The Creation of London Metropolitan University: A case study

1. The origins, timetable and objectives of the merger

1.1. The merger which created London Met arose from a discussion – at a meeting of the Conference of European Rectors in Cracow in October 2000 – between the two executive heads of the merging universities: Roderick Floud of London Guildhall University and Brian Roper of the University of North London. They agreed that, in the current and foreseeable circumstances of British higher education, both of the two existing universities was too small and under-capitalised and that a merger would allow them better to serve their students and their communities. Both LGU and UNL were amongst the smallest of the “new” universities – the former polytechnics - in the UK and were competing for students with many other universities in London.

1.2. Confidential discussions between the most senior managers and the chairs of the governing bodies then took place. The academic profiles, staffing, administrative systems, computing systems and many other aspects of the two universities were compared and it was agreed that there was both overlap – particularly in the fields of business education – and complementarity between the two institutions; for example, UNL had science departments, LGU art and design departments, which were not duplicated. The discussions concluded that a merger was feasible; in April 2001 the governing bodies of each university accepted a recommendation to explore the proposal.

1.3. The next year was taken up with preparing a detailed business plan and securing financial support from the Higher Education Funding Council for England (HEFCE). The preparation of the business plan was controlled by a joint committee of governors and senior staff from both universities and undertaken through a large number of working groups of staff drawn from each functional area. One of the first stages was to agree a mission statement, setting out the objectives of the new institution. These are, in brief, to be a University for London, to promote social inclusion through the provision of excellent education and training. The University is focussed on teaching and knowledge transfer, although it also conducts significant research linked to its teaching and knowledge transfer objectives.

1.4. While the business plan was being prepared, there were also many discussions with trade unions and with groups of staff of all kinds, as well as with students, governors and representatives of local communities in London. The business plan estimated that the cost of implementing the merger, over a four-year period, would be about £13 million; HEFCE agreed to provide a grant of £6.5 million. The plan was drawn up on the basis that there would be no compulsory redundancies of staff and that the university would, once established, generate surpluses of 2-5% of income to finance further investment.

1.5. In April 2002 the Governors of the two universities agreed that the merger would take place on 1st August 2002. There continued to be staff concern, or in some cases
outright opposition, to the merger proposals, mainly on the basis that there were differences in management style between UNL and LGU, with the former seen as less consultative. It is important to note that, because of the relevant law of 1989, the new universities are governed by Boards, composed of not more than 25 people, the majority of whom are independent people drawn from outside the University; the Board has only four staff members and one student. The academic staff can express their opinions on university strategy and finance, but have no veto.

1.6. In advance of the merger, the joint committee agreed that the new university would have a flat management structure. There would be no faculties, but instead 13 quite large academic departments (some with over 3000 students and over 150 staff), whose heads would report to one or other of three deputy vice-chancellors. Similarly, the heads of the “professional service departments” would report either to a deputy vice-chancellor or to either the vice-chancellor or the chief executive. This reflected a transitional phase during which the University has two heads: the vice-chancellor (Roderick Floud) is responsible for academic affairs and external relations while the chief executive (Brian Roper) is responsible for finance, human resources and other internal management activities.

1.7. Even before the merger, the Executive Group of the University (Vice-chancellor, chief executive, three deputy vice-chancellors, director of finance, director of human resources, director of merger projects) was appointed. So were the heads of the academic departments and some heads of the professional service departments. The selection was conducted on the basis of merit and suitability for the job but, as it happened, there was a good balance of staff from each of the two preceding universities. The heads were given the very difficult task of continuing to run two existing academic programmes (or the equivalent for the service departments) while also planning for an entirely merged operation.

1.8. The University undertook, in the autumn of 2002 and spring of 2003, a number of launch events and a major publicity campaign (costing £750,000 and involving radio, press and poster advertising) to establish its new name in public consciousness. This was particularly difficult because, in autumn 2002, it was still necessary to recruit to courses under the name of the two preceding institutions. However, the name “London Met” has been well-received and is increasingly well-known.

1.9. One of the largest merger tasks, achieved by December 2002, was to devise a combined programme of undergraduate courses, to which students would be admitted in October 2004. A combined programme of postgraduate courses was achieved even earlier, for entry in October 2003. It was also necessary, of course, to plan and implement new merged systems for finance, human resources, student records, libraries, computer systems, websites etc. These systems were then introduced over the period up to the autumn of 2003.

1.10. The progress of the merger is monitored through a system of “milestones” which represent progress towards a series of targets – such as “implement a new finance system” – agreed with the Governors and HEFCE, who pay their agreed grant for the
merger on the basis of progress against the “milestones.” The vast majority of targets have been achieved, with the only major delay being that in assimilation of staff (see below).

1.11. Eighteen months after the merger, the university is in a good state, having achieved a financial surplus of nearly £3 million pounds (against a total budget of £140 million) in its first year of operation. Student recruitment, in a very competitive market, does not seem to have suffered and staff seem to enjoy the task of devising new systems and academic programmes. Two new buildings will be opened this year.

2. Human resource aspects of the merger

2.1. One of the first human resource decisions to be taken was a very unusual one, to propose that the new institution would have two heads, for an interim period. This caused concern among some Governors, and with HEFCE, but it was a pragmatic solution to a common problem, which is that university mergers are unlikely to occur if one or other vice-chancellor will lose his or her job. They require the full support of the university leadership, a personal as well as an institutional commitment. In the event, it has worked very well; the merger coincided with Roderick Floud’s term as President of Universities UK, so that he was very much concerned with external relations and political issues, but it has continued to work, based on discussion and mutual agreement.

2.2. Much more problematic was the process to be used in making appointments to other jobs, a process which we called “assimilation.” There was no formal commitment to avoid compulsory redundancies, but from the earliest moments it was emphasised that the objective of the merger was to grow, to increase the number of students and therefore staff and to provide more, rather than fewer, opportunities. However, it was always obvious that – in some cases, and starting from the two vice-chancellors – some jobs would have to be shared, or alternative jobs found for anyone displaced. It was therefore necessary to devise a process of assimilation which found jobs for everyone but was also consistent with relevant UK law; this proved a complex task, since the law essentially assumes that mergers will lead to redundancies and seeks to protect staff. In the event, a process was devised. It began with new structures and lists of jobs, with staff being told about the jobs for which they appeared to be qualified, on the basis of their previous job. Where there was only one person so qualified, they were appointed; where there was more than one person, a selection process was held and an alternative job found for the unsuccessful candidate. Of course, some people were disappointed but, at the conclusion of a process which has taken over 18 months, only one person has taken legal action because of dissatisfaction with the outcome. This is despite the fact that the process had to comply with employment law and to avoid racial, gender or other forms of discrimination.

2.3. Even more surprising, but greatly to the credit of everyone concerned, the work of the university has continued. Indeed, many people have essentially been doing two jobs – their old one and one planning and implementing the merger – while being uncertain what their final job would be. This shows great professionalism in circumstances which were inevitably stressful.
2.4. It was essential, throughout the merger, to communicate as effectively as possible with staff, students and local communities of all kinds, as well as with the press, radio and TV who all showed considerable interest in the merger. There can never be enough communication and staff, in particular, often complained that they had not been sufficiently consulted. There were, however, regular merger bulletins, a merger website and printed documents, while most of the documents about detailed aspects of the merger were made widely available.

3. The Department Perspective

3.1. The creation of the new Sir John Cass Department of Art Media and Design (JCAMD) was the consequence of the merger of two previous Guildhall University departments. Although the two departments had worked closely together for some years and in the past had been previously joined as a Faculty, there were two different and distinct cultures. Previous mergers that had taken place as part of Guildhall’s history meant there were and are staff who still see themselves as loyal to a previous institution. In addition, the department is based on two separate sites and whilst they are only 5 minutes walk apart, and not 40 minutes travel time as for some other merging London Metropolitan departments, the distance psychologically for some staff is as great. Managing this history, whilst building the future is therefore a great challenge. In many ways that history is partly a consequence of a failure to address some of the Human Resource issues in the past. Addressing these past histories and old practices is therefore critical for the future success of the merger. A positive factor was that the past problems could be addressed as part of the merger related changes. As the head of a new department, in a completely new University, the great opportunity was the chance to put in place new procedures and frameworks which would underpin the future development of the department and, as part of this, place much greater emphasis on effective Human Resource systems.

3.2. JCAMD is a distinctive provider in the area of art, media and design and with some 2,500 FTEs students is one of the UKs largest providers of arts related courses. A significant strength is its location in the heart of the East End of London, amongst the East End’s community of artists, designer makers and creative industries, which is one of the largest in Europe. Part of JCAMD’s distinctiveness is that it encompasses all through provision in the majority of its subject areas with courses at Further Education, undergraduate, taught postgraduate and research level. It has a unique combination of courses and in addition is the sole provider for certain silversmithing, jewellery, furniture and music technology courses. This strong academic focus is underpinned by a shared approach across the department to the importance and significance of the creative curriculum and to certain teaching and learning strategies particularly around employability, professional practice, independent learning and the use of learning agreements. There is much staff expertise in teaching and developing independent learning in the department’s students, whilst all staff are highly committed to the courses and students.
3.3. The department’s two sites are exclusively dedicated to the support of the department’s courses. There is an exhaustive list of specialist facilities and the department also has two exhibition spaces. Furniture Works is a showroom for contemporary design as well as providing the resource of the Frederick Parker Collection of Chairs. The other space is the Unit2 gallery space, which shows contemporary fine art. Both of these spaces exhibit practising artists/designers, touring exhibitions and give the department’s students opportunities for exhibiting their work.

3.4. However in many ways the major resource is the department’s staff. There are 140 staff in the department as well as a significant number of visiting lecturing staff who come into the department to bring their experience to students as established artists, designers, and industry experts. They make up an equivalent to approximately a further 30 staff. This level of staffing provides a real challenge in achieving a successful department merger and making sure real, sustained change for both the department and University is realised.

3.5. In reflecting on how to make a merger work for the department’s community, there are three main areas to highlight: developing a new vision for the department’s future, balancing internal and external demands and communication.

3.5.1. A new vision: A merger presents a one off opportunity to rethink what a department stands for and to present a new dynamic to the external world. A department merger isn’t just bolting together two new sections and hoping that will work. There has to be a new entity created that is more than the sum of the two previous parts. One of the great challenges is to quite swiftly bring staff together, when they don’t know each other that well or what the merger means to them and their subject area. They then have to be challenged to consider, realistically, what the new department should become, what is needed to make that new vision a reality and what structures, courses, marketing etc. might be needed to realise the vision and ensure it makes an impact externally. The reason this new vision needs to be considered immediately is that it provides a structure, a focus to planning and stops a vacuum developing where staff will focus on the negative aspects of change. A new vision for the department was critical, for although the department was successful, in many ways it was internally focused with staff not aware of what other institutions were doing, how potentially important their work could be and that there was much that the department could do within its own immediate region of London and internationally. This meant that many opportunities for collaboration, alliances and partnerships, at all levels of the department and across a whole range of external organisations, were being missed. To address these issues, a series of away days were held with key staff where a SWOT analysis was done of the department’s current position, a SWOT analysis of where the department would be in 10 years time, a 5 year strategy and the identification of 5 significant risks. This was all contained within a new business plan for the department. The new business plan was circulated to all staff for consultation before final ratification. Although it was a difficult exercise it was crucial for helping to bind staff together and to make it clear that there was a clear agenda and that change was taking place and would continue to take place.
At the same time a review of the department’s management structure, as part of the university’s assimilation process, took place. All senior staff, bar one, secured senior management appointments. The posts were not necessarily what staff wanted, but they were at a level commensurate with their seniority. This was because the needs of the department were put first, staff were briefed on what the criteria and needs of the department were (this linked to the development of the business plan and the new vision of the department) and the assimilation, management structure was also seen as the first step. It wasn’t a full restructuring.

Further reviews of the department’s accommodation and capital equipment were begun to reinforce the point that real changes were taking place. But perhaps the two most important changes, that reinforce the sense of a new vision, have been the harmonisation of the department’s postgraduate courses with the new university’s postgraduate scheme (this took place in the first year of the merger) and the realignment of the department’s undergraduate courses with the new undergraduate framework (this is currently taking place). These academic re-organisations have been a huge amount of work for staff, but crucial in ensuring that the work of the department is brought together.

3.5.2. Balancing internal and external demands: There is a range of internal and external relationships that have to be managed in a merger. If the department is viewed as the internal structure, the university itself presents a whole range of relationships for the department to negotiate. Then there are the further external alliances and partnerships outside the University context that need to be developed. One of the difficulties faced by a merging department, in a merging University, is that there are no established and fixed University systems and procedures to help support the department’s work. Everything is being reviewed and if the merger is taken seriously and seen as an opportunity to build a new institution at all levels, something that London Metropolitan has done, then every committee, working group, ways of registering students ways of dealing with staff, all financial, legal and quality assurance procedures are up for review. The question facing everyone is: what is the best system for this activity in this new university? This real questioning of all systems and structures is critical as it helps to stop the inevitable grumbles amongst some staff that one half of the merger is dominating the other. However what it means for the department is that everything you are doing no longer has a certainty about it. Nevertheless, the main work of the department, the work with students, the research, the work with external agencies goes on. This constant state of flux is very difficult for some staff who resent not only the idea of change, but also the actual changes to procedures. Nevertheless, constant change is a stimulus for some staff, who can see the real potential and opportunities being presented. They recognise the potential for real change to the internal dynamics of the department, the new opportunities for working with external agencies as well as benefits that come from having a greater critical mass. There is also an inevitable concern that the needs of the newly merging university to rationalise and, in the beginning particularly, to centralise its systems, creates tensions with the departments who see their autonomy being challenged and threatened. A careful line has to be drawn by department heads in terms of supporting the university’s new systems whilst ensuing they don’t undermine the future
needs of the departments, their academic needs and the proper workings of the department.

In terms of the external links, there are series of new alliances to be developed or existing partnerships that have to be renegotiated as the newly merged department has a different focus. For JCAMD, the previous internal focus needed to be challenged. New alliances and partnerships have been sought to help support and achieve the revised objectives of the department. This has meant looking not only for alliances with other academic institutions, but also funding bodies, regional organisations, community organisations and arts bodies. This has been crucial as otherwise the new name of the institution could mean the department becomes lost and invisible to potential applicants and funders, who think that the department no longer exists. It is also about making sure that external organisations are aware of just how positive and significant the merger has been and the real opportunities that now exist for new projects.

3.5.3. Communication: One of the greatest difficulties in merging a department, particularly when the University is also merging is communication. The challenge is to keep staff constantly aware of what is going on, yet this is almost an impossible task. One of the ways that JCAMD has tried to deal with this is by reviewing its committees, working groups and management teams. There was an immediate change with the senior management team meeting weekly and a departmental management team established to meet three times a term. Further committees were then set up to deal with specific issues notably; quality assurance, research, physical resources and the student experience. These committees report to the department management team and they ensure certain key themes are dealt with, that all staff know that they are meeting and that they can access minutes, speak to representatives etc. The University had set up departmental fora, which are meetings for all staff. JCAMD also established a student forum, which is a meeting for all student representatives to ensure that they too are able to understand and question all the changes taking place as consequence of the merger, as well as the day-to-day issues facing them on their courses. In addition, to these new frameworks, much emphasis has been placed on staff development to give staff the chance to discuss aspects of the merger, in particular assimilation, the academic changes at postgraduate and undergraduate level and the effects of the merger on those staff who are support and technical staff. Despite all of these efforts staff still feel they are not consulted sufficiently and are still suspicious of change.

4. Three issues:

1. Managing Effective Communication.

As was discussed above, managing effective communication in the context of merger, is probably one of the most difficult and crucial tasks facing senior staff. Despite the best efforts staff feel under consulted, suspicious, nervous of senior managers’ motives, uncertain about their own personal futures, and questioning about the future direction of the university. All decisions taken by the university are questioned and motives looked for. The smallest change to systems can be viewed with suspicion by some staff. The
challenge is to somehow harness the energy of the merger and the positive views of those staff who are supportive and embrace change. It means working closely with senior managers to make sure that they too are aware of the issues. It also means allowing staff to go through the necessary cycles associated with significant change such as loss, anger, apathy, cynicism etc. The task is to make sure staff feel they are being listened to, without allowing the direction, purpose and agenda of the university to be undermined or put off track. The issue is: how do you ensure effective and real communication?

2. Planning, implementing, motivating change.

The theme running though out this case study is the necessity to plan, implement and motivate change. The planning is critical so that staff feel that the merger has a real philosophical direction and purpose: it is more than just a coming together of two institutions for economic reasons. For academics there needs to be real educational and subject gains to be had. The implementation is a further challenge. Real practical, legal and logistical problems constantly collide. There needs to be constant reworking of plans to keep the implementation on track. Similarly, keeping staff motivated can be difficult. Plans are constantly being reviewed, the work load is probably double for some staff in the first couple of years, whilst some staff are cynical and undermining of the goodwill and energy of others. These factors require constant adjustment and energy on the part of all senior staff. The issue is: how does the university support its managers in managing this very difficult juggling act?

3. What does it mean to be a teaching led university?

London Met’s mission is to serve London – its people, communities and industries. It does this primarily through teaching, but also through continuing professional development in such areas as financial services, law and art and design; finally, it has a responsibility to assist local industries by transferring knowledge and new techniques, which will help those industries. Although many of the university’s academic staff conduct excellent research, it receives very little funding for that research. This means that the research undertaken by its staff has to be planned and conducted because of its relevance to teaching or knowledge transfer – it cannot be a matter simply of the personal interests of the staff member concerned.

This situation creates conflicts. Individual academic staff members are naturally concerned to advance their own careers within their own subjects; this is primarily done by publication in refereed journals. But the university needs them to teach, to work with small local businesses, to publish in trade journals. The university has therefore to demonstrate that it values such work and that individual careers will not suffer. The issue is: how should this best be done?
London Metropolitan University
Data sheet

1. History
   1.1 Merger on 1st August 2002 of London Guildhall University (original foundation 1848) and University of North London (original foundation 1896)

2. Academic programme
   2.1 Bachelors, Masters and Ph.D. programmes in 14 departments – Accounting, Banking and Financial Systems; Applied Social Sciences; Architecture and Spatial Design; Art, Media and Design; Business and Service Sector Management; Computing, Communications Technology and Mathematics; Economics, Finance and International Business; Education; Health and Human Sciences; Humanities, Arts and Languages; Law, Governance and International Relations; Management and Professional Development; Polymer Centre; Psychology
   2.2 Further education and sub-degree programmes in Languages, Silversmithing and Jewellery, Furniture, Musical Instrument Technology.
   2.3 Research institutes: Cities Institute; Institute for the Study of European Transformations (ISET); Institute of Brain Chemistry and Human Nutrition; Institute of Health Policy; Institute for Policy Studies in Education (IPSE); International Institute for Culture, Tourism and Development (IICTD); Learning Technology Research Institute; Research Institute on Human Rights and Social Justice; Working Lives Research Institute

3. Financial information: Total income 2002-3: £130 million (surplus on year of £2.5 million); of which Funding Council grants £75 million, fees £41 million, research grants and contracts £2 million.

4. Staff employed: 1945 Academic staff (full-time, fractional and part-time, amounting to 1905 full-time equivalents); 1419 non-academic staff (amounting to 1120 full-time equivalents).

5. Student numbers (2001-2): 32,699 (7% further education; 76% bachelors; 17% masters and doctorate).

6. Origin of UK students: 81% London; 12% South-east England; 7% rest of UK.

7. Composition of student body: 45% male, 55% female; 52% under 25, 48% over 25; 84% from UK, 16% from overseas (including EU); 47% white, 53% non-white.