would accuse of disingenuousness. But his conception here is open to abuse, and makes for inadequate policy. While intellectual freedom is central to a university's truth-seeking and knowledge-creating purposes, this doesn't render sacred every liberty taken in its name.

Denunciations of management add little to the debate about how universities might operate as large, complicated institutions pursuing a plurality of missions. The body of knowledge about management is hardly monolithic. Collegiality is just one more variation, which in practice often entails its own shadowy hierarchies, opaque agendas, and pre-emptive decisions. Arguing *for* collegiality and *against* management enables scholars who aren't conversant with management theory (imagine my dismay when *they* haven't done the reading) to express their distaste by debunking its jargon, without engaging with the problems it seeks to address. Yet no-one quite argues that the work of management would disappear if managerial roles were dispensed with. Nor is it seriously argued that a return to pre-existing collegial norms will resolve the problems universities now face. Meanwhile the public debate continues, often in the form of an anti-managerialist polemic that lacks, as Marginson (2000, p. 210) observes, much in the way of analysis.

Debating 'Managerialism'

In one sense, academia was well-placed to resist the encroachments of 'management' in universities during the 90s. Similar moves in the government sector had already been identified, and a critique was ready to hand. The label of choice was 'managerialism', a term with no settled definition. It is variously linked to capitalism, corporatism, commercialism, authoritarianism, instrumentalism, Taylorism—and also to administrative reform. In the Australian context, Rees and Rodley (1995) represent it as just evil, Considine and Painter (1997) rather less so, and Zifcak (1994) not at all. Yet none seem to use it quite as Braverman (1974) had, in his critique of labour process theory, to revive the Marxian thesis in industrial sociology. It now appears frequently in the public debate

about Australian universities, as a ritual denunciation. To speculate about the dynamics in this, I'll look briefly at 'managerialism' in the Australian government context.

Managerialism in Government

The emerging critique in the late 80s suggested that the new 'corporate' management eroded the values and purposes of public administration by adopting a technocratic, private sector approach. It reduced public sector programs to 'output' goals and measures, stripping them of their content, and undermined policy capability by promoting a generic, instrumental conception of the roles of senior staff. For many of its critics in academia, it was 'too thin a brew' to sustain the public sector (Considine & Painter, 1997, p. 2).

In reply, senior public servants from the Victorian and Commonwealth public services (Paterson, 1988; Keating, 1990) expressed surprise at these concerns. They saw the new management as a means of tackling the (self-evident) inadequacies of existing administrative practice. For them, public sector purposes weren't being eroded, but enhanced. What they didn't quite say (but the signs are there) was that this was because managers were never assumed to be 'content-free' practitioners. They were expected to combine what Yeatman (1987) had termed 'technical and substantive consciousness'. Their task was to manage *with* the numbers, but not just *by* the numbers. They didn't aim to dispense with policy development, due process or concern for the public interest. All this was presupposed. So 'management' wasn't a whole new brew, but a powerful additive to an existing brew. In effect, they argued that while the system might seem Hyde-bound to outsiders, Dr Jekyll was still in control.

All this took place before the Kennett era, when a second wave of change in the early 90s added 'marketisation' to 'managerialism' (Considine & Painter, 1997, p. 5-6). The first-wave practitioners had been cogent enough. Both saw misconceptions in the thinking deployed against them, and both saw signs of ideological truffling therein. This led Paterson to flick what he saw as windmill-tilting scholasticism, and Keating to detail the Weberian continuities of the new approach, along with their weakness in tackling the tasks of modern government. Over time it became clear that many of these early reforms had been oversold: the ratio of babies to bathwater was extremely mixed.

Three Sources of Cognitive Difference

Whatever the assessment one makes, three things are striking about this debate. The first is the difference between the background assumptions of the practitioners in government, and those of their critics in academia. For those within, the existing ethos was a necessary (but no longer sufficient) element of an effective public sector. For those without, this ethos had been expunged from the lexicon—and thus from life. It wasn't inscribed in the textual artifacts that the critics were using as their primary evidence of the new managerial thinking. So practitioners were guilty of speaking in terms of a 'content-free' discourse, which failed to articulate the substantive content of their own managerial practice. The critics, meanwhile, were guilty of deploying a 'content-free' critique of managerial thinking, whose substance (being unspoken) was unavailable to them. Alford (1993, p. 135-148) recognised this. He suggested that the critics were attacking an archetype, rather than a practice, and that neither side was painting the full picture.

A second difference is the extent to which practitioners internalised the climate of fiscal constraint, while the critics by and large did not. That is, practitioners were committed

to meeting two of the aims of their respective (Labour) governments: to make public spending reflect government priorities, and to find ways to cut costs in some programs as a means of financing others. Theirs was a deeply pragmatic orientation, but hardly devoid of principles or purposes. The more speculative focus of the critics, by contrast, was on what the new management might ultimately mean, rather than the results it might deliver.

A third difference is the way in which practitioners sourced their authority, and accepted as legitimate both its hierarchical form and its instrumental focus. They saw the work of the public service primarily in terms of serving the needs of external constituencies, according to the dictates of an elected government. Their critics were at least as concerned with internal constituencies resident in the sector. These were staff caught up in the throes of change, but unhappily remote from its decision-making. Some critics implied that there was something inherently undemocratic in the idea of 'letting the managers manage', that was reflected in the way authority was deployed, policy determined, and funding allocated. Keating's response was to ask where a public servant's decision-making legitimacy came from, once outside the boundaries of official policy. Paterson's response was, 'Tough'.

These three differences amounted to a sizeable cognitive gulf separating the proponents of public sector management and their critics at the end of the 80s. Readers can judge the merits for themselves, against their own sense of how democratic values mesh with the larger mechanisms of government. The critique succeeded in provoking practitioners to clarify their assumptions. It failed to convince governments to abandon the project. Its main weakness was the lack of alternatives—except, perhaps, for the implied alternative of a return to more public spending and letting the non-managers manage. There were few attempts to tackle the problems that governments faced—especially their fiscal problems. In the early 90s, Alford (1993) attempted to move the debate 'beyond managerialism', while Yeatman dissociated herself from the rejectionism of the anti-managerialists, confessing embarrassment at having her work appropriated to their cause (1994, p. 287). But the label had begun to stick, and the anti-public sector Kennett years both transformed and consolidated it. By the late 90s the dark side of 'managerialism-cum-marketisation' was widely evident. As I write, the new Victorian Labor government is cautiously undoing some of these changes, and starting to spend from a stronger fiscal position than before.

Managerialism in the University

What can universities learn about their own debate from this earlier debate in government? As someone who thinks that good management is a good thing in a university, I'm sceptical about the value of the term 'managerialism'. The earlier critique marks out a discursive space in which the debate about universities now occurs. It enables academics to position managers as wrong by definition, because their belief in the need to 'manage' is construed as a misguided salute to an already-debunked ideology. One cannot speak of the concerns of 'management' in universities without conjuring up 'managerialism'—its evil twin. So-called 'managerialists' are morphed by the gaze of their audiences into Frankensteinian creatures (part-Thatcher, part-Kennett), and accorded the intellectual status of pornographers. No matter how much they deny the association, right-minded people still know it when they see it.

This dynamic inhibits informed debate. How can academics and managers tackle the substantive issues together, and in good faith? Returning to the play, we can ask what

kind of cognitive gulf might exist between the positions taken by Lindsay and George. Is Lindsay's conception of the work of the university 'content-free', or is it a tactical corrective to George's conception? To what extent do they privilege different constituencies? How far do they internalise or externalise the faculty's funding problems, and its substantive purposes?

Four Examples of Bad Faith

As fiction, the play creates a relatively neutral space for this kind of speculation. Its real concerns are with the human situation, not the system effects of university administration, higher education policy, or public sector financing. It doesn't tell us what works. We don't see George resisting his way to the freedom of a taxpayer-funded faculty. Nor Lindsay marketing her way to the freedom of a privately-funded one. The scenario deftly captures an archetypal clash at a moment of transition. At the risk of distorting the nuances, I want to extrapolate some assumptions behind this scenario, to suggest how both characters might be acting in bad faith, and to speculate about what they could do differently.

Lindsay's Bad Faith

Lindsay is doubly compromised. Her initial response to George is that the closure of the French department is none of his business. The decision to cut back programs is presented as a *fait accompli*. She has dispensed with the kind of open discussion that any group undergoing change should have. Her bad faith consists in failing to conduct an open process of problem-solving, that engages directly with her constituents. The real debate she should have been conducting is all about the problem of sustainability—defined broadly enough to include financial performance, but without excluding other imperatives. Just as many corporations now seek to manage in terms of a 'triple bottom line'—financial, social, environmental—so Lindsay needs to work with the many bottom lines at play within the faculty. How can its members recognise financial constraints, find ways to offset their negative effects, and also fulfil its primary purposes?

But instead, she dismisses George's concerns, and rationalises decisions that are driven by non-educational factors. In pursuing a narrowly defined bottom line, she doesn't pay enough attention to his bottom line. Lindsay's compromised position stems from the fact that she's responsible for the numbers. She fails to use dissidents as critical resources in defining problems and designing solutions. Like many professionals who become managers, she fails to practise leadership because she can't let go of her own former identity as an expert, whose authority derives from having a clear intellectual position. Nor has she learned to engage with the multiple bottom lines of her constituents, without internalising the incoherence they collectively represent.

This incoherence can be understood in the terms that R. D. Laing used to interpret schizophrenia. His analysis located the problem not inside the individual, but in the dynamics of their social situation. To illustrate this, the following quote substitutes 'incoherent leadership' where the term 'schizophrenic' appeared in the original:

The behaviour that gets labeled 'incoherent leadership' is *a special strategy that a person invents in order to live in an unlivable situation...* They cannot make a move, or make no move, without being beset by contradictory and paradoxical pressures and demands, pushes and pulls, both internally from the self, and

externally from those around them. They are, as it were, in a position of checkmate... This state of affairs may not be perceived as such by any of the people in it ... The behaviour of the incoherent leader is part of a much larger network of disturbed behaviour ... The contradictions and confusions 'internalised' by the leader must be looked at in their larger social contexts.' (1967, p. 79)

The transitional state of universities is just such a social context. Like many middle managers in moments of transition, Lindsay has internalised the dilemmas of her institution, but hasn't managed to reconcile their contradictory pressures. As Hampden-Turner observes, leaders in this position find themselves caught between antithetical values that 'crucify the psyche and threaten to disintegrate both leader and organisation' (1990, p. 7).

Lindsay is also intellectually suspect. As a former student of George's, she still shows signs of sharing his ethos. Her own career began by identifying with that ethos, and in the course of the play she surfs the politics of every ascendant orthodoxy—Marxian radicalism, feminism, market fundamentalism—always, it seems, to personal advantage. In Yeatman's (1987) phrase for technocrats, she is 'teleologically promiscuous'. It isn't hard to imagine her adopting George's arguments in the university's budget process. There, she might insist that the humanities are a special case, different from (say) accounting or computing, and worthy of special consideration because they are closer to the real purpose of the university as an agent of social progress. In this sense, her bad faith consists in a kind of ideological infidelity, whereby she adopts different positions at different times, and in different forums. She has reinvented herself without reintegrating her thinking.

George's Bad Faith

Like many scholars of his generation, George found his niche when times were good, and has been buffered from the piecemeal careers and material anxieties of later generations. He has never had to reinvent himself, or reintegrate his thinking. What's striking about his response to the climate of uncertainty is his sheer lack of doubt. Yet George doesn't have a solution to Lindsay's dilemma. She needs to make the numbers work, but he won't talk numbers. The luxury of his role as a non-manager is that making the numbers work is not his problem. This leaves him free to veto every compromise on the grounds of principle. He can tell her exactly what, as a fellow-professor, she should think, while deflecting the question of exactly what, as dean, she should do. Yet the play tends to present George as merely flawed in the private sphere. In his work, he is true to himself as a scholar-intellectual.

George's bad faith is more subtle than Lindsay's. One reason he won't 'mind his own business' is that, like Socrates, he can't turn a blind eye. But unlike Socrates, he's also a senior member of a multi-million dollar institution. The problem isn't that he wants to intervene, but that he should have made the problem his business long before any decision had to be made. Where was he when Lindsay was building her case to fight for the faculty's budget? Or when the faculty first identified a looming gap between its finances and its programs? What was his contribution to the discussion about alternatives before the guillotine fell on the French department? What is it about the way intelligent people like George enact collegiality that leads deans to take advice from outsiders, and make decisions without enough consultation?

The play doesn't give us this kind of background. We don't know which other universities offer French, what the arrangements are for staff and students, or why it's so important that French be taught internally. (After all, it's a quirk of history that Australian universities offered European languages before those of our geographic neighbours. Melbourne University, for example, now offers Vietnamese and Thai—but arranges with other institutions to teach them.) Yet we don't see George inquiring, just reacting. He seems remote from any wider debate about alternatives, that might be as rigorous and as relevant to our society as French, and might also attract the income needed by the faculty. For a self-styled agent of change in the wider world, he is remarkably loath to contemplate anything other than the *status quo* in his own world. It's as though his thinking about it stopped where his *History of the Australian People* stops—back in the 70s, at the start of the Whitlam era.

George loses sight of the material conditions of his own existence, and insists on the right to a utopian space that transcends those conditions, no matter what happens outside. While true to himself, he's not all that true to his context. So if, like Brutus killing Caesar for the sake of principle, he were to stage a coup, get rid of Lindsay, re-open the French department, and seek to restore the faculty to a more collective governance, what then? He might find himself cast in just her kind of role, under the same kinds of pressure, and facing the same lack of engagement from his faculty colleagues. He might even find that any attempt to reach a decision and act on it, led to a similar veto from some other George, belatedly expressing some other concern. (In Shakespeare's play, there's an anachronistic clock that strikes in ancient Rome just as Brutus and his colleagues decide 'how not to murder Caesar' (Burckhardt, 1968). It's a sign that, honourable or not, they're about to act in a way that is out of step with their time).

In his role as an intellectual, George is also suspect. His views are internally coherent, but they're open to debate. For the sake of the argument, we can explore one course option that George dismisses out of hand. He cites tourism, marketing and hospitality as topics unworthy of serious study because they offer no prospect for 'academic excellence', and no scope for critical engagement with the 'riddles of human existence'.

As someone who studied European languages at a 'real' university, I have to say that they didn't always entail such profundities. Some of the material was great, and so was some of the teaching. But much of what I encountered wasn't *that* mysterious. Perhaps the gulf between higher education and vocational training is as wide as ever. Yet it isn't that hard to imagine an approach to studying tourism, marketing and hospitality that would examine how we construct our Australian identities when we encounter (say) the Americans or the Japanese, and how we negotiate our differences with them. Or how we develop concepts of 'good service' that don't violate our sense of living in an egalitarian culture. Or how we deal authentically with what looks like offensive behaviour from people who, in terms of their own culture, aren't being offensive. Or how a café creates a certain kind of ambience, so that people will have *this* kind of experience, not *that* kind of experience. One thing the deconstructionists demonstrate is that there's little in life that can't be theorised, and related to larger questions. If we can study popular culture as an emerging discipline, as one historian has argued (Macintyre, 2000), why not the culture and practice of everyday work in a growth industry that's important to Australia's future?

It might lack status and cultural capital, but you don't have to be dumb to be a waiter. Despite those who think like George, this entails more than knowing 'how to mix a cocktail'. Nor is it an occupation that precludes the worker-as-citizen from participating in society. Plenty of people who work in these fields might like to explore how they relate

their identities to their work, what it enables and what it constrains, how they find dignity in it, and how they might make a difference in the practice of their everyday lives. Speaking from outside the humanities, I find questions like these as worthy of examination as anything I read by (say) Camus. What a university might make of such a course is still an open question. George's bad faith lies in his refusal to engage open-mindedly with suggestions like these, while claiming to represent the common wisdom of ordinary people.

The above is not presented as a generic solution to the dilemmas of the humanities, but as one more line of inquiry. Newman, we recall, didn't value research in universities, but he did value inquiry. In this sense, Lindsay and George are both damned, in that they're so busy advocating their positions (in harder, simpler terms than either might privately allow) that they fail to inquire. The adversarial dynamic of their argument makes for good drama, but in reality it leads to either no solution, or solutions that aren't well-conceived because they haven't been well-probed.

Living with Uncertainty

The funding of universities and the range of work they support is a political dilemma that leads inevitably to compromise positions, and makeshift solutions. The prospect that institutions will become immune to the uncertainties of a wider, more intrusive world seems remote. Deans and other managers face a paradox. They can't afford to just manage by the numbers, because this ultimately detracts from the purposes of the university. Nor can they afford to ignore the numbers, because making the numbers work is a basic need for any institution, and a basic responsibility of management. The purposes of universities can't be served if people don't get paid; nor yet can they be served if choices are based on financial considerations alone. A task for leadership is to bring focus to these issues in a way that recognises the diffusion of authority, the diversity of perspectives, and the distributed nature of action in a university setting.

Like George, I don't have a solution. Yet it may be possible to change the dynamic of this debate, beyond mere critique, and beyond the tribal antagonism between scholarly authority and managerial authority. What universities need is a more creative dialogue among people who make it their business to learn the price of everything *and also* the value of everything. Once these bottom lines are sufficiently recognised, the work of managing *with* the numbers (but not just *by* the numbers) can begin. Two normative steps in this direction are:

- For managers to redeem the idea of management in universities by working to reclaim the elements of collegial practice; by embracing dissent rather than blocking it or sidestepping it; by making their agendas more transparent; and by opening up the process of problem-solving and decision-making to wider constituencies; and
- For academics to redeem the idea of collegiality by extending 'parity of esteem' to their non-academic colleagues; by internalising strategic dilemmas; and by taking on the task of thinking more broadly about the multi-dimensional problems that administrations face, which are more complex than they used to be, and are critical to the sustainability of their institutions.

In this article I've used Rayson's play as a springboard to speculate about management issues in universities. I haven't done justice to its nuances. But I hope to have opened up some questions for those who struggle daily with these issues. In writing about this, I find myself struggling with my own tribal identifications—as a former government bureau-

crat, and a former university administrator. (I have this Kafka-like vision of managers squirming in the audience, thinking, 'I am not a cockroach! I am a human being!')

One of the great things about the play is that it voices these concerns so passionately. What do we really care about? What will our children thank us for? How do we make our work valuable, and our values workable? It reminds us that financial performance is a very narrow measure of success. While in business this is often said to be the main concern, it is not the main concern of the public sector, nor of our universities. There, success can only be assessed as contribution to social and economic need, to the common good, and to human aspirations. Defining what these might be, and how we might promote them, is a conversation that never ends. However they are funded, and whatever mix of purposes they serve, our universities have a critical role to play in that conversation.

Correspondence: Geoff Sharrock is a Melbourne-based management consultant. He is working towards a PhD in the School of Management at RMIT, on the topic of leadership and change in universities. E-mail: gsharrock@msn.com.au

REFERENCES

- ACOSS (2000) ACOSS calls for \$3b social fund, *The Age*, 3, 14 February, Melbourne.
- AITKIN, D. (1998) What Do Vice-Chancellors Do? *Journal of Higher Education Policy and Management*, 20(2), pp. 117-128.
- ALFORD, J. (1993) Towards a New Public Management Model: beyond "managerialism" and its critics, *Australian Journal of Public Administration*, 52(2), pp. 135-148.
- BRAVERMAN, H. (1974) *Labour and Monopoly Capital*, New York: Monthly Review Press.
- BURCKHARDT, S. (1968) *Shakespearean Meanings*, Princeton, NJ: Princeton University Press.
- CAMPBELL, F. (2000) Knowledge Inc., *The Weekend Australian Review*, 14, March 11-12.
- COADY, T. (1996) The very idea of a university, *Australian Quarterly*, 68(4).
- COADY, T. (2000) Universities and the ideals of inquiry, in: *Why Universities Matter: a conversation about values, means and directions*, St Leonards: Allen & Unwin.
- COLE, R.E. (1998) Learning from the Quality Movement: what did and didn't happen and why? *California Management Review*, 41(1), pp. 43-73.
- CONSIDINE, M. & PAINTER, M. (Eds) (1997) *Managerialism: the great debate*, Carlton: Melbourne University Press.
- DRUCKER, P.F. (1995) *Managing in a Time of Great Change*. Oxford: Butterworth-Heinemann
- GAITA, R. (2000) Truth and the university, in: *Why Universities Matter: a conversation about values, means and directions*, St Leonards: Allen and Unwin.
- GIDDENS, A. (2000) *The Third Way and its Critics*, Cambridge: Polity Press.
- Hampden-Turner, C. (1990) *Charting the Corporate Mind: graphic solutions to business conflicts*, New York: Free Press.
- HILMER, F. & Donaldson, L. (1996) *Management Redeemed: debunking the fads that undermine corporate performance*, NSW: Free Press.
- KARMEI, T. (1999) *Financing Higher Education in Australia*, Department of Education Training and Youth Affairs, Occasional Paper 99D, June 1999.
- KEATING, M. (1990) Managing for Results in the Public Interest, *Australian Journal of Public Administration*, 49(4).
- KELLY, P. (2000a) Higher education fails the test, *The Australian*, 15, May 17, p. 15.
- KELLY, P. (2000b) All quiet on the spending front, *The Australian*, 15, February 23, p. 15.
- LAING, R.D. (1967) *The Politics of Experience*, New York: Random House.
- MACINTYRE, S. (2000) How to keep the arts afloat, *The Age*, 15, 15 May, Melbourne.
- MACINTYRE, S. & MARGINSON, S. (2000) The university and its public, in: *Why Universities Matter: a conversation about values, means and directions*, St Leonards: Allen and Unwin.
- MARGINSON, S. (2000) Research as a managed economy: the costs, in: *Why Universities Matter: a conversation about values, means and directions*, St Leonards: Allen and Unwin.
- MCINNIS, C. (1998) Academics and Professional Administrators, *Journal of Higher Education Policy and Management*, 20(2).
- MINTZBERG, H. (1996) Managing government, governing management, *Harvard Business Review*, May-June, pp. 75-83.

- MOLONY, J. (2000) Australian universities today, in: *Why Universities Matter: a conversation about values, means and directions*, St Leonards: Allen and Unwin.
- NORRIS, C. (1994) *Truth and the Ethics of Criticism*, Manchester: Manchester University Press.
- OMRANI, B., BAILY, G. & GULICK, C. (2000) Grey millennium dons breed Oxford blues, in: *The Australian*, 8 March, pp. 38-9.
- PATERSON, J. (1988) A Managerialist Strikes Back, *Australian Journal of Public Administration*, 47(4)
- RAWLS, J. (1972) *A Theory of Justice*. Oxford: Clarendon Press.
- REES, S. & RODLEY, G. (Eds) (1995) *The Human Costs of Managerialism: advocating the recovery of humanity*, Leichhardt, NSW: Pluto Press.
- RORTY, R. (1999) Globalization, The Politics of Identity and Social Hope, in: *Philosophy and Social Hope*, London: Penguin.
- SAID, E.W. (1992) *Culture and Imperialism*, London: Chatto & Windus.
- SAUL, J. R. (1995) *The Unconscious Civilization*, New York: Free Press.
- SCOTT, S. V. (1999) The Academic as Service Provider, *Journal of Higher Education Policy and Management*, 21(2), pp. 193-202.
- STRETTON, H. & ORCHARD, L. (1994) *Public Goods, Public Enterprise, Public Choice: theoretical foundations of the contemporary attack on government*. London: MacMillan.
- YEATMAN, A. (1987) The Concept of Public Management and the Australian State in the 1980's, *Australian Journal of Public Administration*, 46(4).
- YEATMAN, A. (1994) The Reform of Public Management: an overview, *Australian Journal of Public Administration*, 53(3).
- ZIFCAK, S. (1994) *New Managerialism: administrative reform in Whitehall and Canberra*, Buckingham: Open University Press.