

**WIRRAL COUNCIL**

**CABINET**

**15 MARCH 2012**

<b>SUBJECT:</b>	<b>MASTERS IN BUSINESS ADMINISTRATION (MBA) QUALIFICATION</b>
<b>WARD/S AFFECTED:</b>	<b>ALL</b>
<b>REPORT OF:</b>	<b>DIRECTOR OF LAW, HR AND ASSET MANAGEMENT</b>
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	<b>COUNCILLOR TOM HARNEY</b>
<b>KEY DECISION?</b>	<b>YES</b>

**1.0 EXECUTIVE SUMMARY**

- 1.1 The purpose of this report is to seek approval from Cabinet to proceed with the procurement tender process decision and renew the MBA programme contract with effect from 2012.
- 1.2 By virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, the appendices to this report are exempt as they contain commercially sensitive information.

**2.0 RECOMMENDATION/S**

- 2.1 It is recommended that Cabinet agree:
- (i) The award of the contract for the duration of the MBA programme (three years) for a single cohort, with the option of an additional two cohorts.
  - (ii) Agree the University of Chester as the contracted provider on the basis of an objective assessment through the procurement process undertaken between June and November 2011.

**3.0 REASON/S FOR RECOMMENDATION/S**

- 3.1 A procurement process consisted of post qualifying questionnaire (PQQ), invitation to tender (ITT), Presentation and Site Visits. The evaluation was weighted 60 % cost and 40% quality to ensure best value to the Council.
- 3.2 It is important Wirral Council has a programme of leadership development, in place to build our capacity to deliver our objectives.
- 3.3 The relative value of the M.B.A. programme will be reviewed as part of our capacity building and approach to Leadership as the Council develops its capacity building and Improvement plan.

## **4.0 CONTEXT**

4.1 Wirral Council has a structured learning programme for employees and managers in the form of:

- Skills for Wirral employees programme.
- Skills for Wirral managers programme.
- Job specific learning and development opportunities of vocational and academic nature e.g. NVQ's, Professional Qualifications.
- An academic learning programme for junior and middle managers through the Institute of Leadership and Management (ILM) level three and five awards.
- MBA programme for current / aspiring strategic managers and leaders.
- Other bespoke learning and development opportunities as required.

4.2 The MBA Programme builds on the suite of learning and development opportunities described above, in order to provide senior managers and leaders with distinct development opportunities. The MBA is an academic taught programme, the learning from which attendees can apply into the organisation through workplace practice and improved performance.

## **5.0 BACKGROUND**

5.1 Wirral Council is committed to ensuring that all employees, managers and leaders in Wirral are skilled and resourced in order to meet current expectations placed upon them by the organisation and our customers; as well as being equipped to support and address future challenges. In line with this Wirral adopts a proactive approach to workforce development and talent management. This is delivered through building capacity at all levels of the organisation via a range of formal and informal learning methods, both vocationally and academically driven.

5.2 In line with this requirement, Wirral introduced a new learning process for current and aspiring strategic leaders and managers in 2006, in the form of the MBA academic qualification programme, delivered by Chester University. To date three cohorts of managers have undertaken the programme. Two cohorts have completed the programme and cohort three is part way through year three, the final year. This tender contract has now expired.

## **6.0. PROGRAMME DESCRIPTION**

6.1 Through attendance at university on a monthly basis, Wirral managers and leaders:

- Learn a range of models and theories that can be applied to workplace practice e.g. stakeholder engagement.
- Through production of assignments are encouraged to apply their learning, in a workplace context, at a theoretical level.
- Undertake a group project on a real life organisational issue, the learning from which can be applied in practice.
- Complete a dissertation on an issue linked to an organisational topic, again, the learning from which can be applied in real terms.

- Are given opportunities to externalise their focus beyond the boundaries of Wirral Council and its partners.
- Challenge current ways of thinking within themselves as individuals and across the organisation in order to generate new and creative opportunities and ideas.

## **7.0 PAST PROGRAMME FEEDBACK**

7.1 The MBA programmes delivered under the previous tender contract have been evaluated. This has concluded that attendance on the MBA programme has resulted in both generic and specific improvements for the organisation as well as individual delegates. 75% of people found undertaking the MBA very beneficial, with the remaining 25% finding it somewhat beneficial.

7.1.1 Specific examples of organisational impact from the MBA include:

- Using learning undertaken through the MBA, to support developments in the topic of foster care recruitment and service reform for children with disability services.
- The MBA programme has provided skills to enable the identification of strategic opportunities and the ability to link these to Corporate Objectives; as well as by improving ability to undertake research and write bids to secure funding.
- The projects carried out by delegates in Year 2 of the MBA and the Final Year dissertations have resulted in the identification of potential savings and improvements in a number of services e.g. The Fixed Assets Project, Budget Management Training and The Use of Social Media.

7.1.2 In addition, generic feedback from delegates has included:

- One of the most apparent benefits is the creation of internal networks of middle managers which means there is greater corporate and departmental working.
- I can see the wider dynamics of a, challenge or situation.
- I have a better understanding of change management and applying change management to service planning.

7.2 Attendance on the MBA programme supports talent management and succession planning, within Wirral and across Local Authorities within the region; as well as supporting managers and leaders to fulfil their current roles. Evaluation has confirmed that a significant number of people have developed within their careers following commencement of the MBA and continue to do so. 41.7% of people have undertaken new responsibilities, 16.7% had a new job role and 8.3% of people have been appointed to roles at a higher level. Feedback from delegates has included:

- Since my MBA I have taken on a new leadership role. I am confident in tackling this role. Line manager feedback is positive.
- The knowledge that you gain provides frameworks against which you can analyse your situation and assists you to doing the right things on a day to day basis. You also have a sounder basis for planning your continued development.

## **8.0 NEW PROGRAMME IMPROVEMENTS**

- 8.1 Access for the M.B.A programme will be through an assessment centre process for undertaken in partnership with the chosen provider with a selection panel comprising the Chief Executive, a Director, Head of HR/ OD and OD Manager.
- 8.2 Project and dissertation topics will be identified and approved by the organisation prior to being undertaken by delegates. These will support organisational development including change programmes and areas requiring research.
- 8.3 Following attendance on the programme; attendees will be required to support the delivery of organisational change initiatives and development activities. Therefore transferring their learning into practice and enhancing organisational capacity and capability.
- 8.4 To improve the evaluation of the programme, benchmarking of performance before, during and after the programme will be put in place.
- 8.5 The HR/OD Team will keep the programme under review, in terms of scale and cost, when looking at the Council's Leadership Strategy for the future.

## **9.0 THE TENDER PROCESS**

- 9.1 In June 2011 Wirral Council commenced a new tender process to secure a new MBA provider, as the original tender had expired.
- 9.2 The specification required the ratio of 60% cost, 40% quality.
- 9.3 Registrations of interest were requested from organisations based within a 40 mile radius of Wallasey Town Hall, to ensure the investment made by Wirral Council supported the economic regeneration of the local area and that attendance at the University was accessible for employees.
- 9.4 Organisations were invited to submit a tender comprising two delivery options.  
  
Option One – Taught Delivery at Wirral Council site.  
Option Two – Taught Delivery at University site.
- 9.5 Organisations submitting tenders were asked to consider delivery and associated costs for a single cohort consisting of a maximum of 25 people, lasting for a three year term. In addition there is a potential of two additional cohort extensions built into the specification, resulting in three cohorts in total. This means there is the potential for 75 people to undertake the programme through this tender exercise.
- 9.6 Organisations included a three tier approach within their scope.
  - 9.7.1 Tier One – People complete year one, achieve a post graduate certificate and leave the programme at this stage.
  - 9.7.2 Tier Two – People complete year two, achieve a post graduate diploma and leave the programme at this stage.

- 9.7.3 Tier Three – People complete the full programme and achieve an MBA qualification.
- 9.7 Eight organisations submitted post qualifying questionnaires at the PQQ stage for short listing.
- 9.8 Five organisations were short listed and invited to submit tenders in line with the ITT.
- 9.9 Following analysis of the five tender submissions, site visits were undertaken at all universities in August, 2011, in line with procurement requirements. These findings were included in the final score as a percentage of the quality aspect.
- 9.10 A preferred provider was identified as an outcome of the procurement process.

## **10.0 COSTS**

To date the MBA programme has been fully funded by the employing department. Further consideration will be given to the future funding of the programme.

## **11.0 RELEVANT RISKS**

- 11.1 The tender exercise has been thorough and took into account the need to consider both cost and quality in the assessment process – the contract is time limited but with the option to extend it. All of this should minimise the risk to the council. The MBA Leadership Programme will enable the council to develop its senior staff and aspiring senior staff to enable it to be robust in the future.
- 11.2 In order to ensure effective monitoring and evaluation, the tender specification required a clear response on how this would be achieved.

## **12.0 OTHER OPTIONS CONSIDERED**

Due to the cost of the contract over three years it was necessary to conduct a tender exercise in accordance with the OJEU procedures. No other options were considered however this programme itself forms part of a suite of options for leadership development.

## **13.0 CONSULTATION**

Not applicable

## **14.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

- 14.1 The nature of the contract will be one that allows Wirral Council to offer places to partner organisations. This has previously been offered to Wirral NHS, who took places on cohorts two and three of the last contract and further opportunities can be explored.

## **15.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

- 15.1 Pricing implications formed part of the tender assessment and was weighted 60%

of the tender assessment. Only tenders containing proposals which fell below £9,000 per delegate, per full MBA programme were considered for tender evaluation.

- 15.2 The final overall cost per delegate will depend on the numbers signing up to each cohort.
- 15.3 There is no budget at a corporate level for participation on the MBA programme as delegates are funded directly from Departmental Budgets.
- 15.2 Senior and Chief Officers will support a small amount of programme delivery, by facilitating sessions on a range of topics in order to demonstrate the application of theory to practice within Wirral. An example of this is within the Finance Module, delegates are briefed on the Council budget and funding streams.
- 15.3 No additional staff will be required to administer the delivery of the MBA – the council has run a similar programme for over three years and the administration for the programme will be conducted by the successful provider.
- 15.4 Time off for delegates to attend the programme and participate on supporting project / group work will be required.
- 15.5 There are no IT implications arising from the tender process or award of this contract.

## **16.0 LEGAL IMPLICATIONS**

The Council will ensure that all relevant employment legislation is complied with throughout the MBA procurement process.

## **17.0 EQUALITIES IMPLICATIONS**

- 17.1 The specification was devised using the council procurement template. Issues relating to equality and diversity are covered in terms of the tender process and how the contract will be delivered to ensure both statutory compliance and best practice.
- 17.2 Accessibility to the programme will follow established training and development procedures to ensure that the criteria set for the application process and selection of attendees onto the MBA programme are clear and none discriminatory.
- 17.3 Equality Impact Assessment (EIA)
  - (a) Is an EIA required? Yes.
  - (b) If 'yes', has one been completed? Yes

## 18.0 CARBON REDUCTION IMPLICATIONS

There are no carbon usage implications or other relevant environmental issues arising from this report.

## 19.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

There are no planning and community safety implications arising from this report.

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## EXEMPT APPENDICES

Appendix One: Costs

## REFERENCE MATERIAL

There is no reference material for this report.

## SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Council Excellence Overview and Scrutiny Committee	17 November 2011
Council Excellence Overview and Scrutiny Meeting	15 September 2011
LSP Executive Board 'Masters in Business Administration (MBA) Leadership Programme Wirral Council and NHS Wirral.'	31 March 2010