



4.ACM Guildford

My dream jobs:

1) Any kind of musician

Apart from classical or rap.

Just as Memphis Horn, I'm not asking to be Hendrix or Jagger.

2) Music producer for Atlantic Records, 1964-1971(approx)

Get to meet Aretha, Wilson Pickett, Solomon Burke, etc.

Get loads of free records (probably) - good ones too.

Make piles of money.

3) Journalist for the "New Musical Express", 1976-1979

Get to meet the Clash, Sex Pistols, Chrissie Hynde, Danny Baker, etc.

Get loads of free records – good ones too.

Nick Hornby

*High Fidelity*¹

Europe's Leading School for Rock and Pop Musicians

ACM, Academy of Contemporary Music Guildford, is a School at the forefront of popular music education. ACM is committed to providing the best possible vocational training and career guidance opportunities to future musicians.

Students at the Academy have access to some of the finest music education facilities available anywhere in the world², and to an environment that encourages effective networking with other serious musicians.

ACM teaches courses in guitar, bass guitar, drums, vocals, music production and music business. ACM caters for all levels of music tuition, from complete beginners on the part time courses, to the one year Diploma and Higher Diploma in Contemporary Music, to the ground breaking two year BA (Hons) Contemporary Popular Music Degree validated by Middlesex University.

ACM students have achieved success in all areas of the music industry and are now regularly accepted for high profile professional positions including major record deals, regular BBC television performances, technical support both on tour and in recording studios and session work with established artists.

The School, which started in 1995 with only 20 students, now provides every year full time education to 700 students and part time courses to 600 students. This makes ACM the largest school in the UK in terms of students number.

ACM is a not-for-profit organization³. Originally, for the first 2 years, it charged commercial fees, then it was the first, and still one of the few, funded by the Government.

¹ Nick Hornby, *High Fidelity*, 1995, 2nd ed., 2000, p.221

² 1800m² of facilities "far better than any other Music School in the UK." (David Marshman)

³ "ACM is a Private Limited Company, with the Liability Limited by Guarantee. In addition, the Articles and Memorandum of Association do not allow profits to be distributed outside of the Company. This combination makes the Company not-for-profit." (David Marshman)

ACM facts and figures

UNITED KINGDOM: ACM is the biggest Music School in terms of students number.

STUDENTS: Approx. 1300 students (700 full time, 600 part time, 5% coming from foreign countries)

STAFF: Approx. 80 teachers and 30 administrative employees

PREMISES: 1800 square metres of floor space over 3 premises

EQUIPMENT: 3 M € invested in equipments

EXTERNAL CONSISTENCY OF THE SCHOOL⁴

4.1 State: United Kingdom and Music⁵

The United Kingdom, together with the U.S.A., is the homeland and the landmark for rock and pop music. It is a fact that, since the second part of the XX century, all major trends, changes and innovations in popular and contemporary music, both artistically and commercially, have been introduced in turns in the UK and in the US. According to the central Government, “the music industry is one of the UK's biggest and most culturally significant creative industry⁶. Its many component parts (composers, producers, managers, music publishers, artists, concert promoters, record companies, online music entrepreneurs) interact to produce a dynamic, vibrant and ever changing industry. The UK is the third largest market in the world for sales of music and it is second only to the USA as a source of repertoire. It is estimated that Britain may account for as much as 15% of the global music market.”

⁴ All economic values were, of course, originally expressed in sterling (£), which have been considered equal to 1,5 €.

⁵ When not specified from other sources, all contents in this paragraph are taken and adapted from:

Matteo Parrinello, *La cultura della musica dal vivo in Inghilterra ed in Italia*, 2000, *passim*

⁶ In 2001 Creative Industries, which include all kinds of cultural and entertaining activities, accounted for 8.2% of Gross Value Added (GVA) and grew by an average of 8% per annum between 1997 and 2001. Exports by the creative industries contributed £11.4 billion to the balance of trade in 2001, which equated to around 4.2% of all goods and services exported and grew at around 15% per annum over the period of 1997-2001. In June 2002, creative employment totalled 1.9 million jobs companies in the Creative Industry sectors were around 122,000. (Source: official website of the Government of the United Kingdom, see “References”) Moreover, employment in the cultural field represents 3,2% of total employment: one of the highest in Europe, second only to Scandinavian countries (in Sweden is 3,3%). Italy (2,2%) and Spain (2%) have some of the lowest employment rates in the cultural field. (Source: World Music Central, 2004, see “References”)

The turnover of the music business within the UK has been calculated in 5,6 billion euros⁷, far beyond European average (*i.e.* in Italy, a country with about the same population, it is not more than half of that value⁸), and more than 60% of this value comes from pop and rock music.

Therefore, the whole sector has become a great business world-wide⁹, influencing tourism and giving a strong international image of the country. This impact on the society and on the economy led to the recognition and relevant consideration of this sector in public policies and opinion. As a consequence, in this country, a complex and inter-connected system of relations and synergies has developed among music institutions, public administration, industry and customers. Furthermore, it has led to the creation of highly qualified personnel in all sector of the music industry.

The presence of music in the everyday life of all UK's citizens is also attested by the great number of places dedicated to live music: clubs, rock-pop-jazz venues, theatres, public music halls, festivals, schools & universities, pubs & restaurants, etc.

Music Education in the United Kingdom

Music studies are organized in different levels and opportunities: in primary and secondary schools, in conservatories, in extra-scholastic activities run by public institutions called "Music Service" and in private schools and colleges.

In order to complete the music education and give the student a vocational training, there are 600 different university courses divided into different areas of specialization (instrumental, management, engineering, etc.). This characteristic is typical of UK (and US), and has influenced the evolution and the structure of the most important Music Schools.

Study paths in each subjects and instruments are defined by the Government through the National Curriculum. This requires, not only to have general knowledge and ability to play an instrument, but also to develop creative and critic skills. The importance given to music education has led to a widespread basic music knowledge.

Public Sector Policies

Both the Government and local authorities are aware of the importance of this sector in terms of economic value, employment and to create a better social and cultural context¹⁰. The Public Administration works closely with a wide range of industry players and trade associations to identify what can be done to improve the Music Industry's economic performance and to ensure that the industry's concerns are considered in broader Government policy making.

⁷ These figures are from 1998 (Source: "National Music Council", KPMG, 1999), but what matters here is to underline the differences between UK and other European countries.

⁸ Precise calculations are difficult to perform.

⁹ About 2 billion euros of estimated export turnover.

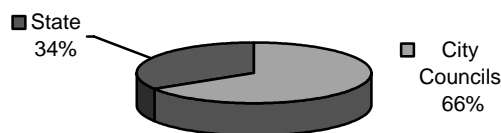
¹⁰ Some cities, among them Manchester is the best known example, are recognized worldwide as a point of reference of how to use music and cultural activities as a way to create social and economic development.

In practical terms, Public Administrations support Music Schools with funds and giving them proper premises and the possibility to use other public spaces (theatres, arenas, etc.) at favourable prices. Music Schools' funds and, generally speaking, public funds to culture are provided on a short term basis and related to results, with the aim of creating competition and better services among private cultural organizations.

Ordinary schools allow Music Schools and other music institutions to make promotional concerts in their premises and university associations are allowed to organize concerts in university areas.

In recent years the central authorities have replaced local ones in giving funds to Music Services. Even so, local public administration still play an important role in supporting Music Schools as a resource to improve the social, cultural and economic environment.

WHO FINANCES CULTURE IN THE UK



Public authorities recognize a central role to the music industry and organizations also giving them public awards and titles¹¹.

Legislation

The legislation related to music activities, as for any aspect of the law in Anglo-Saxon countries, is not detailed or protectionist, but quite general and with the objective of not binding private initiatives and competition, but helping them also with efficient public services.

Artists and art teachers in the UK have the possibility to obtain income tax deductions for all expenses incurred in the practice of their profession, but no pensions supplements are provided.¹²

Music teachers do not have their own union.

Music Schools in the United Kingdom

In the UK there are, as mentioned before, plenty of organizations, both private and public, that offer instrumental courses, but when it comes to full time professional courses in pop and rock music, there are only few institutions that can offer them.

¹¹ The Beatles have been the first ones to get it.

¹² Source: European Union - Cultural Policies and Trends in Europe website (see "References")

The most similar to ACM is the Brighton Institute of Modern Music¹³, located in Brighton, on the English Channel, famous for the youth culture and cheaper than Guildford to live in¹⁴.

Another similar Music School is the London Music School, formerly MI-London¹⁵, but it has gone through a series of changes over the years (type of courses offered¹⁶, name and strategic relations, premises, etc.) and it has not the same tradition of ACM.

It is important to stress that these organizations are not felt as competitors by ACM, because “there is enough space in the market¹⁷, because they usually charge commercial fees since they are not funded by the Government¹⁸ and because ACM has unique selling points to attract students”¹⁹.

The relations with the music industry are tight and evident in the presence of many targeted courses supported or in collaboration with music companies, in the sponsorships²⁰ to the Music School and in the general professional orientation that leads most educational choices and offers.

Music Schools often ask to manufacturers of instruments and music devices to sponsor their courses by supplying essential equipments for their activities. In this way manufacturers invest in terms of image and in terms of helping to increase the number of future potential customers.

4.2 Guildford

Economic, Social and Demographic Structure

Guildford is a city with approximately 60.000 inhabitants, 50 kilometres south-west of London, in the county of Surrey. It is a relatively wealthy area of England, a well known holiday resort and centre of studies, with an important college and university.

But the population of the area is not the only market for ACM, which is not just a local provider of education, but it aims to be the “Leading School for Rock and Pop Musicians” in the UK, and therefore in Europe. Young people from all over UK (28% of total ACM students) and other countries (5%), come here to pursue a career in popular music.

¹³ Established only 4 years ago.

¹⁴ “Brighton is 20% cheaper than Guildford to live in.” (David Marshman)

¹⁵ The Musician Institute of London, linked to the Musician Institute of Los Angeles, one of the world most famous professional Music Schools.

¹⁶ Trying to get Government funds.

¹⁷ “We are not really worried about it, to be honest. No, because we are always full and we are always growing. There is space for everybody in the market. We are not looking to expand anymore, if somebody think that there is space that they want to exploit, have a go, that’s fine.” (David Marshman)

¹⁸ Only the BIMM receives “some” funds.

¹⁹ From David Marshman’s interview.

²⁰ The estimated value of private sponsorship to culture generated per year is 678M €, more than twice of its value for Italy, and ten times the estimated value for Spain (Source: European Union - Cultural Policies and Trends in Europe website (see “References”).

Even so, the majority of students come from what it is defined “community distance”, the distance by which a student can come to School and go home everyday, which is considered 50 kilometres radius from Guildford. About 2/3 of the students come from within that radius. The rest comes from outside and has to find accommodation to do the full time courses in Guildford, which is a quite expensive place to live.

Music Environment

Guildford has a strong music culture. This tradition is proved by the many places in it where it is possible to listen to live music (pubs, clubs, the “Electric Theatre”, etc.), music shops (Peter Anderton, owner of the Anderton’s Music Superstore²¹, is Chairman and Co-Founder of ACM) and by the excellence in professional music education with the Guildford College, the Guildford Conservatory, the near the Middlesex University, and, since 10 years ago, ACM.

Relations and Funds from the Public Administration

Full time education is funded by the Government, which sets the regulations on what the School can charge to students in terms of additional fees. The set of rules is the same for every funded provider of further education, therefore fees for full time courses (degree) at ACM are the same as for courses in other universities²² (see Prices, § 4.4).

In real terms, ACM is not directly funded by the Government, but it is linked and its degrees are recognized by funded institutions such as the Guildford College and the Middlesex University. Therefore, it has to offer programs with the same standards, by respecting government requirements such as the amount of teaching time, the environment, the standard of teachers, the standard of course notes, etc. These standards are controlled every 2 or 3 years by Government inspectors²³.

Also the local Public Administration has played an important role in the development of ACM: the local Borough Council provided in the year 2000 the new amazing facility of the Rodboro Building.

RELATIONS WITH THE LOCAL COMMUNITY

ACM positively interacts with the community at large. As it is stated in the ACM Business Plan 2005, “the business relies upon positive press coverage and the support of the local community to develop the growth of its activities.”

Specifically, ACM is currently involved with the following projects:

- Assisting the George Abbot School in Merrow (Guildford) in formulating their practice and rehearsal studio strategy at The Vault, providing equipment and artists for

²¹ See “References”.

²² For example: Middlesex University, Sussex University, etc.

²³ “It is a division of the Government called OFSTED (Office of Standards within Education), they are responsible for controlling education delivered in the UK.” (David Marshman)

demonstrations and assemblies. This is a reciprocal relationship, with George Abbot students also having access to ACM facilities;

- Representing the School on the Princes Youth Business Trust, encouraging and supporting, among others, former students to start their own businesses;
- Supporting the interest of local educational establishments by holding a chair on the Surrey Learning & Skills Council.

Competitors

Even if it may seem inappropriate to talk about competitors in the Guildford area for a School that aims to be “the leading School in Europe”, an analysis of the environment is justified by the fact that, as it has been said, 66% of ACM students come from a “community distance” area.

In the surrounding area, for full time professional education, competitors might be considered the Middlesex University and the Guildford College. Actually there is no real competition, but instead cooperation to get more central Government’s funds, and diversification of the education provided.

For the part time courses, there are some other private musicians and small organizations that offer instrumental courses, but, here too, there is no real competition because of the uniqueness of the service provided: professional teachers, stimulating environment, smashing facilities, etc.

Therefore, the diversification of the educational and cultural offers in the area excludes and avoids fierce competition.

RELATIONS WITH CONSERVATORIES

ACM is a professional college for rock and pop music, therefore it has no relations with the Guildford Conservatory, and its teachers are unique to the School.

*INTERNAL CONSISTENCY OF THE SCHOOL*²⁴

4.3 Shared Values and Mission

Mission

ACM mission is “to support and develop tomorrow musicians today.”

The Business Plan 2005, distributed to all ACM personnel, starts with this vision statement:

“Together, we will build a specialist vocational training centre for the rock and pop music industry.

We will work closely with the educational establishment to ensure that our unique training provision is offered to potential artists based upon their talent rather than financial status.

When we are finished we will have developed a core business respected by both the music industry and education establishment for both its commercial and vocational achievements. Artists wishing to pursue a career in popular music at all levels will have an accredited study path leading to work.

We will have created a working environment that is both productive and fun.

Shared Values

ACM Values²⁵ are:

- Experience beyond expectation;
- Professional service to customers at all times;
- Excellent reputation – world leader;
- Personal growth and development;
- Creativity, inspiration and purpose in everything they do;
- Professional approach to business management;
- Mutual respect for individual contribution;
- State of the art facilities – “Wow factor”;
- To bring education and industry together.

²⁴ When not specified from other source, all information have been gathered from the interview (19/2/2006) to David Marshman, Financial Controller and member of the Strategic Team of ACM, from ACM’s publications and from the website (see “References”).

²⁵ Also identified in the Business Plan 2005.

4.4 Strategy

Target Market

Anyone wishing to pursue a career in popular music at all levels.

The access to the programs is based on ability and merit, rather than on previous qualifications.

4P of the School:

Product

ACM offers courses in 7 main subjects:

- Guitar;
- Bass guitar;
- Drum;
- Vocals;
- DJ;
- Music production;
- Music business.

Students can choose for each subject between “full time courses”, for those wanting to work towards a qualification that supports their profession, and “part time courses”, for amateurs.

FULL TIME COURSES

Each program is 1 or 2 years long, as follows:

- ACM Diploma: 1 year, validated by Guildford College;
- ACM Higher Diploma: 1 year, validated by Middlesex University;
- B.A.(Hons.) Degree: 2 years, validated by Middlesex University.

ACM constructed for these subjects a group delivery model of teaching. The practical modules are delivered to group of students between 20 and 25 students in the classroom, with one tutor at the front. Theory lessons are in bigger groups, of about 60 students, in a large lecture theatre, with PowerPoint presentations and interactive demonstrations on screens. Then, once a week, lessons are in the Electric Theatre, a large auditorium where students get together and perform the song they studied with rest of their peers in the School.

All full time courses of study are based on modules of learning. Each course include 8 modules of different aspects of music education²⁶. The lesson contents are defined and have

²⁶ For example every course includes “Business Studies”, because the Academy believes that success in the music industry comes from understanding how the business works.

to satisfy Government criteria²⁷. The School has succeeded in delivering that content in a way that is attractive to musicians, as much interactive and practical as possible.

On the full time program there are formal exams at the end of each year. For students with problems with learning and results, the School puts in place an extra support outside of the standard lessons on a one-to-one basis, included in the course fee.

PART TIME COURSES

Part time programs are offered in modules of 10 or 30 lessons, once a week, in the evenings or in Saturdays.

At the end of the course students have an “end of session assessment”²⁸, but not a formal certificate. If they do not pass the assessment, the School offers them to take the course again, at a discounted price.

OTHER ACTIVITIES

ACM runs also a programme called “Band Development” to enable bands to develop their song-writing and performance skills with experts from the industry. Another service offered to students deals with “Artist & Repertoire” problems, where all bands and studio projects are invited to submit demos to the school team for A&R advice and the best ones are submitted to various record companies, publishers and management.

ACM runs also an independent record label, and have artist management, music publishing²⁹ and producer management divisions. A Business Development Centre has been created, in partnership with a variety of industry organizations, to offer all students support with their musical career.

QUALITY

At ACM, high standard quality is obtained by constantly reviewing the content of each lesson. They continuously make sure that it is interactive and interesting as possible, and relevant to the skills needed to enter a career in the music industry after studies.

The quality is monitored through the “Students’ Satisfaction Surveys” that each student takes for 5 times during the course of one year program of study: before starting the program³⁰, at the end of each term through the year, and six months after the students have left the program. So that is ACM measure of students satisfaction and main goal: to make sure that through the course of their learning students, are at least satisfied as when they have

²⁷ For the course to be funded.

²⁸ “We just want to make sure that they have learned what they were supposed to learn on the program and that they are happy with what they learned.” (David Marshman)

²⁹ That also print ACM syllabuses.

³⁰ Asking what they expect to see and obtain.

started and preferably more satisfied³¹. Then, from that surveys, the School selects areas where the education may be improved and quickly implements action plans.

Another important aspect concerning quality and the way to maintain it is the necessity to respect Government criteria in the education, to obtain and preserve Government funds. (see § 4.2)

Price

Thanks to Government funds (see § 4.2 and 4.9), ACM can charge, for full time education, fees between 1.500 and 4.500 € per year, while other not funded Music Colleges charge commercial fees of about 10.000 €.

For the part time courses, fees are set independently by ACM at about 300 € per 10 weeks courses. These are commercial courses, not funded by the Government. They consist of a 2-hours lesson per week for 10 weeks, that makes about 15 € for teaching hour.

Promotion

ACM invests about 3% of the revenues in advertising. The main marketing channels are:

- The website: hits are monitored every week;
- Brochures and leaflets;
- Local newspapers;
- Specialist magazines: for guitar players in the magazine “Guitarist”, and in similar magazines for the other subjects.³²

The most important are the website and the brochures, but the main source of students is word of mouth³³. Students at the beginning of the course are asked about “where they get the first point of contact with ACM?” and around 70% of the current students answered “by recommendation from former students”. The School never advertised on television or national newspapers.

The main slogan, “Eat. Sleep. Drink. Learn.”, and the logo “Investor in People”³⁴ are written and reproduced everywhere, from School’s publication and internal documents to posters and walls, and communicate a strong image of “University/College of Popular and Contemporary Music”.

³¹ “As an absolute minimum, ACM must fulfil the expectations and requirements of all of the students. We must then aim to exceed these expectations through the introduction of additional benefit and therefore raise the profile of the School through sound reputation.” (from ACM Business Plan 2005)

³² “You’ll find that the majority of specialist Music Schools advertise in that medium.” (David Marshman)

³³ “...and from access to the website.” (David Marshman)

³⁴ Investor in People is the national Standard in the UK which sets a level of good practice for training and development of people to achieve business goals. The Standard was developed by the National Training Task Force in partnership with leading national business, personnel, professional and employee organisations such as the Confederation of British Industry (CBI), Trades Union Congress (TUC) and the Institute of Personnel and Development (IPD). The work was supported by the Employment Department.

MERCHANDISING

ACM merchandising is given to students as benefit at the beginning of the course. This creates a visible presence of the School in Guildford, with groups of students walking around with ACM t-shirts, instrument-bags, school-bags and other merchandising.

Place

ACM has some of the finest music education facilities available anywhere in the world. ACM location consists of 3 premises: the “Rodboro Building”³⁵, 1000m² of teaching space, the “Global House”³⁶, which is 600m², and “Haydon Place”³⁷, a small practice facility of about 200m². So in total the School has 1800m² over 3 premises.

With these facilities, ACM can offer free practice rooms to all students, free studio time to Academy bands that are sufficiently well prepared³⁸, a “Creativity Centre” with PCs having internet access and music programmes, magazines and books, audio visual room, etc.

The School also rents “the Electric Theatre”, which is own by Guildford City Council, for “the Live Performance Workshop Modules”, whereby students perform in a live theatre environment.

ACM is committed to providing a learning environment that enables all students to be the best they can be. For this purpose, the School has also a rolling replacement programme for all teaching equipment, to ensure that resources always represent the best that is available.

Competitive Advantage

For ACM it is necessary to be aware of developments within the marketplace and competitors activity and performance levels to ensure that it remains at the number one slot.

Main competitive advantages identified are:

- Quality of education in unique facilities: the School delivers education that the students enjoy and recommend to others. This is considered the main competitive advantage³⁹ (see § 4.9);
- Government funding: ACM was the first one to demonstrate this sort of group education and be accredited for Government funds;
- Reputation and experience: the School has been in the marketplace since 1995, far more than other similar schools in the UK (see § 4.1).

³⁵ Opened in the year 2000, it is a facility designed for arts and recreational use by the local borough council.

³⁶ Opened in 2004.

³⁷ The original home of ACM some 10 years ago.

³⁸ Until 1 a.m., on a first come, first served basis.

³⁹ “The fact that the product is good and recommended on to others.” (David Marshman)

Vision

Focus will continue to be on results, and the processes established to repeat these results consistently.⁴⁰ The ACM model has given good results and it has been proved as sustainable for these first 10 years of the School, so the management wants just to continue as they are at this moment in time. “Stay with this model and keep improving it from now on. There are no other great plans beyond that.”⁴¹

Furthermore, as declared in the Business Plan 2005, “ACM currently maintains a number of important relationships, not only with its people and students but also within the music and educational worlds. The maintenance and continuing development of these links is the responsibility of everyone within ACM.”⁴²

RELATIONS WITH GUILDFORD COLLEGE & MIDDLESEX UNIVERSITY

A crucial factor for the evolution of ACM has been and will be the relations with the Guildford College and the Middlesex University. They validate ACM programs and made ACM able to be accredited for Government funds. In this regard, the School has no direct relations with the Government for the funding, but it receives a part of the entire funding of the two related institutions, on behalf of the Government and on the base of the delivered education. Therefore ACM has to guarantee to work at the same standards that they would be working to and is accountable to them.

RELATIONS WITH THE L.A.M.A. (USA)

ACM has an exchange program with the Los Angeles Music Academy, whereby students with their degree program, can attend for one year the connected School which will be recognized by the home school for the final qualification. So both degree programs are validated and applicable to both Schools.

The relations are purely on a commercial basis, there is no joint venture between the two institutions: students pay the fee of (and to) the attended School.

RELATIONS WITH THE MUSIC ACADEMY 2000 (ITALY)

ACM has also started relations with the Music Academy 2000 of Bologna. At this moment in time they are trying to make it possible for students that attend MA2000 and get their degree validated from Middlesex University, since in Italy degrees of Modern Music Schools are not recognized by universities and public institutions⁴³. In this process ACM plays the part of a validation centre, only providing MA2000 with the expertise to run the degree.

⁴⁰ The focus is on the concept of working on the business as well as in the business.

⁴¹ “Steady state, which is already quite good, and that’s the point, people tend to think that you should expand and try something new, but this model works very well, it’s sustainable, so let’s stay with this and keep improving it from now on.” (David Marshman)

⁴² Bearing in mind that first impressions last, we must therefore ensure that everyone within the business projects ACM in an open and positive manner.

⁴³ Only the ones from the conservatories, that in Italy teach only classical music, are recognized.

Italian students can instead already apply to study at ACM. In this case too, the relation is purely commercial and students pay the fee of (and to) the attended School.

RELATIONS WITH THE SPONSORS

ACM, like many Music Schools in the UK (see § 4.1), has valuable and crucial relations music instruments manufacturers.⁴⁴ Sponsors do not give or donate money to the School, but instead equipments, either free or at cost.

The advantage for them is in terms of future potential customers, because the students get familiar with those equipments and hopefully would go out and buy them afterwards. Moreover, classrooms where instruments are used are called with the name of the sponsor⁴⁵, and sponsors' logos and advertisements are constantly present in any School's publications and in the website.

4.5 Structure

Hofstede's Findings: Preferred Organization Types in Anglo-Saxon Countries⁴⁶

Low Power Distance (PDI) and Uncertainty Avoidance (UAI) scores, as in Anglo-Saxon and Scandinavian Countries, lead to a flat, adhocratic, not-centralized structures. Relations between individuals and units are often open to negotiation and improvisation (as in village markets).

In these countries it is possible and less problematic the introduction of a matrix structure. This structure, which main characteristic is giving two chiefs to each subordinate, is created to face the increasing complexity of the activity and the environment. It requires a new way of thinking and an acceptance of the uncertainty in hierarchical relations, and it is expensive in terms of time of negotiation and decision.

Organization Chart

ACM does not have a traditional hierarchy tree, pyramidal and centralized organization, but it is instead an extremely flat adhocratic structure⁴⁷.

⁴⁴ Among them: Yamaha, Roland, Vestax, Fender, Marshall, Gibson, Zildjian, etc.

⁴⁵ For instance, the "Marshall room".

⁴⁶ Geert Hofstede, *Culture's Consequences*, 2nd ed., 2001, pp.372-421

⁴⁷ "We don't have a traditional organization chart, it is not a traditional hierarchy tree, it's with circles with people working in the different areas. It's a kind of functional structure, but we are not hierarchical ... and we try not to be overly formal in concerns to the manners to manage the business." (David Marshman)



Personnel belonging to the same area are in circles outlined in the same colour. Each person has his own specialization, but they all work together at the same level.

School's Personnel is subdivided into 4 areas:

- ❑ Operations;
- ❑ Finance;
- ❑ Marketing;
- ❑ Education: where one teacher for each subject⁴⁸ is Head of Department and therefore primarily responsible for teachers in that Department on a day-to-day basis⁴⁹. The Heads of Departments have to teach a minimum of 8 hours a week, so that they are still aware of what the classroom experience is. They constitute the link between tutors and managers, seniors and principals, who do not teach at all.⁵⁰

⁴⁸ Guitar, bass, drum, vocals, dj, production and business.

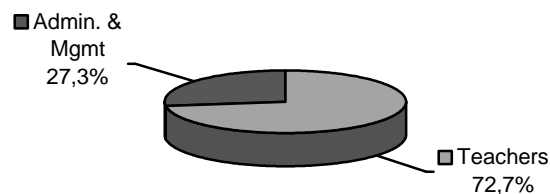
⁴⁹ They have to make sure that there is a teacher in every lesson, and if one of the teachers is injured or sick, find his/her substitute.

⁵⁰ "The others just make maybe occasional lectures, I may do one every now and then, for special accounting/business studies class, but not as a regular thing." (David Marshman)

Separately, on the top of the organization, there is the Board of Trustees, which has to oversee the academic provision. School’s managers inform them through the “trustees meetings”. Members of the Board of Trustees do not work at ACM and do not take any salary or anything else from it.

Everybody has to report up to the Strategic Team (in the centre of the organization chart), which is composed by the Financial Controller, the Marketing Manager and the General Manager. The Strategic Team supervises the operations as defined by the Board of Trustees. So the Board of Trustees set out what the School has to try to achieve, and then the Strategic Team makes sure that happens, by having monthly meetings, and by separating the bulk of responsibilities among personnel, as a reply to do those tasks.

COMPOSITION OF ACM PERSONNEL



Autonomy and Accountability of Each Member and Unit

Everybody at ACM has a recognised specialisation and contribution brought to the team, and therefore his/her autonomy, responsibility and role within the organization that they are accountable to, but they all try to work together. Emphasis is placed in allowing people to identify their roles and responsibilities and understand how their role integrates into the overall control of ACM.

Anybody that identify a problem can do something about it. Decisions are taken at the same and proper level. As example, the Heads of Department decide for the selection of teachers in their department.⁵¹

A hierarchy in the decision making process is required only for matters that involve a large amount of expenditures, but generally speaking people are self empowered to go and make things happen for themselves.

⁵¹ “For example the Head of Guitar will pick the guitar teacher. He doesn’t have to refer to anybody else, he is free to make his own selection.” (David Marshman)

4.6 Style of Management

*Hofstede's Findings: Preferred Styles of Management in Anglo-Saxon Countries*⁵²

Low Power Distance (PDI) scores, as in Anglo-Saxon, German and Scandinavian Countries, lead to a democratic style of management with participation and consultation of the Staff.

In these countries subordinates: expect to be consulted, have weak need for dependence on chiefs, criticize symbols of power and social status, can go directly to top management in case of complaints, etc.

The style of management has been defined as “not hierarchical, informal, where everybody is working within their area of specialism, contributing to the business plan as a whole. Everybody knows what the overall aims of the college are, and everybody works towards those goals, to the best they can. So relations among managers and teachers are good and it is a nice place to work” and further on “we are trying to operate quite positively here, we try to apply management by examples and also by assistance. So if somebody does make a mistake, what we really try to do is just to show him how not to do that mistake again. We are trying to create an environment that is supportive. On this basis our Staff turnover is very low, people are generally very happy, a lot of them have been here for quite a long time. It is a sort of culture that prizes loyalty both ways. This is how we get long serving employees.”⁵³

There are no written rules on “how to behave” during lessons and in School’s activities, it is generally accepted that tutors have to respect the same rules the students do in the classrooms and that there is no need to write them because they belong to common sense.⁵⁴

In case of problems, at ACM, they search for solutions through communication and negotiation, “people may move to different positions, because that suits their style more, but generally speaking we always try to find a solution, preferably trying to do it by starting training, if there is a problem”, confirmed David Marshman, member of the Strategic Team of ACM.

POWER DISTANCE AND PARTICIPATION

Team leaders actively promote an informal working environment to all in the organization, endeavouring to create a fun working atmosphere within which all employees can have input. Emphasis is placed upon the effective communication between education and operations teams resulting in their pulling together to achieve company goals. A great importance is also

⁵² Geert Hofstede, *Culture's Consequences*, 2nd ed., 2001, pp.372-421

⁵³ From David Marshman's interview.

⁵⁴ “I suppose we do that in the Introduction Programs for teachers, where we lay out the reasonable rules of what is required, but it's all generally quite common sense, like, in the end, no smoking in the buildings, no food or drink in the classrooms... the tutors have to respect the same rules the students do in the classrooms...I can't think of anything in particular, really its quite all common sense.” (David Marshman)

given to feedbacks from all external and internal stakeholders, from students through to sponsors and collaborative partners, using every resource available to ensure that their expectations are both met and exceeded. ACM culture endeavours at all levels to have a blame free and open door ethos giving all employees the flexibility to be creative within an environment of encouragement and support.

Everybody can contact anybody in the organization, the organization chart is on the School's walls, so everybody knows who everybody is. Anyone can go directly to any senior manager in the business with their complaints⁵⁵, even if, predominantly, the School expects students to go first to their tutors and then to the Head of the Department they are in.

To avoid problems and set up a better relation and experience, ACM considers very important to communicate properly with students, giving them an expectation of what they will get when they arrive, and then fulfilling it. This is the main goal of the Students' Satisfaction Surveys: "to make sure that the students know what they are expecting to get and they get it."⁵⁶

Meetings are the main management tool to inform the Staff and pass ideas and suggestions up and down through the structure⁵⁷. "We want to make sure that the School has a continuous style of management and also a continuous quality of education and delivery" confirms Mr.Marshman. (see 4.9)

Furthermore, the School's managers and tutors meet on a daily basis and ACM structure does not make it unmanageable to be informed about everything that is going on⁵⁸.

4.7 Staff

Hofstede's Findings: Motivation Patterns in Anglo-Saxon Countries⁵⁹

Low Uncertainty Avoidance (UAI) and high Masculinity (MAS) scores, as in Anglo-Saxon Countries, entail the research and use of motivations by personal, individual success, in the form of wealth, recognition, and self-fulfilment.

This is the classic McClelland-Maslow-Herzberg pattern.

⁵⁵ "But, as a measure of the success of the college, I can't remember the last time that happen. We do not get a lot of complaints, less then 10 a year, single figures of complaints. And generally we can resolve them quite amicably, they are not major items: availability of practice space... something that can be resolved, they are not aware of what is available." (David Marshman)

⁵⁶ From David Marshman's interview.

⁵⁷ "And if something isn't feasible or not possible, then the information gets back down to the individual, so they understand why we are not putting in action the points that they are mentioning." (David Marshman)

⁵⁸ Managers are about 30.

⁵⁹ Geert Hofstede, *Culture's Consequences*, 2nd ed., 2001, pp.372-421

The Personnel of ACM is constituted by 80 teachers and 30 people employed in the administration and management. In this analysis I refer to Staff as a synonymous of School's teachers (administrators and managers are analyzed in § 4.6 and 4.8), while I use Personnel to include both teachers and administrative employees.

Characteristics

All ACM teachers are active in the music industry⁶⁰ and specialists in their field. Many are big names in the UK and international music industry. Additional masterclasses are regularly given by leading industry professionals.

Teachers are selected on the base of merit, rather than any previous qualification⁶¹.

Another important characteristic identified is that they have to be dedicated to the School in terms of flexibility for the part time teaching: all teachers have part time contracts, therefore teaching has to fit in everything else they are doing⁶².

In 2 years time, in order to be a teacher within the UK, they will also have to possess a "teaching qualification" as a minimum requirement. The School is moving forwards to get its current teachers up to that standard.⁶³ Therefore from 2008 the only actual qualification requirement for new tutors coming will be that they have a P.G.C.E.⁶⁴ certificate.

Type of contracts

Contract typologies for teachers are essentially two:

- Part time contract that last 4 months: all the teachers have part time contracts based on their teaching hours. School and teacher agree at the beginning of each term how much teaching s/he has to do, and that could vary on a term by term basis;
- Full time: for the Heads of Department (see § 4.5).

Generally speaking most of the tutors works for 6 hours a day, a minimum of 2 days a week. Most lessons are done in one hour or 2 hours block.

Salaries are calculated with an hourly rate, the same for every teachers, which has been considered "good, well in excess of what teachers normally expect to earn, more than any other School, in order to make it worth for them to come here."⁶⁵

Music teachers do not have their own union in the UK.

There are no volunteers in the organization.

⁶⁰ "Most of them are professionals." (David Marshman)

⁶¹ "The same criteria that we try to apply to our students." (David Marshman)

⁶² "They may have to come here for 2 hours teaching... so they have to invest in the School in terms of working the rest of their musical career around the School." (David Marshman)

⁶³ "This is not a requirement of the School, that is driven by the Government." (David Marshman)

⁶⁴ Post Graduate Certificate of Education.

⁶⁵ "I won't say what it is, but it's a very fair hourly rate... because if you are trying to get professional musicians to teach, they haven't expectations on how much money they will learn, they have expectation for like a gig in the evening... So, as long as you satisfy that, they will give you the time, so you have to be honest about what these people can expect to earn, but we also have to be honest about what we can afford to pay, given the fact that we get the money from the Government on the same basis of every other school, so we haven't got an unlimited top about how to pay them." (David Marshman)

Autonomy in methods and contents

ACM deliver traditional academic programs that satisfy Government's criteria⁶⁶. These bonds tend to dictate a lot of what it has to be told within the lessons and leave only a small space of autonomy to teachers in terms of finding the best way to make it attractive for students⁶⁷.

Course programs and notes are therefore predetermined and printed in ACM syllabuses. Teachers have to teach what is in the program. Only when course notes are written originally, they have the chance to bring their ideas on them, but once the course is set and the notes are written, they have to deliver what is in the program. ACM makes sure that teachers follow School's programs through the results of students' exams and with the Students' Satisfaction Surveys.

No competition among teachers has been noticed, since "they all have their area of specialism, they don't compete for the same work, they have different skills and they will be teaching to those skills at."⁶⁸

Selection

Heads of Department decides for teachers in their department. (see § 4.5)

Training

Training is the major tool at ACM to guarantee professional development and satisfaction to the personnel and to solve its problems. As it is written in the Business Plan 2005, the School "is committed to investing in its people, both in terms of training and resources, and is looking to continue this philosophy in both related and unrelated areas of personal development." This mission leads to two main targets: continuously monitor their Professional Development Review (PDR) programme and maintain the Investor in People (IiP) standard.

To achieve these targets, ACM provides ongoing training for all employees, even the ones who are not teachers, identifying what skills they need to do their job and then identifying training programs that will help them to get those skills.

Training is therefore also used to face working problems related to skills of the personnel. Instead of using "hard hand"⁶⁹ or hiring a new skilled⁷⁰ employee, they try to "find a solution"⁷¹, which may be moving people to different positions, because that suits their style more, but, preferably, trying to solve the problem by proper training for that employee.

⁶⁶ For courses to be funded.

⁶⁷ With as much interactive content as possible, as much practical content as possible.

⁶⁸ From David Marshman's interview.

⁶⁹ "Very very rare, I can't remember the last time, I have been here 5 years, I don't think we fired anybody in the 5 years I have been here." (David Marshman)

⁷⁰ And probably more expensive. Teachers in particular all get the same hourly rate, and "if there is a problem, we will go through the training mechanism side, trying to get the quality up, rather than using pay as a lever." (David Marshman)

⁷¹ Through negotiation.

Finally, ACM is also running⁷² a Tutor Training Program for its teachers to achieve the P.G.C.E qualification⁷³. Training lasts 18 months, and they are asked to do one evening (3 hours) a week in the School, and the same as homework.

Advancements

ACM is committed to the fulfilment of the personnel with a programme of continual development, linked to visible career opportunities, rewards, personal satisfaction, involvement, recognition and respect.

Advancements are on the base of merit. ACM is committed in giving its personnel a good progression through the School in terms of promotion. Therefore people trying to progress and develop in their career can do so within the School. For instance, many people have started off as a tutor, and moved up to be Head of Department, and then up to Head of School. All of the current Heads of the School started as tutors.

Turnover

ACM Staff is generally satisfied, as it is demonstrated by the extremely low Staff turnover assessed, less than 2% per year.

4.8 Skills⁷⁴

Skills and Background of the Management

The first impression about ACM management is that in this School there is not one single “guide” or leader, but a united group of people working enthusiastically towards the same direction: excellence in music education.

Each manager, as well as each teacher, has unique and important skills and background to bring to the team. Just reading short biographies of senior managers we can find a successful music outlet retailer, a guitar player, a former manager of a club in London, a former finance director for a big profit company expert in negotiating with governments, an editor and co-founder of a magazine on music business, etc.

Thanks to the success of the ACM educational model, that is also a measure of the quality of this management, the team has been consolidated and enriched with new skills and

⁷² And paying.

⁷³ See “characteristics of the Staff”

⁷⁴ This paragraph is based on personal impressions received during my one-day visit at ACM and from the reading of ACM documents. I know that a more in depth acquaintance would have been necessary to have a better and more exhaustive impression about the skills of the personnel. Anyway, it is important to stress that the purpose here is to give some ideas about Music School management and managers, not to describe anybody.

experiences over the years, and has created a strong core of senior managers that gives and maintains the direction to follow.

Another important characteristic is that most of the managers have progressed in their career inside the School, starting perhaps from being teacher, then moving forwards to Head of Department, then to manager, etc. In this regard, a crucial role has been played by the constant training of the personnel, at every level. This internal professional development path has probably helped ACM and its key personnel to reach a strong organizational culture and unity of vision, goals and style, and therefore a strong and consistent image, strategy and structure.

4.9 Systems

Informative System

ACM is committed to the effective communication of its policies and strategies throughout the business, to allow everyone to appreciate the main aims of ACM and how helping to achieve them.

Reports are written for all meetings, and then available on the network server for anybody to download and read. So ACM has open information for anybody inside the School. Periodic and detailed reports are also given to the Board of Trustees, the Government, the Guildford College and the Middlesex University.

ACM mainly works on pc systems and has now introduced a new software for the management of all stages of student relations, called Eclipse Learner Provider. This will provide the much overdue replacement for the existing Access '97 based student database and manual register systems. The software, specially constructed to control students within secondary education, holds all personal data of students⁷⁵ and also their previous qualifications, attendance on programs, examination results, etc. and it is also utilised to provide resource-planning, tutors timesheets and contact management.

The School is now trying to develop an internet system to make it possible for the personnel to access the system from wherever they are.

⁷⁵ Date of birth, address, etc.

Meetings: The Cultural Litmus Test

*According to Pascale and Athos, “Meetings are the cultural litmus test. Culture asserts its invisible presence on patterns of day-to-day communications. Meetings are the best known mechanism for efficient information sharing, for accomplishing collective problem solving and coordinated action.”*⁷⁶

The structure of meetings is the essence and the main tool of internal communication and participation at ACM (see § 4.6). Information flows from the Strategic Team to the Operations and Education Teams by means of structured management meetings, providing the medium for the mutual exchange of information for the benefit of ACM as a whole.

Some of the most important and frequent meetings in the ACM agenda are:

- Education Team meeting: every 2 weeks;
- Marketing Team meeting: every 2 weeks;
- Strategic Team meeting: once a month;
- Meeting with the Trustees;
- informal meetings within Departments.

Planning, Budgeting and Controlling Systems

Hofstede’s Findings: Planning and Controlling Systems in Anglo-Saxon Countries⁷⁷

*In countries with low Uncertainty Avoidance (UAI) and Power Distance (PDI) scores, as the Anglo-Saxon and the Scandinavian ones, the P&C system is less detailed, the Staff participates in planning and accepts big changes, the control system is based on trust in subordinates, norms support “strategic” and long-term thinking*⁷⁸.

The development of the long and short-term business policies and strategies necessary to allow for the effective management of ACM is a priority. As a result of the success of ACM, improvements have been made to the financial reporting within the business. That improvement was initially targeted for improving information for senior managers and external users, but it is now the intention to flow relevant financial information to everyone within ACM, to assist them in measuring their contribution to the business.

⁷⁶ R.T.Pascale, A.G.Athos, *The Art of Japanese Management*, 1981, p.130

⁷⁷ Geert Hofstede, *Culture’s Consequences*, 2nd ed., 2001, pp.372-421

⁷⁸ Even if all European and Western countries are generally short-term oriented, on the contrary of the Eastern ones, as explained by the fifth dimension (LTO) added by Hofstede in the second edition of *Culture’s consequences* (2001).

The goals of each individual and department are established by consultation between all parties in order to ensure that everyone is satisfied that their objectives are realistic and achievable.

Furthermore, the marginal utilisation of all available resources is stated as key critical for the continuing development of ACM.⁷⁹ In ten years, as a result of ACM success, the capacity has always been run completely, to 97% or more.

In this regard, it has never happened that a course did not reach the number of participants required to achieve its break even point, but should it happen⁸⁰, ACM managers would not be allowed to run it, without a prior evaluation of the overall finances of the college. If the College had another program that was making enough money to cover that short fall, they would have the discretion to run it, and then decide⁸¹.

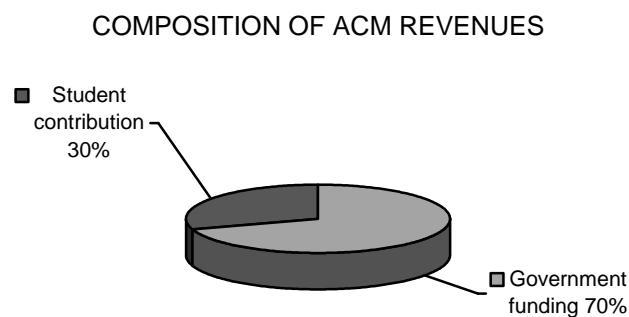
Teaching calendar includes 47 out of 52 weeks in the year, 6 days a week.⁸²

Economic Valuations

The main driver in economic decisions and valuations is to maintain solvency, as it is also required by Government's criteria. ACM is a not-for-profit organization, therefore no money gets distributed and it is not possible to spend more than earned, but a certain percentage of assets is to be maintained, in terms of cash.⁸³

TOTAL REVENUES

Total revenues of ACM in 2005 were about 6,9 million euros.



PRICING DECISIONS

Pricing decisions are described in § 4.2 and 4.4

⁷⁹ The development of process controls is regarded as of prime importance to achieving maturity within ACM.

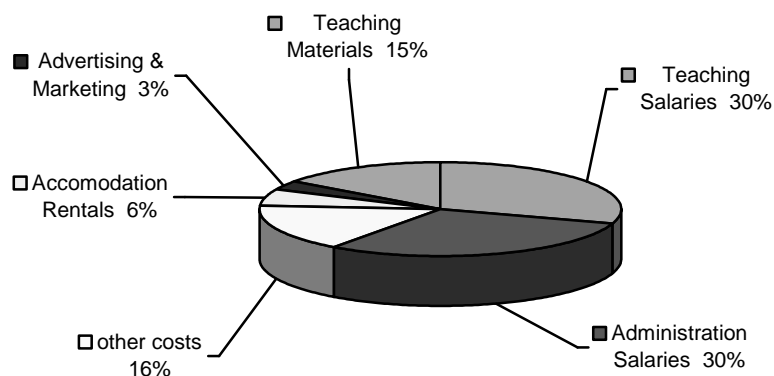
⁸⁰ "Touch wood!" (David Marshman)

⁸¹ "Or we would have to return the fees and any money that the students contributed." (David Marshman)

⁸² "We close down for a couple of week at Christmas, a week at Easter and 2 weeks in the summer." (David Marshman)

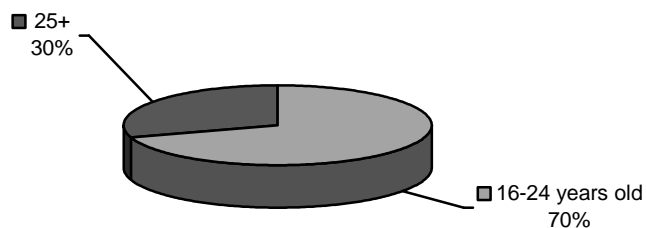
⁸³ "So the Government is sure that you are liquid and that you could pay your debt." (David Marshman)

COMPOSITION OF ACM COSTS

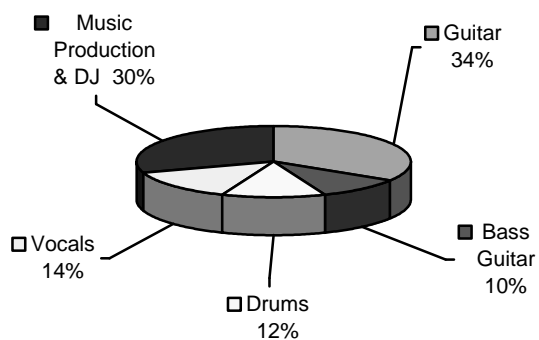


Non-economic Valuations

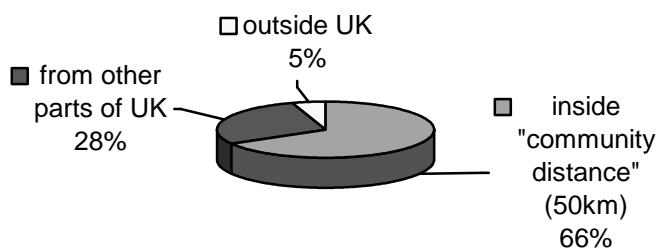
AGE DISTRIBUTION OF STUDENTS



DISTRIBUTION AMONG INSTRUMENTS



WHERE ACM STUDENTS COME FROM



See also § 4.2. This statistic is always available and controlled by the School and reported to the Government, as for its specific request.

AVERAGE LENGTH OF ATTENDANCE

Programmes last either one or two years full time. It is possible for a student to take all the full time programmes and attend a total of 4 years.

STUDENTS' SATISFACTION

See "Quality" in § 4.4

PERFORMANCE EVALUATION OF TEACHERS

There is no precise performance evaluation of single teachers. In the "Students' Satisfaction Surveys", used to monitor the quality of the educational process, only the name of the instrument is indicated, not the name of the teacher⁸⁴. If the results of those surveys are positive, the School is satisfied, if they are not, the School Management tries to make changes in the lessons or it provides training to teachers to improve their skills. But every decision is taken through previous communication and explanations to School's personnel, "so that they do not feel watched or measured"⁸⁵. (see also "Quality" in § 4.4)

Teaching standards are only measured by the formal assessment of inspectors of the Government⁸⁶. In 2005, on a scale of 1 to 5, where 1 is the best and 5 is the worst, ACM was rated 2, "far better than average" commented Mr.Marshman.

EFFECTIVENESS OF COMMUNICATION

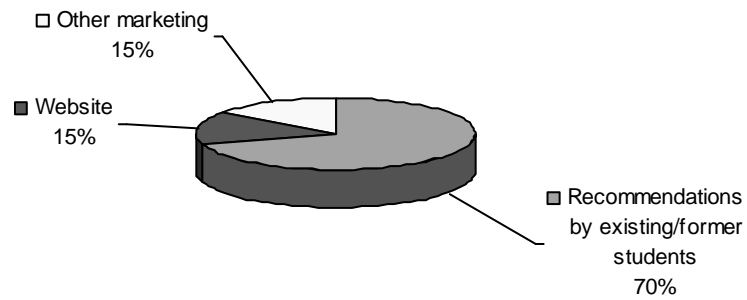
Statistics regarding the number and origin of hits on the website and the effectiveness of all other types of marketing communications are constantly monitored by the Marketing Team.

⁸⁴ And not even the name of the student.

⁸⁵ From David Marshman's interview.

⁸⁶ Office of Standards within Education. See § 4.2

WHERE ACM STUDENTS HEARD ABOUT ACM



Incentive System

All teachers get the same hourly rate (see § 4.7). There are no economic incentives based on results.

FINAL ASSESSMENT

4.10 Overall S-Consistency of the School

All 7 S's of ACM and the external environment (United Kingdom and Guildford) appear aligned, connected together in a consistent way and contribute to the School's success.

The following figure is a graphic representation of the S-Consistency of the School.

