Section 2. The changing context of school business management

ASCL (The Association of School and College Leaders) contends that there can rarely, if ever, have been such a wide-ranging and challenging agenda for the leaders of public services institutions than is currently being placed on school leaders.

(PwC, 2007 6)

2.1. The school business management role emerged in state schools, in the final two decades of the twentieth century, in response to government policy and has since evolved and expanded from finance management responsibilities, to a complex role incorporating wide ranging responsibilities. This section discusses how school business management has evolved since 2004 before reflecting on how the role could evolve in the future in response to new models in children's services, new types of schools, new relationships, new resource management strategies, new approaches to leadership, and new understanding of resource leadership.
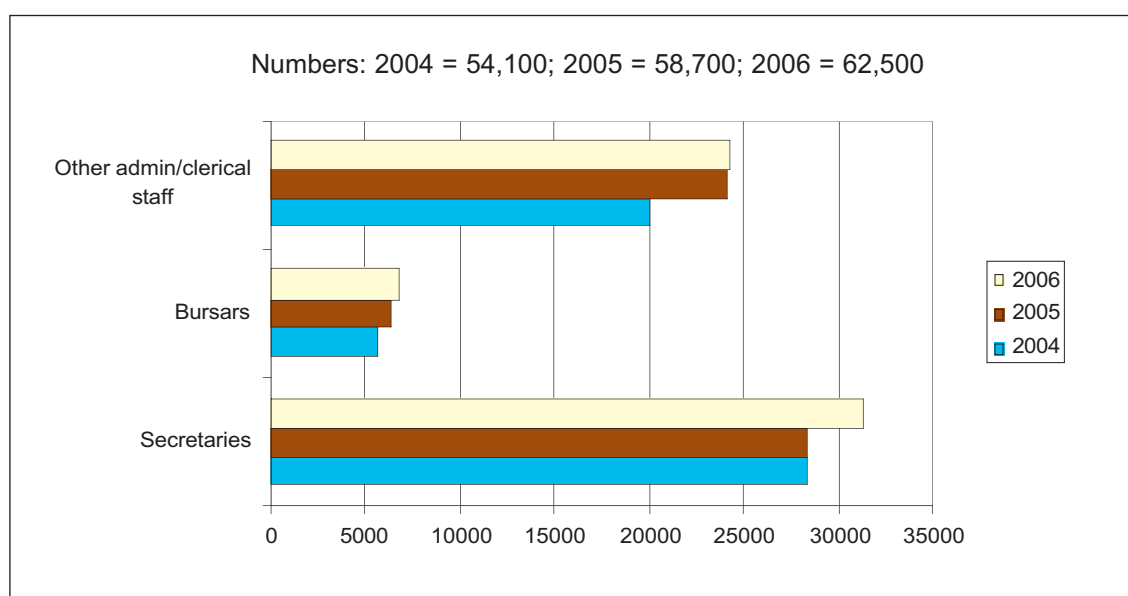
School business managers in 2004 and 2007

2.2. In 2004, the percentage of school business managers (SBMs) in schools had risen by 4 per cent over the previous five years and there was evidence that the numbers employed in schools were still expanding. Some local authorities were piloting the appointment of school business managers, however, in many special and primary schools a clerk, the secretary or the headteacher continued to fulfil this role. Nevertheless, between 2000 and 2004, the number of headteachers carrying out the business management function themselves had fallen. It was also unclear whether schools were not employing business managers due to funding issues or a lack of adequately qualified applicants to fill the positions. In general, however, schools with higher funding were most likely to employ business managers and these schools attracted more standards funds and other funding than those without a business manager.
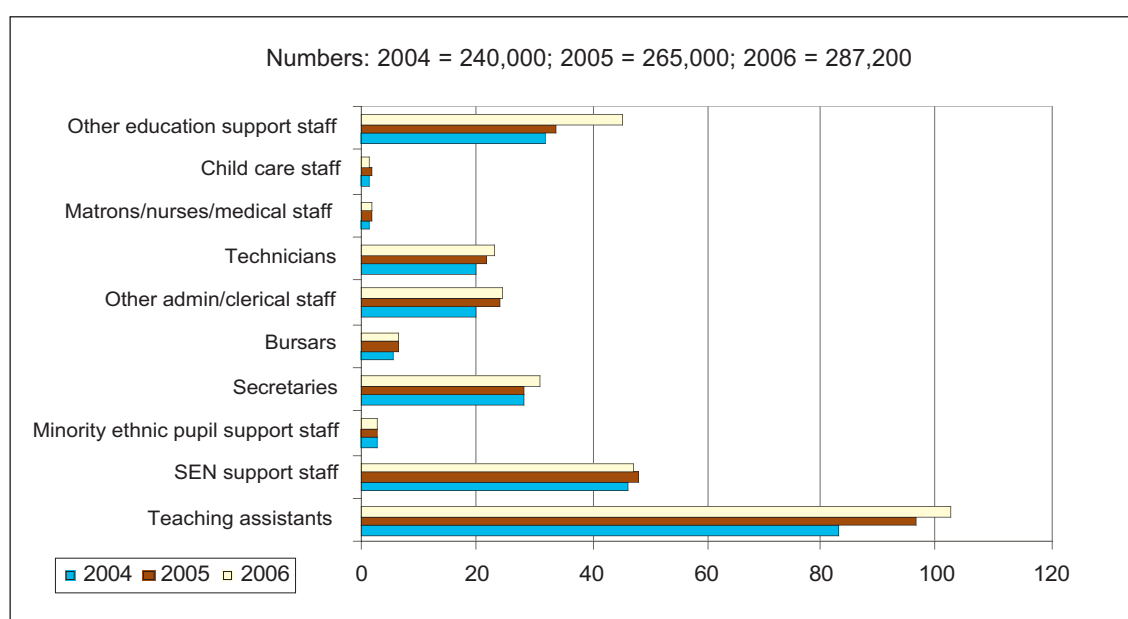
Chart 2.1: All support staff in schools 2004 – 2006 (source Annual Schools' Census 2006)

2.3. The Statistical Report School Workforce in England (DfES 2006) reports a 20 per cent rise in support staff from 240,000 to 287,200, between 2004 and 2006 (Chart 2.1). The largest and most rapidly rising group of support staff is clearly teaching assistants, although nearly all other categories have also risen over this period, including school business managers. Hidden in the general picture is an interesting comparison within the grouping of 'administrative staff' (Chart 2.2). As traditionally the most readily identifiable member of support staff has historically been the headteacher's (or school) secretary and virtually every school has one of these, it can be expected that the 'steady state' numbers of secretaries will remain around the 25,000-30,000 mark, paralleling the total numbers of schools in England. The category of 'secretaries' plateaued then rose by 11 per cent in the period 2004 to 2006, whilst in contrast, 'other admin/clerical staff' rose by 21 per cent and then plateaued. This may be a reflection of a change of titles or of more accurate reporting as awareness of the nature and variety of support staff roles improves as a result of workforce remodelling.

Numbers: 2004 = 54,100; 2005 = 58,700; 2006 = 62,500

Chart 2.2: Office support staff in LA maintained schools and PRUs (FTE Jan 2004 – 2006)

2.4. Finally, although the numbers of school business managers seem relatively small in comparison to other support staff categories, they are the only group that has been rising steadily, at around 500 a year, over the past three years. As with admin/clerical staff, this rise also equates to 21 per cent in the period 2004-2006 from 5,600 to 6,800. What is more pertinent in terms of answering the question of need and training of school business managers, however, is the distribution of school business managers across the sectors and types of schools. At this stage, an estimate can only be made using the national survey data from this baseline study, however, when data from the new school workforce census, which is being piloted in January 2008 and introduced in 2010, becomes available this should provide more detailed information about support staff in schools.

Type of school	SBMs (2004)	SBMs (2007)
Primary	55%	49%
Middle	79%	74%
Secondary	91%	91%
Special	66%	31%

Table 2.1: Percentage of school business managers in each school sector 2004 and 2007

2.5.   Figures from the 2004 national survey indicate that 66 per cent of schools employed someone in the business management role plus a further 2 per cent used the services of peripatetic school business managers (Wood et al, 2004). Returns in 2007 indicate that the proportion of schools employing someone to fulfil the school business management function remains constant at 66 per cent. There were no returns from peripatetic school business managers. There was, however, an indication that school business managers who had started their own service companies did not consider themselves to be peripatetic school business managers although they visited several schools. Instead, they saw themselves as outsourced professional consultants. Questionnaire returns also indicate that the proportion of school business managers have remained static in secondary schools, but have fallen in other school phases and types (Table 2.1).

2.6.   The questionnaire responses appear to contradict the Annual School Census figures which indicated a 21 per cent rise in business managers in schools. There are, however, indicators in the questionnaire returns that could explain this anomaly. We would suggest that awareness of school business management, generated by NCSL programmes and the increase in articles written for them in professional journals, has resulted in uncertainty amongst support staff about whether or not they are school business managers. As an example, Table 2.2 demonstrates that in primary schools, of the twenty-six titles provided by those who completed the questionnaires, half of these titles were used by support staff who said they were 'bursars', as well as, by support staff who said they were not 'bursars'. Support staff with 'administrator' or 'finance' in their title were most likely to be unclear about whether or not they were school business managers.

Title	'No bursar' ticked	'No bursar' left blank
Administrative assistant	3	0
Administrative assistant/governor	1	0
Administrative manager	0	2
Administrative officer	10	0
Administrator	10	6
Administrator + other roles	4	18
Bursar	0	23
Bursar and+ other roles	0	5
Business and finance officer	1	0
Business director	0	1
Clerk or senior clerk	5	1
Finance assistant	2	1
Finance manager	3	2
Finance officer	2	7
Finance secretary	2	2
Finance + other roles	3	3
Headteacher	11	2
Headteacher + support	5	0
Local authority	1	0
Office manager	9	7
School business manager	0	11
School manager	0	1
Secretary	8	6
Senior administrator	1	2
Senior administrator + other roles	0	3
Senior teacher	1	1

Table 2.2: Comparison of titles held by those who ticked 'no bursar' with those who indicated they were bursars in primary schools 2007

Characteristics of school business managers

2.7. In 2004, eighty per cent of school business managers were women. The percentage remains as high in 2007 indicating that this is one of the few professions characterised by a predominantly female population. The 2004 survey indicated that, similar to teachers, school business management was also an ageing profession. There had been an increase of 4 per cent, since 2000 of those bursars over 46 to 63 per cent. At the same time there had been a reduction in those under 35. Thus, school business management was characterised by an ageing population who would be retiring in the next fifteen years.
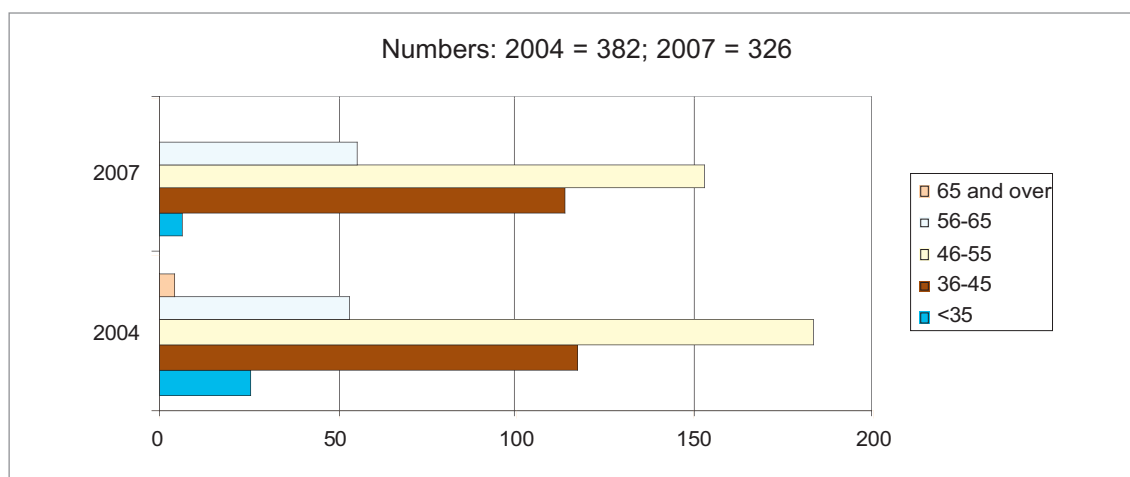
Chart 2.3: Age of school business managers 2004 and 2007

2.8. Chart 2.3 indicates that there has been very little movement in the age range of school business managers between, 2004 and 2007. The greatest changes are at each end of the spectrum. The percentage of school business managers under the age of 35 has fallen further between 2004 and 2007 from 7 per cent to 2 per cent. The reduction in appointments at the younger age range may be due to the complexity and breadth of the role which would require greater experience than would be required of a specialist administrator or finance officer. In 2007, no returns featured anyone aged over 65 but the percentage aged between 56 and 65 has increased from 14 per cent in 2004 to 17 per cent in 2007. The fall in numbers aged under 35, coupled with increases across the other age groups, might be due to movement from one age category to the next over the three-year period.

The impact of the role on policy and policy on the role

Better trained, highly motivated bursars, acting at a sufficiently senior level, have a dual role in developing an effective school workforce:

■ firstly, by releasing headteachers and other members of the leadership team from a wide range of school management and administrative tasks, enabling them to focus on the transformation of teaching and learning, and

■ secondly, by using their expertise in resource management to support the wider remodelling of staff deployment across the whole school.

(TDA, 2006:4)

2.9. In the period up to 2004, there was evidence of increased awareness of the role of the school business manager by central government. Information was appearing on the Department for Education and Skills (DfES) website which also included links to case studies, job descriptions and policies. The main school business managers' professional association: the National Bursars Association, part subsidised by the DfES, was being regularly consulted, with other organisations such as local authorities and unions, about funding strategies and electronic communication. The Bursars Development Group had also been instigated by the DfES to consider the school business managers' role and their training needs. Outcomes of this collaboration were the document 'Looking for a Bursar' (DfES: 2003), communications with headteachers about making use of school business managers and a website on school business management within Teachernet that provided information about training, promoting the role, the headteacher's perspective and case histories.

2.10. Initiatives current to the first baseline report (Wood et al, 2004) were the 'National Agreement on School Workforce Reform' signed in January 2003 and the Cutting Burdens Initiative, both of which required human resource and change management skills. The newly formed NCSL had also launched the Certificate of School Business Management (CSBM) for new school business managers and had commissioned the University of Lincoln to pilot the Diploma of School Business Management (DSBM). Both programmes were developed from an empirical base and focussed on developing understanding of the role through shared learning of the responsibilities and management skills required to operate effectively. In 2007, CSBM and DSBM have been successfully delivered to more than 5,000 candidates (NCSL, 2007). Demand is still high and the programmes are now offered both regionally and locally.

2.11. In 2004, it was reported that school business managers had become a recognised element of the framework for school improvement (Wood et al, 2004) and in 2007, whilst they continue to respond to changes in the school's workforce they are also responding to a growing number of initiatives that directly impact the business management function. Table 2.3 lists these initiatives and some of the impacts on the role. There is every indication, therefore, that the role is expanding to address the knowledge and skill requirements of the new developments in children's services. It is clear that they are still regarded as key change agents who play a role in facilitating developments in resource management and in providing solutions to sustainability.

2.12. In 2004, when the first pilot group of the DSBM graduated, David Normington, then Permanent Secretary for Education, outlined the importance of the role in providing value for money in schools.

So please go forth from here and help your schools to prosper. Show what is possible when stable budgets are coupled with professional management. Help us demonstrate to the taxpayer and the Chancellor that it is worth continuing to invest long term in schools because the money will be well spent and the value of the investment maximised.

Normington, D., 15th Nov 2004

2.13. In 2007, aspects of value for money are still principal elements of the role. School business managers report that their interaction with Ofsted inspectors often includes discussions of their understanding of best value and the introduction of Financial Management Standard in Schools (FMSiS) is a further indication of the importance of probity, auditing of financial systems and accurate reporting of budgets. Currently, there is also an emphasis on sustainable schools which requires business managers not only to reduce energy costs, but also to consider the environmental impact of their decisions and make savings that reduce the carbon footprint of the school.

Policy	Impact on school business managers
Every Child Matters	• Working with wider public services and agencies • Development of system leadership skills
Building schools for the future	• Project management skills required • Contract management skills required
Sustainable schools	• Knowledge of energy efficiency strategies • Understanding of the school's culture
FMSiS	• Improved financial management systems • Closer working with governors and leadership teams
14 – 19 agenda	• Increased inter-school communication • Further data management responsibilities
Lighter touch Ofsted inspections	• Improved reporting of data • Closer working with governors and leadership teams
Personalised learning	• Further data management and resource management responsibilities
TTA becomes the TDA	• Consideration of the school business management role within the wider workforce of teaching and support staff

Academies	• Reduced resource management responsibilities • Increased requirement for accountancy qualifications • Deeper relationships with sponsors and board members
Specialist schools	• Expertise in writing bids
Healthy schools	• Greater understanding of healthy diets • Sourcing of local providers
Federations and clusters	• Organisational development and system leadership responsibilities

Table 2.3: Impact of policy on school business managers

2.14. The 2004 baseline report was written at a time when school business managers were responding to workforce reform initiatives designed to refocus teachers' activities away from administration and onto learning. The publishing of the PricewaterhouseCoopers report on school leadership, earlier this year, is an indication that the principal concern in 2007 is focused on encouraging teaching staff to aspire to leadership roles in schools. Once again, there is a recognition that business managers can contribute, particularly if headteachers can be persuaded to delegate responsibilities to them.

A key change is to encourage the school to distribute responsibility away from the headteacher…This will allow bursars, and other members of the senior leadership team from teaching and support backgrounds, to fully exercise leadership functions and relieve the pressure on headteachers.

(PwC, 2007:145)

2.15. Although headteachers are accountable for everything in the school, if they work with well-trained and professional business managers as part of a distributed approach to leadership, they will have the confidence to delegate responsibilities. There is every indication that business managers are increasingly better equipped to respond to the needs of a complex learning environment.

2.16. In 2004, the baseline report proposed a need for improved data management strategies. Current initiatives requiring a further increase in reporting suggest that management systems in schools are still a priority. There are also indications that a child-centred learning environment and a multi-agency approach will require a change in how school business managers operate. In particular, they will be required to develop a highly collaborative approach when working with increasing numbers of key stakeholders. There are, however, wider developments that have further implications on the role. These include:

- a radical rethink of services

- a reduction in service costs

- a consideration of the impact of policy developments on support staff resulting in improved performance management procedures and a response to training and development requirements

- an increase in the profile of business managers as they work with other children's services

2.17. There is evidence of a reduction in facilities and support services management between 2004 and 2007. It is also clear, however, that business managers are learning about energy efficiency and healthy living and eating, and are responding to ecological pressures by sourcing local providers. They are also having to ensure that they understand project management and contract management, and are able to provide information and editorial for writing bids. These developments are expanding the areas of knowledge required of school business managers and placing increased emphasis on finance management, human resource management, facilities and support services management and management of information systems.

2.18. These developments in the responsibilities of school business managers require a refocusing of skills. Key organisational skills, that may require further development, are all located at management level and include budgeting, organising, negotiating, monitoring, evaluating and reporting to support project and contract management, bid writing and the FMSiS initiative. Interpersonal skills must also be developed, in particular, understanding the school's culture and influencing others. There is finally, a requirement for a system leadership approach that requires greater collaboration with other school business managers and children's service leaders. Many of the knowledge and skill requirements are addressed in the CSBM and DSBM programmes, but there are more sophisticated professional skills and knowledge that might be addressed through the development of a consultant leadership programme or through the inclusion of school business managers in the teacher leader consultant and Head for the Future programmes.

Role and responsibilities of school business managers

2.19. In 2004, the major responsibility areas of school business managers were finance, human resources, facilities and administration management including marketing. The latter two areas appeared to be growing in importance. Risk management was a new area that had been identified during development of the CSBM and along with ICT and MIS management and managing learning and teaching, it was a lesser responsibility area. In 2007, responsibilities include, in order of central importance to the role:

i. finance management

ii. human resource management (HRM)

iii. marketing

iv. administration management

v. risk management

vi. management information systems (MIS)

vii. facilities

viii. support services

ix. information and communication technology (ICT)

core responsibilities

potential core responsibilities

2.20. The number of core responsibility areas is expanding and currently includes items i to v above. There are also indications that MIS, facilities' and support services' management will soon become core in response to policy initiatives (see Table 2.3). Each school business manager specialises in at least one of these responsibility areas according to the school's needs, but cannot be an expert in all areas at the same time. Analysis of previous careers and professional qualifications indicates that 56 per cent are specialists in finance, administration or business. Worryingly, very few hold HRM (3.5 per cent) or marketing (0.5 per cent) qualifications despite the centrality of these responsibilities to modern school business management. The role, in most cases, is also very similar to that of a business manager in small to medium enterprises. The requirement is for a generalist who has knowledge of a spectrum of business management responsibility areas.

2.21. Between 2000 and 2007, there has been a significant increase in the number and type of business management activities. In 2000, 56 activities were listed, increasing to 62 in 2004 (Appendix 1). These activities were then updated in response to the 2004 questionnaire returns and in consultation with a sample of school business managers during the piloting of the current questionnaire, resulting in the latest questionnaire listing 74 activities (Appendix 2). Indications from returns of the current questionnaire are that the activities listed have finally plateaued.

Responsibility area	Core Activities
Finance	Keep accurate financial records Raise orders and process invoices Comply with sound principles of school finance Manage the budget cycle Analyse costs to ensure value for money Report accounting and/or auditing and financial information Manage cash and/or investments and credit control Develop sound financial systems and practice
	Activities returned by 90 per cent of SBM's
Marketing	Maintain positive relationships among all members of staff
Finance	Evaluate and plan the budget Develop financial strategy and planning
Facilities	Ensure the continuing availability of supplies and/or services and equipment

Table 2.4: Core and principal activities 2007

2.22. In 2000 and 2004, all finance management activities were core to the role along with managing administrative and clerical support functions and ensuring the supply of equipment. Administrative and facilities record keeping were added to core activities. Most core activities were at clerical level. Apart from the finance management activities, the only other responsibility areas that included core management level activities were facilities and support services (managing contracts) and ICT and MIS (participating in strategic management).

2.23. By 2007, there is evidence that this increase in numbers and range of activities has reduced core activities to clerical and management level finance activities only (Table 2.4). Of the three leadership level finance activities, only one was core. One finance activity did not feature as either core or in the 90 per cent returns: 'maximise income through lettings and/or additional activities'. Administration and ICT and MIS responsibilities no longer feature as core responsibilities. School business managers say that, where possible, they would like to delegate administration or clerical activities to make space for new management and leadership activities but this is unlikely to happen if they are unable to meet the requirements of core clerical activities such as record keeping. The problem is greatest in smaller schools where alternative solutions will need to be found if this increase in routine administrative workload is not to affect their effectiveness.

Administrators, managers or leaders?

2.24. A comparison of the three national surveys demonstrates that there have been clear developments in the levels at which business managers operate since 2000 when the first national survey was completed. At the time, 60 per cent of activities were carried out at administration or clerical level with 27 per cent at management level and 13 per cent at leadership level. In 2007, administration activities have reduced to 31 per cent and leadership activities have increased to 21 per cent. Most of the reduction in administration activity has taken place to make space for increased management activity which had increased to 48 per cent. Where administration used to be the main level of activity, there is now evidence of a balance across administration, management (systems), management (HR) and leadership. Nevertheless, this balance of activity is not reflected in the core activities, which remain primarily clerical and administrative.

2.25. In 2004, there were five preferred approaches to school business management. Three were similar to the finance/administration officer, described below, with a focus on administration activities, one was the school business manager working at management and leadership levels and the fifth was a support services manager focusing on management activities. If these levels of operation were plotted on a continuum of school dependency on, or autonomy from, the local authority, then the indication was that half of the schools were still dependent on their local authorities for supporting the resource function. As a result, these schools were not fully using their school business managers to provide the senior management team with management information nor were they enabling them to operate at optimal capacity.

Levels of operation, therefore, indicated that there was still a high dependency on administration and not enough emphasis on management although there had been some growth in management and leadership activities.

2.26. School business management is highly context specific to each school. Factors such as the school's size, phase and funding, and preferred role of the headteacher, result in each school determining if there should be a school business manager in post, and if there is, how they can best support the learning environment. Even those using standard job descriptions available from local authorities and the NBA suggest that the job description is only a guide to their role and that their actual role is very different. There are currently four principal approaches to the school business management role that are dependant on the size and phase of school.

    i.   **Finance or administration manager/bursar:** This is the most widespread approach to the role. They work in smaller primary and secondary schools as either the sole member of full-time office staff or work with a, usually part-time, small administration team. They are responsible for the school's finance management in conjunction with the headteacher and are full members of the leadership team. This is a paradoxical role that reflects the need to ensure clerical work is up-to-date as well as understanding developmental issues discussed at strategic leadership level.

    ii.   **Finance or administration officer/bursar:** There is a similar role found in smaller primary schools that is principally clerical. These business managers may not be employed full-time, work with fewer members of support staff and concentrate on clerical activities. They either work closely with governors and the leadership team or have no contact at all. They have to be able to multi-task and are widening their activities to include budgeting and project management.

    iii. **School business manager:** Medium and large secondary schools employ business managers who supervise all support staff, are full members of the leadership team and manage information systems and school projects.

    iv. **Director or head of resources:** Finally, there is an increase in directors or heads of resources found in larger secondary schools. They have a facilitative and strategic role, are highly professional and lead middle managers who supervise support staff within separate responsibility areas.

2.27. An investigation into styles and levels of operation, in 2004, demonstrated that women operated mainly as administrators and men took principally managerial roles. In 2007, when gender issues are considered, there is evidence that both male and female business managers have increased their leadership capacity in schools, although females work principally at administration and leadership level whilst males operate as managers and leaders. There is also evidence of aspirations to operate primarily at leadership level but there is recognition that management information is crucial in schools and that this is a fundamental aspect of the role for business managers.

2.28.   There are also indications that the larger numbers of finance and administration officers and managers, described above, are a result of the requirement to respond to increasing government initiatives. In many cases, evidence of a high level of performance is measured by the tidiness, rather than the responsiveness, of systems and processes. Consequently, some business managers prioritise administration and retreat into activities that they have classified as urgent although they may not be so strategically important when supporting school development initiatives. What is required is a flexible approach to school leadership, management and administration in order to respond to radical developments in children's services. School business managers will need to consider how they operate in schools. Those who lead the support staff and manage the school's resources will need to develop an awareness of how other leaders operate in the school and complement their roles and attributes. They will not only need to manage flexible systems effectively but must also provide an efficient administration service. A focus on administration, at the expense of management and leadership, will not support the school's core purpose and building inflexible management systems will not enable the school to respond to the rapidly changing environment.

2.29.   There are times, however, when a consideration of approaches to school business management would be important. Schools are constantly moving through developmental cycles which require context-specific levels of activity, for example, a failing school must have the data for informed decision making, and hence a focus on administration and systems management would be crucial to provide the information that is required. A school with an entrepreneurial head, however, would require a business manager who understands the learning environment and can provide flexible and adaptive systems and resources. This approach requires a management and leadership focused business manager with increasing expertise as a system leader and performance manager.

Key relationships

2.30.   In 2004, the structure for support staff in schools was becoming clearer and the literature indicated a more widespread acceptance of school business managers as senior managers, although they tended not to feature in leadership or effectiveness studies. The 2000 and 2004 surveys showed, however, that there had been no improvement in school business managers' relationships with the senior management team (SMT) over the four years and not enough use was made of the management information they possessed. In 2007, there have been significant changes which recognise the professionalism of school business managers. The percentage with no formal relationship with their SMT has fallen from 22 per cent to 16 per cent and those who are full members have increased from 26 per cent to 44 per cent.

2.31.   In contrast, in 2004, there was evidence that governing bodies were making better use of information supplied by school business managers than were SMT's and that the percentage of business managers without a formal relationship with the governing body had fallen. In 2007, the numbers without a formal relationship have remained constant.

More are advising the governing body, however, and fewer are clerking meetings. It would seem, therefore, that school business managers are being integrated into leadership and governance activities, contributing a resource management perspective to school improvement decision-making.

2.32. We have found evidence that school business management is context specific and that relationships with internal stakeholders such as support staff, the headteacher, the leadership team and governors are variable dependant on the size of the school and status of the business manager. School business managers agree, however, that the key relationship is with the headteacher although, in traditional leadership approaches, the local authority might also impact highly on how the business manager works with the headteacher. Insights into the headteacher and school business manager relationship can be derived from Bennett and Miles (2006) who suggest seven alternative relationships between the chief executive role and that of their chief operating officer (COO). Schools clearly employ both learning and teaching, and resource management COO's, however, where the resource management COO role is performed by the school business manager the following relationships would apply:

Executor: the school business manager leads the execution of strategies on a day-to-day basis. This relationship would be found in schools where the headteacher is a consultant leader.

Change agent: the school business manager works with the headteacher to develop and align resources to operationalise strategies. This relationship might be found in schools where the headteacher is an entrepreneurial leader.

Mentor: the school business manager supports a new and less experienced headteacher. This relationship would be found in schools where the headteacher is new to a post with few teaching staff or significant numbers of senior teaching staff who are also new to the school.

Other half: the school business manager would complement the experience, style, knowledge base or preferred operation of the headteacher. This relationship would be found in schools where the headteacher is the lead learner and the school business manager is the lead resource facilitator.

Partner: the school business manager would share leadership with the headteacher. This relationship would be found in independent schools or in smaller state schools where the headteacher might be close to retirement age or has a young family.

Heir apparent: the school business manager is groomed or tested as the headteacher-elect. This relationship would be found in schools where the school business manager is taking or has completed NPQH.

Most valued person: the school business manager is promoted from a lower post in order to keep them in the school. This relationship would be found in schools where the headteacher is aware of the contribution of the business manager and the importance of the synergy of their roles.

2.33. A further key variable is the approach to leadership taken by the headteacher as suggested in the recent leadership report by PricewaterhouseCoopers (2007:49) where five approaches to leadership in schools are outlined (Figure 2.1). Although the approaches described are attributed to headteachers, school business managers equally adopt these five roles parallel to the headteacher. Key school business manager relationships are, therefore, highly dependant on the headteacher's leadership style. Some are highly visible inside the school but there is little awareness of their role outside it, whilst at the other extreme there are school business managers who interact with fewer staff inside the school but are highly visible outside it.
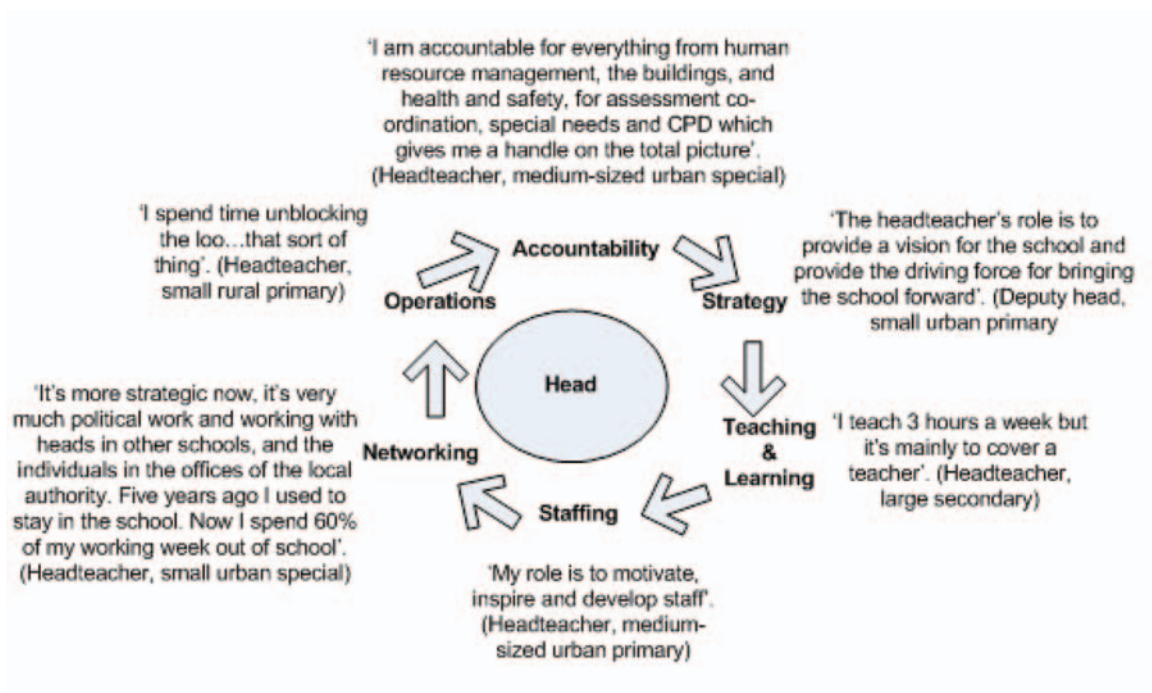
Figure 2.1: Approaches to School Leadership (PwC, 2007:49)

2.34. Table 2.5 maps the level of interaction of school business managers with stakeholders against the leadership approaches suggested by PricewaterhouseCoopers (2007, 49) in Figure 2.1. There are indications that some leadership approaches result in similar relationships with school stakeholders, eg traditional and managed leadership focus inwards and result in low interaction outside the school. These two approaches will soon change as more schools adapt to requirements to work with multi-agencies and optimise resources by working together.

Approaches Relationships	Traditional leadership	Managed	Multi-agency managed	Federated	System leadership
Support staff	High	High	Low/medium	Medium	Low/medium
Teachers	High	High	Medium	Low	Low
SMT	Low	Medium	High	Medium/high	High
Headteacher	Medium/high	High	High	High	High
Governors	Medium	Medium/high	High	High	High
Parents	High	High	Medium	Low	Low
Businesses	Medium	Medium	High	Medium	Medium
Community	High	High	High	Medium	Low
Local authority	High	High	High	Medium	Low
Agencies	Low	Low	High	Medium	Medium
TDA/DCSF	Low	Low	Low	Low	Medium/high
Other SBM's	Low	Medium	Low	High	High

Table 2.5: Relationships according to school leadership approaches

2.35. Any movement towards multi-agency, federated or system leadership approaches will require a radical alteration in stakeholder relationships for the school business manager. This change in approach raises questions about how their mode of operation will alter and the kind of support and training they will need to continue to operate effectively. Inside the school, well-trained support staff with delegated responsibility within their own areas of operation will be required to provide the opportunity for business managers to begin to consider how they operate with external stakeholders. Initially, there will be a need for business managers who clearly articulate the resource management requirements for learning environments to other children's service providers. More importantly, they will need to understand how to strategically align resources within this new environment.

Effective school business managers

2.36. A theme that has recurred during this research is the level of visibility of school business managers. Some are highly visible inside the school whilst others widen their perspective to work with more stakeholders outside the school (Table 2.5). There is also a link to the effectiveness of school business managers that informs professional development issues (Tables 2.6 and 2.7). Effective school business managers are characterised by awareness of their professional environment. They understand learning and teaching issues, are aware of developments at the national, local and school level and can resource and develop the learning environment. To remain current, they participate regularly in professional development activities that are chosen to support understanding of the changing role. On the other hand, ineffective business managers continue to work in ways that are comfortable to them and no longer respond to the changing educational environment.

Ineffective	Invisible	Visible
1. Unclear about: • her/his role and responsibilities • how resourcing the learning enviornment can impact learning and teaching • the educational enviornment and is unaware of policy developments • whether skills and modes of operation complement members of the leadership team • line-management of support staff and their development 2. Continues to work the ways/he has always done 3. Uses systems and processes that have been in place for years 4. Cannot communicate the school's core values 5. Unable to complete projects because responding to pressures as they occur (fire-fighting) 6. No, or very little, continuous professional development 7. Reactive 8. Cannot or will not delegate	School may be facing closure • little communication with support from the headteacher • no relationship with or support from leadership team • no relationship with governors • unlikely to work often with teachers or other support staff • possibly uses her/his own circle of influence to try and get results • doesn't network with other school business managers • works behind closed doors • inefficient	Possibly new to the role • difficult relationship with headteacher, leadership team, governors and staff or • negotiating relationships with headteacher, leadership team, governors and staff • spends more time talking than working • directive • articulate

Table 2.6: Relationship between ineffectivness and visibility of school business managers

2.37. Discussions with a focus group of school business managers helped us to identify the attributes of effective and ineffective school business managers. They also described how school business managers might be highly visible or invisible both inside and outside the school. Ineffective and invisible business managers are given little room for discretion by the headteacher, governors and local authority (Table 2.5). They follow instructions and are unable to make informed choices that might improve the way in which they operate. At best, they will have a small circle of influence and support. They might be found in schools that are facing closure where the administrative function is divorced from the core purpose of learning. Ineffective and visible business managers might be new to the role or new to the school. They will be negotiating their role and relationships with stakeholders and concentrating on understanding the way the school operates and how they would like their own role to evolve. They will need to be articulate and directive if they wish to effect the changes that would transform the role.

2.38. Effective and invisible school business managers may not be members of the leadership team nor of the governing body, they do however, work closely with key stakeholders and exert influence through their professionalism and understanding of the school's needs (Table 2.7). They are likely to be efficient and effective managers of systems and processes. There is probably little awareness of the extent of their contribution although stakeholders will readily sing their praises and say the school couldn't manage without them.

2.39. Effective and visible school business managers not only work closely with the headteacher but also work synergistically. Both are clear how their two roles combine to support learning and teaching and the learning environment. These business managers are members of the leadership team and governing body or are clerk to the governing body. They also work with, and respond to, other members of staff, hence they have a high profile in the school. These effectvne and highly visible business managers are most likely to share best practice. They will be consultant business managers, providing *inter alia*, support for other schools, training for other business managers and support staff, and examples of best practice. They are also likely to have written about their role in professional journals. These business managers will normally have a positive relationship with local authorities, the TDA, the community and local businesses. Those who have completed the CSBM and DSBM will also be known to NCSL and work with them to promote the role.

Effective	Invisible	Visible
1. Understands: • her/his role and responsibilities • how resourcing the learning enviornment can impact learning and teaching • the educational enviornment and is aware of policy developments • situational administration management and leadership 2. Develops flexible, responsive systems and processes 3. Skills and modes of operation complement members of the leadership team 4. Communicates the schools core values 5. Leads support staff and their development 6. Successfully completes projects 7. Continuous and appropriate professional development 8. Proactive 9. Delegate	Most likely to work in a 'traditional' or 'managed' school • works closely with the headteacher • advises leadership team and governors • works unobrtusively with staff • mentors • systems person • netwroks but does not take a lead • efficient • influential	Most likely to work in a 'federated', 'multi-agency' or 'system' school • works closely and synergistically with the headteacher • high profile on leadership team • full member of governors or clerk to governors • had discussions with and works well with all staff • 'walks the talk' • consultant school business manager • networks with other school business managers • dynamic

Table 2.7: Relationship between effectivness and visibility of school business managers

2.40. There is increasing evidence that school business managers who focus inwards on their own role and who are not supported by their headteachers and leadership team, are ill prepared to adapt to changes in the school environment. Effective school business managers, like headteachers, are widening their focus to work with a range of internal and external stakeholders, whilst the best are also adopting a consultant's role.

Training and professional development

2.41. In 2000, the highest qualification held by over half of school business managers was obtained whilst they were at school. By 2004, the level of the lowest qualification held by school business managers was rising, but the highest qualification held by most females was still gained at school. Males were more likely to hold further education (FE) or higher education (HE) qualifications. In 2007, there is evidence of women's minimum qualifications rising to FE and HE level, whilst men's qualifications are now rising to HE level. Worryingly, there has also been an increase in the percentage of men with A-levels as their highest qualifications.

2.42. The difference between professional qualifications held by males and females has always been less marked. Both men and women commonly hold accounting/finance or business and administration qualifications, although women also hold secretarial qualifications. None of the male business managers who returned the questionnaire had gained a specialist school business manager qualification, in 2004. By 2007, when the CSBM and DSBM had become embedded in NCSL programmes, similar percentages of males and females held the DSBM and NBA's Licentiate, however, 20 per cent of females had successfully completed the CSBM in contrast to 13 per cent of male school business managers.

2.43. Recommendations in 2004 suggested that there was a potential requirement for some 18,000 CSBM training places just to catch up with the basic need. A draft summary of estimate of need suggested:

a. A requirement for 900-1,000 CSBM places annually over the next few years – largely addressing primary sector needs.

b. An annual total need of 230-290 DSBM places including 30-40 direct entry places based on provision of around 25 per cent of the annual CSBM cohort.

2.44. These estimations have proved to be conservative as, between 2004 and 2007, both programmes have been oversubscribed. There are also indications that qualified CSBM and DSBM business managers continue to be active on talk2learn and are keen to access programmes that will update their professional development. There is also a requirement for a consultant programme for expert school business managers as they begin to operate as system leaders.

2.45. In 2004, it was recognised that school business managers needed a standardised framework of training opportunities but that provision was variable and not always school business management specific. By 2007, the Centre for Administration had begun working with the TDA to develop a framework of skills for school administration and management that will inform training provision. At a local level, most business managers access local authority training, although this is usually highly functional. Nationally, the NBA provides programmes and runs an annual conference to update professional development. Internationally, NCSL has hosted the first conference that simultaneously linked business managers in the UK, North America and South Africa.

2.46. The greatest change has been in the provision of academic qualifications. In 2000, the only full academic programme available to school business managers was the MBA provided by Lincoln University. This programme was closed down in 2006 but there are now full masters-level programmes available from the London Institute of Education (MBA), the University of Leicester (MSc) and Manchester Metropolitan University (MBA) which also runs the only degree level programme for school business managers. There is, therefore, a growing momentum of provision of training for school business managers that enables them to more readily access the unique professional development approach each needs.

The future for school business managers

In the future, I can see each school having one deputy headteacher to manage the day to day running, with a business manager to organise the finances, purchasing, premises etc, with schools being federated within a shared ethos and several schools sharing. (Headteacher survey)

(PcW, 2006:109)

Emerging profession

2.47. In 2004, it was becoming apparent that the management of resources in an educational context would become increasingly professionalised and that the identification of a body of skills would support the development of understanding of the resource management role in schools (NCSL, 2005). By 2007, there is evidence of a growing maturity of both the profession of school business management and the professionalism of school business managers themselves such that the PricewaterhouseCoopers Independent Leadership Report (2007) includes 21 references to the role of the bursar and 15 to that of business manager.

2.48. Before the publication of the PricewaterhouseCoopers Leadership report (2007), however, there had been little visible evidence of a significant change in the level of debate about the business managers' contribution and impact in schools, especially in the education management and leadership literature. Apart from the specialist literature listed below, we could find only three references within this time period. These were a four page discussion of the role of bursars in the context of NCSL programmes and the teacher workload reform (Bubb and Earley, 2004), a manual of good practice in school administration (Attwood, 2006) and the Independent Schools Guide which lists the responsibilities and duties of bursars (Gabbitas Educational Consultants', 2004). This extreme paucity of articles, particularly in the academic literature, strongly supports the hypothesis that school business management in the UK, unlike its counterpart in the US, is at the very early stages of being recognised as a legitimate profession alongside teacher-leaders.

2.49. The development of training programmes specific to school business managers, such as NCSL's CSBM and DSBM, has resulted in a higher level of dialogue within the profession and increased availability of specialised literature written by contributors to business management training and development (Moorcroft and Summerson, 2006, Wood, 2006a). A recent significant text has also been published to support NCSL programmes (Keating and Moorcroft, 2006), however, it is only the second book written specifically about the contribution of school business managers in schools, the first being written in 2000 (O'Sullivan, Thody and Wood).

2.50. Perhaps more significantly, almost a complete edition of Professional Development Today was allocated to a discussion of the development of the CSBM and DSBM for NCSL. Articles described development of the programmes (Wood, 2006b), their impact on the school (Stansfield, 2006) and discussed the development of school business management as a profession (Coulbeck, 2006). The Institute of Administrative Management (IAM), which accredits the CSBM and DSBM, is also recognising the significance of the school business management role and has included a series of articles in their journal: Manager.

2.51. Inside the profession itself, there are journals focused on school business managers. 'Just 4 School Business Managers', is published quarterly to provide updated information to school business managers, share best practice and stimulate debate about the development of the profession. Most of the articles are written by school business managers and describe how they have been responding to government initiatives (eg Workhouse, 2006), although there is some academic contribution to the debate on the development of the school business manager's role (eg Wood, 2007). A second professional journal 'Education Executive' is also published to provide business intelligence for school business managers and senior administrators (eg Campbell, 2006). These British journals are similar in quality and content to journals for American school business officials eg School Business Affairs and the Journal of School Business Management.

2.52. In contrast to hard-copy published sources, the internet provides the richest source of information about school business managers. Case studies of their contribution to schools can be found on the DCSF, TDA and NCSL websites. These case studies provide examples of the development of the role, but there is only anecdotal evidence of this data being used to inform a wider academic debate into the changing role of school business management. The successful delivery of NCSL's Bursar Development Programme to over 5,000 participants since its inception at the start of 2002 has also played a key part in establishing the content of the role, creating a common language and ensuring the focus remains on raising standards and supporting the learning environment.

2.53. There is no doubt that the school business manager role has now arrived as part of the middle and senior leadership in schools. Just as the role has become established and is beginning to be understood across the school sector, however, the provision of educational opportunities to children and young people is itself going through radical changes which may require further paradigms shifts for the emerging profession, such as:

- **New models** for children's services through radical development of multi-agency integrated services for children and young people. An outcome will be the development of new types of school that make the most of the opportunity to build a flexible and modern curriculum and develop an interactive virtual learning environment.

- **New relationships** with and between government agencies and amongst school stakeholders. As the various components of a co-ordinated children's service work more closely together, teacher-leaders and school business managers will need to develop different operational relationships with their colleagues as well as enhancing their strategic influence on the formulation of policy across the new service.

- **New strategies** for resource management building on the Financial Management Standards in Schools, which focus on probity and coherence, and improving the sustainability and diversity of the learning environment.

- **New approaches** to leadership and succession planning that ensure opportunities are taken for distributed leadership, cabinet responsibility, system leadership and sustainable leadership.

- **New understandings** of education resource leadership that move towards full recognition of the professionalism of the business management function and its interdependence with teacher leadership in a context of devolved budgets and shared responsibility.

New models of children's services

2.54. The reform of the DfES into the DCSF signals a requirement to work with a wider range of professionals from children's services, for example health, welfare and policing, and consolidates the implementation of the Every Child Matters (ECM) and extended schools agendas. Each of the services involved in this new vision has also been implementing what has become known as the 'New Public Management' (Court 2004) and has its own support and business management staff. Coupled with this systems approach to supporting and developing the whole child is a changing landscape of education provision where customer focused learning requires the management of a complex and sophisticated learning environment. A result of this complex approach is the increasing variety of schools with varying degrees of autonomy, stakeholder involvement, espoused values and public and private resource streams.

2.55. There is, therefore, the paradox of merging business roles and functions across children's services, focusing on probity and sound financial husbandry, and a widening of diversity from site to site. The new models for children's services provision and increased diversity of school type are likely to result in disputes over management and leadership responsibility (for example the potential for turf wars among professional groups and between professions and business managers). This turbulence could de-stabilise the developing consensus about the business management role in specific parts of children's services but should eventually allow a greater understanding of the generic responsibilities of public service business managers as well as a respect for the specialist functions in individual contexts.

2.56. To some extent it is to be expected that structural changes, particularly those as wide ranging as ECM, Extended Schools and the new DCSF, will bring a period of uncertainty and unrest. A well trained cadre of business managers experienced in resource leadership in times of turbulent change could take a significant lead in ensuring that each sector's business managers is acting in the best interests of the child or young person and in supporting them through the inevitable awkwardness of the initial stages of realignment through a strong and well developed strategic vision.

New relationships

2.57. As well as the potential tension caused through structural change, school business managers will need to consolidate and build on the good progress they have made in establishing professional and beneficial relationships with each part of the new children's services landscape. In this landscape there will be:

- **Agency to agency** relationships under ECM and extended and full-service schools. Over the past few years there have been increasing connections made between children's services' professionals through case conferences and exchange of information, however, the business managers in each of the component parts of the service will need to develop co-operative plans which identify areas for potential resource synergy to realise the economies of scale expected by central government in future funding cycles.

- **School to school** relationships with the rise of federations and other groupings of schools (including the independent sector as these schools increasingly have to demonstrate their charitable status and involve themselves more with the local community). As with agency to agency relationships, business managers will need to seek supportive funding collaboration with other schools serving similar communities in same-phase or cross-phase federations. This might need a business manager of one school to have a supervisory or consultant role across a number of schools in a consortium of, for example, academies, specialist schools or a local family pyramid containing children's centres, primaries and secondaries.

- **Profession to profession** relationships within a site leadership team. As has developed in the health service, for example, there is the potential for a multi-disciplinary approach with career hierarchies for service professionals such as teachers, teaching assistants, administrative support staff, estates and premises staff, social welfare staff, pastoral and disciplinary staff.

- **Strategic to operational** relationships, where different professional groups will need to contribute to an overall strategic vision for children's services and work together operationally to achieve the economies of scale and synergy expected of a more coherent approach to local provision.

2.58. This changing landscape will require more emphasis on human resource leadership across children's services, eg building teams, performance management and developing negotiating, delegating and communication skills. Certainly, in the early stages, the business manager's focus will be on building successful relationships and raising awareness as a system leader with the new partnerships external to the school in federated and multi-agency contexts as illustrated in Table 2.5. To a great extent, school business managers have been responding successfully to this challenge within schools as a result of workforce reform and so are well placed to deploy such skills in the effective development of good relationships in the new and wider field of children's services. They will, however, need understanding and caring support from their colleagues in other agencies and their related services as well as a more co-ordinated approach to support, training and development in the stages of induction, continued professional development (CPD), and mid-career and leadership development.

New strategies for resource management

2.59. Possibly rather belatedly, the importance of financial probity at school level which inevitably comes with a devolved budget as responsibility shifts from the local authority to school governing bodies, has now been fully realised with the requirement for schools to achieve the Financial Management Standards in Schools (FMSiS). Significantly, only part of one of the standards (partnerships and resources) is exclusively related to finance, the other three (leadership and governance, people management and policy and strategy) cover the relationship between resources and the organisational requirements of delivering the service, underpinned by sound business management and leadership processes. The establishment of FMSiS will bring a new emphasis on finance and resource management across children's services in a number of contexts:

- **Internal resource management** – devolvement of finance to section budget holders and project managers will require a greater familiarity with sound finance and business practices overseen by the business manager. For academies and trust schools, there are wider responsibilities for income generation and a higher degree of overlap amongst public, charity and private funding sources with the commensurate need to work to Companies House and Charity Commission rules and processes.

- **Inter-site resource management** – with the rise in numbers of federations and clusters, as well as multi-agency provision (eg children's centres, 14 –19 consortia), new approaches to business management across diverse budgets are emerging with the appointment of federation managers, cluster leaders and network co-ordinators. Experience has shown that the looser arrangements of soft federations can result in too many areas of uncertainty and potential confusion over responsibilities. One solution might be to develop flexible learning contracts between the partners in the federation and multi-agency provision which are resource and time bound but open to periodic review, renegotiation or termination though mutual agreement. Such arrangements would need a high degree of skill in contract management both for individual projects and across the variety of provision likely to be available in any children's services' federation.

- **Inter-agency resource management** – as mentioned above, the expectation in future comprehensive spending reviews is that savings will arise through the sharing of budgets and resources across agencies charged with serving similar clients. A sophisticated system of public procurement is developing across such agencies with detailed delivery plans and systematic milestones against which expenditure and progress can be measured. The tension here is between ensuring the proper use of public funds according to the principles of probity as well as leaving room for creativity in delivery of the core purpose of the service, which is effective learning in the case of education rather than business efficiency. Schools have generally developed sound strategies for increasing value for money and adding value, as have the other agencies in the provision of children's services. The task for business managers will be to ensure that the various approaches work well together and do not result in excessive administration costs, which was one of the imperatives underpinning the devolution of resources to site level in the first place.

New approaches to leadership

2.60.   Concomitant with the widening role of business management arising from the structural and relational changes outlined above, is the huge rise in leadership development and its conception, not least the initiatives led by NCSL, nationally and internationally (Munby, 2005). The framework of the five leadership stages and their related development programmes, although now established as being both successful and essential to a modern world-class education system, is going through a period of review (cf. recent changes in the structure of NPQH). Although there is a certain coherence of approach and some synergy amongst TDA/NCSL programmes, they remain distinctively targeted towards a defined client group, however, through such approaches as distributed and system leadership, there is a great potential for more coherence between the programmes to be achieved through this period of revision. In addition, the insights developing from research into innovative transformational leadership and values/moral leadership are also beginning to influence how we think about the leadership issue generally (Eisinger & Hula: 2004, Fullan: 2005).

- **Distributed leadership** – as has been outlined in Bennett et al's (2003) review of the distributed leadership literature, there are numerous approaches to the notion of spreading leadership outwards from the titular leader such as the headteacher, including both new formal positional leaders (such as Advanced Skills Teachers, Higher Level Teaching Assistants and School Business Managers) and a recognition of more informal 'bottom-up' approaches (such as fluid leadership, ad hoc interest groups and working parties). It is also recognised that leadership can also be seen as an 'emergent property' of an organised human system, one which needs to embrace conflict resolution as well as team building. It is vital to the future efficacy of school business management that support staff and their managers are seen as a component part of any system of distributed leadership, as Bubb and Earley have done in their studies of managing teacher workload and CPD (Bubb and Earley 2004, Earley and Bubb 2004).

- **System leadership** – following on from the new directions for school business management identified above, and from the evidence of the national survey and other aspects of this study, it is becoming plain that school business managers are taking a wider role in their own professional development. They are carrying out research, designing training programmes, acting as facilitators and tutors and serving on local and national professional and advisory bodies, in order to contribute to the development of their profession outside their own school, college or service. Hopkins (2006) has identified the key drivers for the concept of system leadership as personalised learning, professional teaching, networks and collaboration; and intelligent accountability to which we might add collaborative resourcing – which will be a fundamental part of children's services provision in the future.

- **Sustainability** – a number of significant writers have recently tackled the viability and long term survival of senior leaders in schools (Davies 2007, Fullan 2006, Hargreaves and Fink 2007). This is, however, a complex area having at least the following components:

  - *Succession planning – demographics*. It has been recognised that sustainability in leadership and succession planning is a key issue as the teaching profession's average age gets higher and a significant proportion retires (PwC 2007). This 2009 and 2010 "time bomb" is very close and, as this study shows, it is equally applicable to school business managers, although with a five year time lag.

  - *Succession planning – motivation*. In addition to the demographic succession issues, there is also the potential lack of motivated and enthusiastic staff ready to step up to the leadership table. Senior leaders and assistant and deputy heads are reluctant to worsen their work/life balance, as they see it, by moving into headship. Future development of school business management programmes will equally need to tackle this issue as there is much evidence of work overload as the profession establishes itself.

  - *Sustainable leadership*. In rushing to plug the perceived personnel gaps in teacher-leadership and resource management, we should ensure that measures taken work towards the bigger picture of a self-developing and sustainable school business management profession taking its place alongside the other specialist functions in providing an excellent integrated support for the learning and development of all our young people.

  - *Sustainable economics*. Finally, and particularly relevant to school business managers in their capacity of premises and estates management, developing flexible, adaptable and sustainably eco-friendly and carbon-neutral buildings is becoming a major priority beyond business continuity. Building Schools for the Future needs to embrace this imperative wholeheartedly to embed sustainability into the learning environment for all.

New understandings of education resource leadership

2.61. Finally, a deep understanding of the developing new professionalism in the role and position of school business managers needs to play a key part in the debate around successful school business leadership as NCSL programmes are redesigned in the light of structural and relationship changes. Sound accounting and sensible business practices as required by FMSiS will remain the bedrock of school business management development but experienced school business leaders will need to be involved in the redevelopment of every part of, and stage in, NCSL and TDA provision. They will need enhanced career pathways which meld the vocational, professional and academic components into an integrated and coherent provision from induction to consultant leader.

2.62. Many of the sources and stakeholders reviewed in this study implicitly assume that qualified teacher experience is the sole route into school leadership and cannot envision business managers leading schools. The PwC Independent Leadership Report (2007), however, poses the question of the potential of such professionals becoming chief executives of schools. Indeed, as a large number of heads of children's services are not from a qualified teacher background and some school business managers have already completed the National Professional Qualification for Headteachers and we have seen the first school business manager appointed to headship, there is a growing pool of leaders with a background appropriate to developing into that broader role.

2.63. In this climate of site level decision-making, and given the wide range of business manager duties and structures illustrated in this study, there may be some reluctance to set national pay scales for business managers, however, giving guidance, as the National Bursars Association does, as to the appropriate range of remuneration for this position would help to reinforce it as a profession. The TDA advice in 'Looking for a Bursar' could also be supplemented by guidance for bursars on career progression and training and development opportunities – though the TDA and NCSL websites are very helpful in this area. More importantly, following the single status and job evaluation exercises of recent years, there is now a need to develop a number of options for support staff contracts which recognise leadership and management roles within and across phases.

Conclusion

2.64. It is unlikely that a true articulation of the strategic contribution of the school business manager role to the effectiveness and efficiency of the learning environment will occur until greater numbers have completed higher vocational and academic programmes. Certainly, through the efforts of the major government agencies (DCSF, TDA, NCSL), school business managers have become self-aware as a profession in their own right and are flowering in the security of their discrete hot-house silos.

2.65. Whilst government and academic reports and evaluations are beginning to recognise the contribution of business managers as part of the distributed nature of leadership, there is a need for a more explicit recognition and inclusion of support staff and school business managers that celebrates the potential value of support staff and their leaders in the successful achievement of world-class standards to which all young people are entitled. This recognition is becoming more important at a time when roles are transforming to address radical developments in children's services and the leadership issues in schools.