

MINISTER OF STATE
PRIVY COUNCIL OFFICE

Prime Minister⁽¹⁾

I don't see how this
can succeed unless we
start how to give
say a 3-week
course for
people in their
30's. You
must have put
something in to
build on what

Lord Gowrie has approved this,
except that he would like to see a
some reporting on the participants
(para 24 of the booklet).

Ref. A084/886

- 1. LORD GOWRIE
- 2. PRIME MINISTER

Agree to support these proposals?

Agree with Lord Gowrie about
reporting?

Open Structure Course

DMG
28/3

The Government's decision to introduce a new course for those promoted to the Open Structure to equip them for their role as top managers was announced last July. You approved the appointment of the first Director* of the Course at the beginning of January. He has now produced some outline proposals a summary of which I attach. I should be very grateful for early approval for these proposals, since if we are to start the first course next January we need to start booking space for it immediately.

2. The proposals have been considered by Permanent Secretaries who have endorsed the main elements, as follows:

(a) It is generally agreed that a course as long as six weeks is necessary, though more work needs to be done in defining the ways in which the objectives can be best achieved, especially if non-civil servants of the highest calibre are to be attracted to attend it (on repayment) for the three or four week "mixed" phase. We are all sure that we need to mix civil servants with people from outside the Civil Service for part of the course, though we do not underestimate the difficulties of achieving this.

(b) The course should be mandatory for all - generalists and specialists. While there may be one or two valid exceptions to the general rule, these would be very much at the margin.

(c) We should try to send people on it before they reach the point of promotion to Grade 3 (though obviously not until it is clear that they are likely to be strong candidates for promotion within the reasonably near future); or, failing this, at the point of promotion rather than afterwards.

(d) The course must be led and directed from the centre, though precise funding details will need to be worked out.

* Mr John Mayne



(e) We should plan for the course to evolve over time, especially as mid-career development and training in the Civil Service improves.

3. In commending the proposals to you I should like to emphasise the need for top level commitment. Not only must the Civil Service itself back them to the hilt - and you can rest assured on this point - but it will be a necessary condition for their success that you should be known to support them. In particular, evidence of your commitment will be of crucial importance in persuading the Chairmen of companies in the private sector to send their best people to the course, particularly during the first year when it will be setting out to prove its worth. I hope you will give your active support to the venture.
4. I am sending a copy of this minute and the summary to the Chancellor of the Exchequer.

RTA

ROBERT ARMSTRONG

21 March 1984

OPEN STRUCTURE COURSE

OUTLINE PROPOSALS TO THE PRIME MINISTER

MARCH 1984

A SUMMARY

The Government is committed to the introduction of a new course for those promoted to the Open Structure to equip them for their role as top managers. A Director of the Course was appointed in January.

2. Some 40 home civil servants enter the Open Structure each year, aged between 40 and 50 years. About a half are specialists. The objective of a learning process at this stage in their careers must be to improve their effectiveness and skills in helping Ministers to formulate, present and implement their policies, in leading and motivating people, in managing organisations positively, in seeking to obtain maximum value for money through year-on-year improvements in efficiency, and in initiating and managing change.

3. We expect a wide range of skills and high standards of performance from our top civil servants. They cannot all be acquired on the job: management training is needed, especially in mid career, both to deepen expertise acquired on the job and to fill gaps in job experience. But training in mid career has been patchy, especially in the case of "fliers" who tend to get less training than others, though their job experience is often less if only because they reach the higher ranks more quickly. People at this level need to acquire a new range of management skills, to exercise judgment against a broader horizon, to play a fuller part in the corporate management of their Departments, to lead and motivate staff and to set standards of management and the pursuit of value for money that others will follow.

4. The management training of the top of the Civil Service compares unfavourably with best practice in the private sector - a quarter of a day a year compared with some 20-30 times that amount in firms like IBM(UK) and Marks and Spencer; and even more in eg Shell and BP. Within the public sector the Armed Forces and the Police invest some 1½ to 3 years in the command and staff training of their people of comparable rank. Training on this scale induces self confidence based on expert knowledge of subject matter and professional mastery of the means of achieving desired ends. It is small wonder that the Civil Service compares unfavourably with others in these respects.

5. Ideally we would not start with an education programme for 40-year olds. But we cannot wait for improvements in mid career development and training to effect the changes we need. A course of learning at the point of promotion to Grade 3 provides an immediate, economical and practical means of improving the professionalism and standards of management of the top of the Civil Service.

6. One of the main aims must be to make civil servants more aware of people, organisations and needs outside Westminster and Whitehall. The learning process should therefore take place with outsiders, not between civil servants alone. Business school courses do not cover the range of subjects we require. So we need to design and run our own programme as other large organisations do.

7. Both generalists and specialists need training at this stage, though their needs may differ; neither must be left out and they can learn much from one another.

8. The course should be devised to cater for the 40 home civil servants and a few diplomats and Northern Ireland civil servants, plus up to an equal number from private sector companies, nationalised industries, local government, other public sector bodies and possibly from other countries. Junior Ministers would be welcome. Trade union participants could be included, though past experience does not encourage me to expect that trade unions outside the Civil Service will take much interest in it. This means that the course should be run some 4 times a year for some 20-25 participants at a time.

9. It will not be easy to devise a programme that will appeal to good private sector participants as well as achieving the aim for civil servants. The course should therefore be divided into two phases: a mixed phase of some 3-4 weeks based on the successful experience of the Summer courses at "The Node", but harder driven, and with more problem-solving work; and a phase for civil servants only, of up to 2 weeks, concentrating on the particular skills that civil servants need to acquire, and probably varied to suit individual needs.

10. To be successful the course should preferably be undertaken between jobs (as the Armed Forces manage to do). In principle the course should be mandatory, not optional, in the sense that no-one should be promoted to Grade 3 (Under Secretary) unless he or she has been on the course or his Department is committed to sending him on the course on or as soon as possible after promotion. Participants would not be formally reported on at the end of the course but the Director would comment selectively to the participant and to his Department if the programme revealed special needs that could be remedied by further job experience or training. The participants would be brought together a year after the programme for them to assess the extent of the changes in their approach and methods induced by the programme.

11. The course is provisionally estimated to cost some £550-600,000 a year including £1/4 million for the salary costs of the civil servants.

12. There is some press interest in the programme and we shall need to brief the press on the decisions reached on the outline proposals.

13. The course will fail without top management backing. Most importantly the backing of the Prime Minister will be crucial especially in securing participation by companies and organisations outside the Civil Service.



10 DOWNING STREET

From the Private Secretary

MR. HATFIELD
Cabinet Office

Open Structure Course

The Prime Minister considered over the weekend Sir Robert Armstrong's minute of 21 March about the Open Structure Course.

The Prime Minister takes the view that the Course is unlikely to succeed unless something can also be done to provide training for a few able people earlier in their careers. She considers that the age of 40 is too late to start senior management training, and that there is a need also for, say, a three week course for people in their thirties. This would provide a foundation on which the later Open Structure Course could build.

BSY
The Prime Minister would be grateful for Sir Robert's and Lord Gowrie's views on this suggestion, before she given further consideration to the Open Structure Course.

I am sending a copy of this letter to Margaret O'Mara (H.M. Treasury) and to Paul Cann (Lord Gowrie's Office).

DAVID BARCLAY

26 March, 1984

MINISTER OF STATE
PRIVY COUNCIL OFFICE
30 MAR 1984
REF. A084/1018

Prime Minister (1)

Yes - but I have
great doubts
about it
not

Agree that the proposed
Open Structure Course should
go ahead on this basis?

DMS
2/4

1. LORD GOWRIE
2. PRIME MINISTER

Open Structure Course

In his minute of 26 March Mr Barclay records the Prime Minister's view that we need to provide better management training for able people in their thirties as a foundation for the Open Structure Course at the later stage. We agree. Training and career development have to be seen as a continuous process, and our planning has been based on the need for action both at the point of entry to Grade 3 (Under Secretaries) and earlier.

2. The work which the Director of the Open Structure Course has done confirms the Prime Minister's view that the new Open Structure Course can be fully effective only if full recognition is given to training and development needs at any earlier stage. At the same time we cannot afford to wait until those who are currently in their early to mid-thirties have been better developed and trained - which will necessarily take time- before seeking improvements to the training of the older group. Consequently the priority is to get the new Open Structure Course up and running (our target is next January for the first course) while devoting adequate resources also to making rapid progress with the management, development and training of the younger group.

3. There are already a wide variety of courses in the Civil Service College suitable for mid-career training for those officers who may reach the Open Structure; in particular, the financial modules are compulsory for those who are to become Principal Finance Officers and courses are being developed for those destined for personnel and establishment work. The Cabinet Office has already begun work on drawing up a programme of courses which, in the absence of on-the-job experience, will help to prepare people who may eventually go on the Open Structure Course. What we now seek to do is to give this work high priority. To this end we aim to produce by the end of June outline proposals for tackling



this problem in a practical way, at least for those who are considered likely to reach Grade 3 and above. The aim should be to put these proposals positively into action early in 1985, broadly in parallel with the Open Structure Course.

4. On this basis I hope that the Prime Minister can approve the outline proposals for the Open Structure Course, so that the impetus of action on the Course can be maintained.

5. I am sending a copy of this minute to the Chancellor of the Exchequer.

REA

ROBERT ARMSTRONG

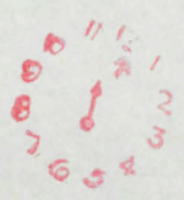
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Civil Service: by turn Pt 15



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10 DOWNING STREET

From the Private Secretary

MR. HATFIELD

CABINET OFFICE

OPEN STRUCTURE COURSE

The Prime Minister was grateful for Sir Robert Armstrong's further minute of 30 March about the Open Structure Course.

The Prime Minister is prepared to agree that the Open Structure Course should go ahead, although she remains less than totally convinced of its merits.

I am sending a copy of this minute to David Peretz (HM Treasury).

MR. D. BARCLAY

4 April 1984



MINISTER OF STATE, PRIVY COUNCIL OFFICE

PRIME MINISTER

TOP MANAGEMENT PROGRAMME

Prime Minister

Content for Lord Gowrie
to proceed on this basis?

DMB

In April you agreed that the Open Structure Course should go ahead.

... The attached note sets out the objectives of the Course and its overall structure. It will be the basis for discussions outside government about detailed design of the Course. The title of the Course has been changed to make it more marketable with the private sector.

I propose to make the note public early next week by sending it for information to the Chairman of the Treasury and Civil Service Committee and placing it in the Library of the House.

Greg

LORD GOWRIE
17 May 1984

They are not
obstacles but merely a
few procedural aspects
I remain very pessimistic
that this course will do anything
of its ^{at all} ~~kind~~ to improve management. In view
of its ~~kind~~ I am ~~not~~ ^{loath} to ~~publish~~ ^{publish} it - not

TOP MANAGEMENT PROGRAMME

The Programme So Far

In January this year the Government appointed a Director of a new programme of training for civil servants at the point at which they are promoted to the Senior Open Structure (i.e. to Under Secretary or Grade 3 level). Since then, as part of initial planning and programme design he has consulted widely within the Universities, Business Schools, private and public companies, government and other institutions and among experienced and knowledgeable people in and outside the Civil Service. He will continue to do so.

2. At this level - broadly equivalent to Board level in the private sector - managers must exercise a broader range of skills than at lower levels, giving their organisations a sense of direction and purpose, corporate strategies to initiate and manage change, leadership which cuts across normal organisational and disciplinary boundaries and positive management to achieve desired ends.

Objectives

3. To meet the needs of such managers the objectives of the programme will be to improve the ability of participants:

- to understand the nature, extent and significance of the fundamental changes taking place in the economic, industrial, technological, physical, social and international environments;
- to formulate strategies for their organisations to meet the challenge of these changes, given scarce resources;

- to seek increased value for money and year-on-year improvements in productivity and efficiency by setting clear objectives and managing their organisations and resources positively so as to achieve the objectives;
- to lead and motivate people to carry out tasks efficiently, imaginatively and with commitment.

The Programme structure at Annex is designed to meet these objectives.

Mixing the public and private sectors

4. These objectives are just as much the concern of the private as of the public sectors, especially at the top level. It therefore makes little sense to train top civil servants separately from top managers in:

- local government, the Diplomatic Service, the Northern Ireland Civil Service and other public sector organisations such as the National Health Service, the BBC and the Atomic Energy Authority;
- the nationalised industries;
- the private sector of industry and commerce, and in small as well as large organisations;
- the Trades Unions
- other non public bodies.

Regrettably few opportunities exist for joint training of top managers. The programme will seek to remedy this deficiency with the help of Universities, Business Schools, public and private companies, local government institutes and the Civil Service College.

Timetable

5. We shall begin in January 1985 a series of programmes, each catering for some 12 of the best top managers from the private sector and the nationalised industries, and an equal number from

the public sector; and lasting four weeks. There will be four courses in a full year, though three in the first year to give time for modifications after the experience gained from the first course. The three programmes in 1985 will take place at Elvetham Hall (4 February-1 March), The Node (8 July-2 August) and Nuneham Park (21 October-15 November).

Participation by industry and commerce

6. It is difficult for private companies and the nationalised industries to send their very best people to a course lasting four weeks. It is no easier to release civil servants for an even longer period. But if those destined for the highest posts are to be successful in managing change positively and confidently, they need adequate preparation. This programme aims to provide education of the highest quality by attracting outstanding speakers from every major sector of the economy and society and by an emphasis on work and mutual learning by the participants through study of major issues and real life problems. The time allowed is less rather than more than is necessary for the purpose.

The Civil Service phase

7. The civil servants attending the programme will carry out an extra 2 weeks of training at the Civil Service College at Sunningdale geared to their particular needs; and for them the six week programme will (with very few exceptions) be mandatory and undertaken between appointments and at the point of promotion to Under Secretary (Grade 3) or earlier. The majority of the civil servants will be between the ages of 40 and 50 and about half will be specialists - economists, statisticians, scientists, engineers, lawyers and doctors.

8. The reason that civil servants will attend for an extra two weeks is that they are expected to be knowledgeable and in many cases expert over a wide range of subject matter and skills. Yet their mid-career job experience and training has been patchy and

has lagged relatively behind the best practice in other parts of the public sector and in the private sector. The Programme will provide an immediate, economical and practical means of remedying some of these deficiencies. But it cannot and will not stand alone. Many other complementary improvements, especially in mid-career development and training, are in hand as part of the Government's measures to improve the professionalism and standards of management of the Civil Service.

TOP MANAGEMENT PROGRAMME

PROGRAMME STRUCTURE

Each programme will be divided into two phases: four weeks for the mixed group of managers from both the public and private sectors and an additional two weeks for the participants from the civil service.

THE MIXED PHASE

2. This will be divided into three parts:

- a. the environment: examination, necessarily selective, of the most important changes taking place in the economic, industrial and technological, social, physical and international environments within which organisations, including governments, have to operate; of different conceptual approaches to the changes; of the different ways in which organisations have reacted to or sought to manage change; of the relationships between the major institutions and groups of people concerned, public and private; and of some of the most important issues for debate and resolution (some 6 equivalent days).
- b. management systems: examination of the best practices and techniques in the systematic and positive management of resources and people (some 6 equivalent days).
- c. the challenge of management at the top: examination of the skills and attitudes required for success at the top management level, especially in times of radical change and scarcity of resources, drawing on the practical experience of top managers from a wide variety of organisations (some 6 equivalent days).

These three parts will overlap in time, running more or less concurrently throughout the mixed phase.

3. The methods of learning will be varied; we shall:-

- invite top calibre thinkers and performers in each of the areas to be studied to focus on matters of outstanding importance and to provoke wide ranging and positive discussion of the issues by the participants;
- give the participants the opportunity to educate one another, drawing out the expertise and knowledge which each possesses so that the others can learn from it;
- encourage those from one sector to understand and appreciate how those from others think, act and tackle their problems;
- through the use of syndicate work examine major issues and problems in depth and report back and debate in plenary sessions with experts;
- use case studies and models (especially a computer model of the economy) to illuminate issues and increase awareness and skills;
- ask each organisation sending a participant to suggest a real, practical problem which the organisation is facing and has been unable to solve; select those problems which multi-disciplinary teams can study with advantage and persuade the organisations to supply in advance all the information and data necessary to solve them; seek practical solutions to the problems through syndicate

work; and present the solutions to the organisations concerned at the highest level. This activity may take 5 equivalent days in addition to those in paragraph 2;

- above all encourage the participants to take positive management action when they return to their organisations.

THE CIVIL SERVICE PHASE

4. This two week phase will take place at Sunningdale either immediately before, or in single weeks at each end of the four week phase. It will broadly follow the same pattern and methods of the mixed phase but will concentrate on those aspects of change, management problems, skills, relationships and issues that are of less interest to the private and the rest of the public sectors. It may well be more fragmented than the mixed phase to cater specifically for gaps in the participants' preparation for top management, because of insufficient job experience and training.

140 MAY 1982





De V.
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Civil Service

10 DOWNING STREET

From the Private Secretary

21 May 1984

Top Management Programme

The Prime Minister considered over the weekend Lord Gowrie's minute of 17 May about the Open Structure Course.

The Prime Minister feels that the note which was attached to Lord Gowrie's minute is rather thin, and relates more to aspirations than to objectives. She takes the view, therefore, that it would be better not to give the note any publicity.

I am sending a copy of this letter to Richard Hatfield (Cabinet Office).

(David Barclay)

Miss Sonia Phippard,
Management and Personnel Office.

NK



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From the Minister for the Arts

23 March 1984

David Barclay Esq
Private Secretary
10 Downing Street

pa
Jms
23/3

Dear David,

OPEN STRUCTURE COURSE

- ... Lord Gowrie has approved the attached submission from Sir Robert Armstrong, subject to one point. He takes the view that some reporting during the Course might be helpful not only to the participants themselves, but also to departments in assessing their suitability for their next postings. Lord Gowrie would not wish this comment to hold up practical preparations for the Course, but he would be glad to take part in any further discussions about reporting arrangements.

Yours sincerely,
Mary

MRS M E BROWN
Private Secretary

PS A copy of this letter and attachments goes to Margaret O'Mara, Chancellor's Office.

23 MAR 1984



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**SENIOR MANAGEMENT PROGRAMME
OUTLINE PROPOSALS
TO THE PRIME MINISTER**

March 1984

SENIOR MANAGEMENT PROGRAMME

OUTLINE PROPOSALS

SUMMARY

I PROPOSE

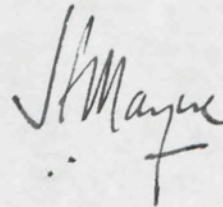
- A 6 WEEK PROGRAMME
- MANDATORY ON ENTRY TO GRADE 3, OR EARLIER
- WITH UP TO HALF NON-CIVIL SERVANTS FOR 3-4 OF THE
6 WEEKS
- REPEATED AT LEAST 4 TIMES A YEAR
- WITHIN AN ESTIMATED ANNUAL COST OF £550-600,000

THE AIM

- TO IMPROVE THE EFFICIENCY, SKILLS AND PROFESSIONALISM
OF THE TOP MANAGEMENT OF THE CIVIL SERVICE AND ITS
ABILITY TO INITIATE AND MANAGE CHANGE

I ASK FOR APPROVAL

- TO PROCEED WITH DETAILED PLANNING
- TO BEGIN COMMITTING FUNDS WITHIN THE ESTIMATED COST



JOHN MAYNE

SENIOR MANAGEMENT PROGRAMME

THE PROBLEM

I was appointed on 3 January to plan, introduce and run a course for those entering the Senior Open Structure (Grade 3) and above) starting in January 1985. The Lord Privy Seal mentioned the course in a letter to the Prime Minister and the Chancellor of the Exchequer in March 1983, noting that the announcement of the appointment of a course director would signal the seriousness of the Government's commitment to greater professionalism and higher standards of management, starting at the top. I was encouraged to start with a blank sheet of paper and not to be too conditioned in my thinking by what had gone before.

2. I am most grateful to the large number of people - in private sector companies, public corporations, academic and professional institutions, consultancies and the public services themselves, or as private individuals - whom I have consulted about the programme over the past 2 months. I owe much of what follows to their helpful advice.

FACTS

NUMBERS (1.4.83)

GRADE 1 (PERMANENT SECRETARIES)	36
GRADE 2 (DEPUTY SECRETARIES)	141
GRADE 3 (UNDER SECRETARIES)	531
	<hr/>
	708
	<hr/>
GRADES 4 & 5	3,883
	<hr/>

PROMOTIONS TO GRADE 3 c 40 PER YEAR

AGE AT PROMOTION 40-50 YEARS

COMPOSITION OF THOSE PROMOTED

GENERALISTS	50%
SPECIALISTS:	
SCIENTISTS	14%
LAWYERS	11%
PROFESSIONAL AND TECHNICAL	9%
ECONOMISTS)	
STATISTICIANS)	4-5% each
DOCTORS, DENTISTS, NURSES)	

OBJECTIVE

3. At the outset we should be clear about what any course at this stage in a civil servant's career should try to do. I propose:-

"to improve the efficiency, skills and professionalism of the top management of the Civil Service, in its tasks of:

- helping Ministers to formulate their policies and to take policy decisions;
- implementing those policies efficiently and effectively;
- managing large organisations;
- managing people;
- initiating and managing radical change".

THE NEED

4. The top civil servant must be knowledgeable and in many cases expert in the substance of government policies and their implementation. He should be effective in:

- a. creatively defining and analysing the policies necessary to secure Ministers' objectives;
- b. positively meeting rather than reacting to the challenge of change, however radical;
- c. sensitive oral as well as written presentation of policy issues to Ministers;
- d. helping Ministers to take good policy decisions;
- e. public presentation of issues to Parliament, the media, pressure groups and the public;
- f. relations with people and organisations outside Westminster and Whitehall;
- g. leading and motivating people to carry out tasks efficiently and with commitment;
- h. getting value for money by setting objectives, measuring and comparing performance against cost and seeking year-on-year improvements in efficiency;
- j. managing large and complex organisations;
- k. putting information technology to productive use;

and should have:-

- l. 100% commitment to the implementation of policy once policy decisions are taken;
- m. a positive style of management
- n. well-founded self-confidence

MEETING THE NEED

5. Not all those promoted to Grade 3 will have or need all these capabilities in full. But we fall short of a good overall standard:-

- while a few individuals have achieved the desirable breadth and depth of experience and expertise, the great majority have not. It will be some time before current improvements in career planning bear full fruit;
- progress with training to deepen expertise and to complement job experience is patchy; there are plenty of good training opportunities available but insufficient use is made of them;
- as people are left in post longer to build up expertise, training becomes more important as a means of filling the ever-widening gaps in job experience;
- the 'fliers' need mid-career training just as much as the non-fliers - indeed, more so since they reach the higher ranks quicker and therefore with less job experience; but after an initial burst soon after entry they tend to get less;
- the average of a quarter of a day's management training a year at present undertaken by Grade 6s and above is inadequate;
- mid-career secondments to outside organisations are increasing but are still sporadic.

OTHER ORGANISATIONS

6. By contrast - though too close comparisons are misleading - at this point in his career:

- the typical Serviceman will have done, quite apart from technical and professional training, between 1½ and 3 years of command and staff training, culminating in the one year Royal College of Defence Studies course; and
- a Policeman will have done 2¼ years of command and staff training.

7. Training practice in the private sector varies widely (many managers have little or no training) but most large and successful corporations take management development seriously and their 'fliers' will have completed a number of modules of management training either in-house or at a Business School or similar institution.

Examples are:

Shell International: 10 weeks spread over mid-career, increasing in intensity as the individual rises up the management hierarchy and his professional and technical training is reduced.

BP: 10 weeks, spread over 3-5 years.

IBM(UK): at least 1 week a year for all managers - say, 20-25 weeks in total over a management career, plus a positive secondment policy.

Marks and Spencer: an average 1½ weeks a year of off-the-job management training of an elite corps of high fliers.

8. Extensive training of this sort helps to induce self-confidence based on expert knowledge of subject matter and professional mastery of the means of achieving desired ends. This is more difficult to achieve in central government than in almost any other sphere. All this points to a need for more and better career development and training, not less.

WHEN TO DO IT

9. Given the choice, no one would concentrate management education at the 40-50 age range if they had the option of doing it earlier, say, in the more receptive mid-30s. Ideally by the time people reach Grade 3 rank they should already have had:-

- a. a combination of job experience and training in mid-career that would make further extensive training unnecessary. On the basis of best practice elsewhere this would entail training in mid-career in excess of one week a year and a major mid-career development course;
- b. job experience in more than one Department;
- c. at least one secondment of six months or more (up to a full tour of, say, 2 years) in a different organisation - a private sector company or organisation, a nationalised industry, local government or, in special cases, an academic institution.

But it will be a long time before this standard of preparation for the top posts is achieved, however vigorously mid-career development and training are pursued.

10. Meanwhile a management programme for those few who are positively identified for promotion to Grade 3 provides a rapid, economical and practical means of improving the professionalism and standards of management of the top of the Civil Service.

LEARNING ON ENTRY TO GRADE 3

11. The move from Grades 4 and 5 to Grade 3 is a crucial point in a Civil Servant's career. Grades 1-3 - the old Open Structure - represent the "top management" of the Civil Service. Below that level it is generally true that people are submitting expert advice upwards; at the higher grade that advice is received and assessed as a basis for discussion with Ministers. The people in these higher grades can no longer rely on their own expertise because their span of control is too large; they must acquire the skills of judgement, perception and delegation which are crucial to good top management; they need, to a much greater extent than in lower grades, to see the work for which they are responsible as a whole: as part of the overall strategy of the Government and of its implementation. And they need to have developed to a marked extent the abilities set out in paragraph 4 above.

12. Much of this can be acquired by job experience but by this means both good and bad habits can be learned. Training off the job is necessary at this hinge point in the Civil Servant's career to enable him to compare his own performance and culture with the best that exists elsewhere, to consolidate and build on the best of his experience and learning, to remedy any deficiencies in his professional skills and to take what is probably the last real opportunity in his career to re-educate himself and learn from others.

THE BUSINESS SCHOOL APPROACH

13. We could send all our people to business schools. They would learn the best theory and some of the best practice of the private sector and with people from outside the Civil Service. We would be saved the bother of inventing and setting up a programme of our own. All these undoubted advantages are more than offset by disadvantages:-

- a. Business schools have a menu of subjects which they teach at this or any other level (and less well at this than at lower levels). While most of them are prepared to be flexible at the margin and to develop - at a price - special modules for a customer, this would not meet the rather special needs of public sector top managers. Courses that are less than fully relevant are not good value for money.
- b. Most large companies which take the training of their managers seriously run their own management development training schemes, with or without help from consultants. They use Business School courses as an occasional supplement in particular cases - as we do.
- c. Senior Management courses at Business Schools are quite long - up to 9 weeks at Oxford, are pitched at a lower level and even in this country are not cheap: for example, a 6 week Senior Executive Programme at the London Business School would cost about £11,000 including the civil servant's salary costs.

I conclude that we should run our own programme to our own overall design, using outside experts to help us with the design, construction and running of the programme.

TREAT GENERALISTS AND SPECIALISTS DIFFERENTLY?

14. An option exists in principle to concentrate the learning process onto either:

- the "generalists" who tend to have had plenty of experience of policy formulation and to a less extent of finance, but little of managing more than a handful of staff; or onto
- the "specialists" some of whom will have had significant line management experience, e.g. in the Royal Dockyards and the PSA, but little of policy formulation and working with Ministers.

I believe that this option should be rejected: all who enter Grade 3 ought to have an understanding, in most cases in depth, of a full range of the subject matter of government activity and the professional skills to deal at least competently with policy issues and their presentation, the management of resources and the management of people. For the most part, those with policy, but without significant management, experience can learn from those with a contrary bias; and vice versa. Some "streaming" of parts of the course may however be necessary to help those with particular blank spots in their experience and training.

CIVIL SERVANTS ONLY OR A MIXTURE?

15. It would be educationally simpler to devise a learning programme exclusively for civil servants. But one of the main objectives of the programme must be to break down the culture barrier between the public and private sectors and induce civil servants to look outwards to the wider implications of what they do; and vice versa. To this end we should seek to add to those entering Grade 3 of the Home Civil Service (40) plus a few from the Diplomatic Service and the Northern Ireland Civil Service, up to an equal number from private sector companies, including the City, nationalised industries, local government officers and digital numbers from the Armed Forces, the Police, other public sector bodies such as the BBC and the NHS and possibly other countries, e.g. the EEC and the Commonwealth. Junior Ministers might profit from attending at least some parts of the programme. The Trades Unions might not wish to send participants, if only because of the cost but should be invited.

16. We should accordingly plan to cater for about 100-120 people a year of whom some 55-65 would have to be paid for from central government funds. Numbers of this order would call for the programme to be repeated about 4 times a year.

17. It will not be easy to devise a programme that will both achieve the objective for the Civil Service and make it worthwhile for firms from the private sector to pay to send their best people on it. But we should not shrink from the difficulties. The Prime Minister's active support for the programme would be a necessary condition for complete success.

A PHASED COURSE

18. The educational challenge posed might best be met by dividing the programme into two phases:-

- a. a mixed phase, based in part on the successful experience of the 2-week Summer Node Course; (which would continue). But it would be harder driven and with more structure since the quality of the participants will not be as high and the objective and need (paragraphs 3 and 4) will be much harder to meet than the comparatively narrow objective of the Summer Node Course. Participants would not only discuss issues together but be required to work together on real, current problems some of which they themselves would produce from their own organisations. Some 3-4 weeks should be allowed for this phase, at a management centre or business school.

- b. a phase with Civil Servants only concentrating on the particular skills, e.g. of relations with Ministers, oral presentation, styles of management and leadership and information technology, that civil servants must learn. It will probably be necessary to vary the programme to suit individual needs. Up to 2 weeks should be allowed for this phase, probably at Sunningdale.

The programme would therefore last up to 6 weeks for the civil servants and 3-4 weeks for the outsiders. Both phases would be very hard-driven throughout a 13-14 hour day including some weekends.

DURING OR BETWEEN JOBS?

19. It would be difficult to release people at this level from their desks for so long a period. And the participants themselves would fret if they knew that their work in their current jobs was piling up in their absence. The obvious solution to this problem is to release those about to be promoted to Grade 3 for the period of the programme before they take up their new post and after they have finished in their last post in the lower grade. This is the practice adopted with great facility by the Armed Forces and the Police and on occasions by the Civil Service. It has to be planned for and managed but if it were accepted that there had to be the break, postings and promotions could with few exceptions be timed accordingly.

20. There would be significant advantages if people attended the programme well before promotion to Grade 3 though this would be an explicit recognition of future promotion. In some few cases it might prove impossible to release someone at the point of promotion. He would have to attend an early subsequent programme. But this should be the exception. The programme should be mandatory for all entering Grade 3.

21. If the programme were mandatory there might not be quite the same objections to the two phases being divided from one another in time, one being undertaken at the point of promotion and the other separately within, say, a year to 18 months later. But it would be much more effective to carry out both phases together as a single and sequential whole thereby sustaining the dynamic of the programme as a whole. This I recommend.

A SHORTER PROGRAMME

22. I would not be justified at this stage in arguing that a worthwhile learning programme could not be crammed into a shorter period than 6 weeks. But my judgement is that, in relation to the enormous field of learning that needs to be covered and the high priority that should be attached to improving the efficiency and professionalism of the top of the Civil Service, a shorter period than 6 weeks would be paltry and be seen to be so.

COSTS

23. It is impossible at this stage of planning to provide a detailed estimate of the costs of such a programme. But on reasonable assumptions the setting up costs should not exceed £250,000 (which would have to be the subject of a Supplementary Estimate) and the net additional cost to the Exchequer in 1985 would be between £550 and £600,000 including the salary costs of the civil servants.

REPORTING

24. It needs to be decided whether participants would have to "pass" in some way before they could be said to have completed the programme successfully. Arguments in favour of this were advanced by the Expenditure Committee in 1976/77. The main argument against is that participants might expend undue effort in trying to impress those running the programme rather than in educating themselves. I believe on balance that this argument should prevail. But the Programme Director should reserve the right to return to his Department (or Company) anyone who disrupted the programme or did not take it seriously; and to comment selectively to the participant himself and to his Department if the programme revealed any particular needs which could be remedied by further job experience or training.

FOLLOW-UP

25. The effectiveness of the programme should be carefully monitored by detailed assessments by the participants and by a peer review once it has been running for a time.

26. Equally important would be the need to bring the participants together, say, a year later, for them to assess the extent to which they had changed their approach and methods of work as a result of the programme and to reinforce the benefits which they gained from it. In addition the participants should be encouraged, if they need encouragement, to keep in touch with one another after the programme has finished.

PRESS INTEREST

27. There is some press interest in the programme at this stage. I propose, subject to the decisions taken on my proposals, to brief the press on the outcome.

TOP MANAGEMENT BACKING

28. The programme will fail if it is not backed by top management. I propose, once my plans are clearer, to give oral briefings to top managers on the purpose and methods of the programme and hope thereby at least to dispel any ignorance about it.

29. Above all, I invite the Prime Minister to commit herself to this attempt at fundamental improvement in the efficiency and quality of the top of the Civil Service.

JOHN MAYNE