A discursive analysis of the dialectical relationship between interim managers and permanent managers in local government organizations deemed to be failing; in what ways does the presence of the interim manager help in improving organizational effectiveness and managing a positive identity for the permanent manager, and in what ways is this a hindrance?

The purpose of this study is to investigate the ways in which the dialectical relationship between interim managers and permanent managers in local government can be seen to help in improving organizational effectiveness and managing a positive identity, and the ways in which it can be seen as a hindrance. In order to elucidate such issues a poststructuralist approach will be taken based on Critical Management Studies (CMS). This is because CMS, in focusing on issues of power, identity and ideology reveals issues and relationships of domination and subjugation which many other change management theories overlook. A discursive approach will be employed, based largely on Critical Discourse Analysis, but complemented by the discourse theories of Laclau and Mouffe.

This topic is important because research shows that whilst local government is the largest public sector employer of interim managers (MORI, 2006) there has been very little academic research on this subject (Jas, 2004). Research has also shown that there have been an unprecedented number of changes introduced into local government under New Labour, resulting in contradictory normative discourses (Newman: 2001, 2005), yet few studies have been conducted to assess how the use of interim managers can help alleviate the impact this has had on local government managers. However, the employment of interim managers in local government is actively encouraged by New Labour (ODPM, 2003). Consequently there is a significant gap in the literature, which this study will help to fill. As a result of interventionist New Labour policy local government organizations are expected to comply with nationally set performance indicators, in the form of the Comprehensive Performance Assessment (Audit Commission, 2002), with those organizations which score poorly subsequent to inspection deemed to be ‘failing’. Research shows (Jas, 2004) that interim managers are often employed to improve organizational effectiveness in local authorities deemed to be poorly performing according to nationally set government criteria. Research also shows (Jas, 2004) that in such situations tensions often exist between managers, employees and local politicians, some of which interim managers are brought in to manage, and others that are created by their presence. The existence of these tensions will inevitably have implications for the identity of permanent staff. Hence two issues identified as important when considering the employment of interim managers in local government; improving organizational effectiveness and managing identity.

Because of the sparsity of academic literature pertaining to interim managers, the literature on consultants has been reviewed. Empirical evidence exists demonstrating value of consultants in helping managers to manage the ‘double-control problem’ (Werr and Styhre, 2003). The double-control problem (Watson, 1994) refers to managers simultaneously needing to achieve organizational effectiveness and positively manage their identity, which can be problematic. In line with a poststructuralist approach,
individuals are recognised as possessing multiple identities, rather than individuals being seen as possessing identities which are permanent and fixed. These multiple identities shift and change dependent upon context, especially as a result of contact with ‘the other’. The presence of ‘the other’ allows an individual to define their identity; they are not ‘the other’, yet at the same time, the presence of ‘the other’ prevents the individual from fully being themselves (Laclau and Mouffe, 1985). Identity construction is a process of differentiation where ‘the other’ is often seen as less powerful and less desirable (Ainsworth and Hardy, 2004). Identity is important to investigate because it provides insights into the reasons why individuals behave in certain ways, particularly ways which may be regarded by others as undesirable or unexpected. Identity is one of the three main features of Critical Management Studies, the other main features being power and ideology. Also central to CMS is the notion of language as the holder of ‘historically developed dimensions of interests’ (Forester in Alvesson & Wilmott, 1992:14), A guiding principle for CMS is the denial of the possibility of neutrality and the strong encouragement of a ‘non-objectivist’ view of social reality within the workplace (Alvesson & Wilmott: 1992).

Critical Discourse Analysis is largely based on the notion of power developed from Foucault’s concept of ‘power/knowledge’. For Foucault power and knowledge are inseparable, because knowledge is not neutral but a product of power relations, therefore, knowledge is political (West, 1999:171). Power comes from everywhere and permeates every discourse. Consequently analysis of text and talk is very important because discourse disciplines subjects and can be used to legitimise activity and gain or maintain power. This is done by ‘ruling in’ or defining acceptable certain types of talk or conduct and ‘ruling out’ or limiting others (Hall, 2001, p. 72 in Hardy & Phillips, 2004:301). Deconstructing such occurrences reveals the impossibility of neutrality and opens up the possibility of agency by individuals and the changing of discourses over time.

In this study the extension of governmental power is of interest. Evidence has shown that consultants have played a role in extending governmental power and legitimising their activity by aligning their discourses with wider dominant socio-economic discourses associated with managerialism (Salaman, 2002). Managerialism relates to the importing of private sector practices into the public sector to supposedly make the public sector more efficient, a practice heavily supported by New Labour. The notion of extending governmental power into new arenas with limited regard for the ethicalness of this is known as ‘governmentality’ (Foucault, 1978). This thesis will investigate the extent to which such behaviour can be recognised by interim managers, so the first sub-question will be:

**In what ways do the discourses of interim managers, aimed at achieving organizational effectiveness, represent extensions of governmental power?**

The extension of governmental power is problematic because what national government feels is important, and what actors locally feel is important can differ. In research with local government employees and local politicians, several respondents expressed concern that central government prescription was preventing them from responding to local
priorities (Downe and Martin, 2006). A discursive approach allows us to investigate situations where some discourses are elevated, in this case New Labour discourse, whereas others are silenced, in this case local priorities because discourse analysis reveals taken for granted ways of viewing the world, and ways of behaving. Here New Labour discourse can be seen as a dominant ideology. An ideology is commonly conceived of as a set of ideas to order a group or society; for the purposes of this study ideology will be conceived of as a hegemonic project, following Laclau and Mouffe (1985), and Mumby (2004). Following Gramsci, hegemony relates to power being framed as a dialectical struggle between opposing groups in the domain of civil society, rather than simply the domination of one social class over another as is the traditional interpretation (Mumby, 2004:239). Viewing relations in this way is important as it more accurately captures both the complexity of the situation and the agency of individuals to resist ideology, thus avoiding the dualistic concern with control and resistance. Sturdy (1997), in demonstrating that consultants are also often vulnerable and that managers can and do resist the advice of consultants conceives of the consultant-client relationship as a dialectical one founded on reciprocal anxiety. So, the overarching research question for the study will be:

**In what ways does the dialectical relationship between the permanent manager and the interim manager help in improving organizational effectiveness and managing a positive identity for the permanent manager, and in what ways is this a hindrance?**

There is some evidence to suggest that interim managers can be seen to shield permanent managers from conflictual situations. Jas (2004) states that interim managers are brought in when relationships between senior managers and staff or local politicians have been dysfunctional and that there is a danger that interim managers may be caught between these groups, given the political and managerial turmoil associated with performance turnaround (Jas 2004b). The role interim managers take of having to advocate a best way forward and negotiate consensus distances permanent managers from this role thus lessening the tension for them, and therefore helping them to manage their identity. So, the second sub-question for the study will be:

**What evidence is there to suggest that interim managers, in carrying out their role, experience resistance that would otherwise have been directed at permanent managers?**

However, it is also possible that the presence of the interim manager could have negative consequences, and in order to present a balanced picture it will be important to also capture these. For example, Wilson (2003) argues that New Labour’s approach to local government has stifled innovation at the local level because staff are so tied up with prescriptions from central government, so staff may to feel resentful towards interim managers if they have been given more freedom to innovate than permanent staff. Because of their temporary nature interim managers may be able to sidestep some of the rules and regulations that local government employees are duty bound to follow. In order to answer these three research questions, data will be collected on evidence of New Labour discourse in use, as well as other dominant discourses that are witnessed.
Because the philosophical framework behind the study is social constructionist a qualitative study will be undertaken. This will consist of an in-depth case study complemented by semi-structured interviews with interim managers who have worked in local government to improve organizational effectiveness against government set criteria, and local authorities who have previously employed interim managers to improve organizational effectiveness. An important connection between the discursive approach and the case study is that both are concerned with issues which possess political, social, historical and political contexts which are intricately connected (Stake, 1995:17 asserts this regarding the case study). The in-depth case study shall be conducted in one local authority where an interim manager has recently been employed. A detailed picture of the case will be developed through document analysis, semi-structured interviews and non-participant observation. Interim managers will be approached through the Interim Management Association, which has 34 members. Local authorities will be identified from Comprehensive Performance Assessment performance scores. Those that have improved significantly since the last round of inspections will be approached to ascertain whether they employed interim managers to enable these improvements, and if so, are willing to be interviewed. Local Authorities deemed to be poorly performing according to the most recent CPA scores will be approached to participate in the in-depth case study. It is thought that interviews and non-participant observation will be the best sources from which to capture acts of resistance, whereas extensions of governmental power by interim managers will most easily be captured through document analysis, such as reports and presentations by the interim manager.

Data will be stored and analysed using the software analysis programme NVivo. The methodology applied will be narrative analysis, with deconstruction and intertextual analysis as specific narrative methods. Narrative analysis shall refer to the ways in which individuals within organizations use narratives as a tool in order to gain or maintain power. Identifying such occurrences will enable a deeper questioning of how power play manifests and therefore we can further discern whether this power play relates to the multiple identities of individuals or reveals hegemonic projects designed to shut down alternative viewpoints and discussions. Deconstruction entails ways of analysing that reveal narratives that claim to possess authoritative centres; the purpose of deconstruction is to demonstrate how each centre is in a continual state of flux and disintegration (Boje, 2001). Intertextual analysis; studies the ‘passage of discourses across situations, sites and interpretations and highlights the fragmentation, development, evolution and change of meaning as it happens through interaction’ (Broadfoot et al 2004:201). The reporting of a prior conversation to a third party would be of primary interest to an intertextual analyst, particularly, especially for example issues which are then emphasised or omitted.