

<p>Institution: University of Chester</p>
<p>Unit of Assessment: 19 Business and Management Studies</p>
<p>Title of case study: Public Affairs Management</p>
<p>1. Summary of the impact</p> <p>This case study refers to the development of strategic public affairs management and associated research on political risk and the regional economy at the University of Chester. It demonstrates both impact on business strategy at international levels and influence on government policy. The Bank of America (MBNA) case is evidenced as an example of effective public affairs research. The business is the largest service based centre in the region, accounting for 3% of Cheshire's GDP (2011). The research has informed both strategy and policy for business and government resulting in the retention of a major international business in the North West.</p> <p>2. Underpinning research</p> <p>This case study refers primarily to the founding role and pivotal work of Harris and Moss in developing and establishing the body of public affairs management knowledge in the UK. This has led to the establishment of a network, with international reputation, of public affairs academics and practitioners that has not only helped to shape the development of the public affairs discipline but has also contributed to significant advancements in professional practice. This research group has established links with the leading professional and research bodies in the field in America, Australasia and Europe as is evidenced by the membership of the editorial board of the <i>Journal of Public Affairs</i>. A body of research, comprising journal articles, books, book chapters, industry research, political and industry policy briefs produced by Harris and Moss spans two decades and underpins their claim to have been instrumental in building the public affairs body of knowledge and discipline in the UK and internationally.</p> <p>Two significant and related developments help underpin the claims made for the impact of this work. Firstly, the International Centre for Corporate & Public Affairs has been established at the University of Chester. This centre was relocated in 2009 from Manchester Metropolitan University, where it was created in 1997 with funding and support primarily from United Utilities, Granada (ITV) and Manchester Airport PLC.</p> <p>This Centre has become an international focus for public affairs scholarship, practitioner engagement and the dissemination of best practice. The second development comprises the establishment and editorship since 2001 of the <i>Journal of Public Affairs</i>. This Journal is now widely recognized as the leading Journal in the field and the completed twelve volumes of work that have now been published represents a major contribution to the discipline. Moreover, <i>The Handbook of Public Affairs</i> [Harris, P. & Fleischer, C. (eds) (2005) <i>Handbook of Public Affairs</i>, London: Sage] remains one of the seminal texts in this field and has been followed by the edited by Harris, four Volume, <i>Public Affairs Management</i> published by Sage in 2013.</p> <p>One of the most important areas in which public affairs scholarship has impacted on business and professional work is undoubtedly in the area of lobbying and related areas of corporate social responsibility, political marketing, and issues management.</p> <p>This work on public policy is an important area of public affairs scholarship that has undoubtedly contributed to, and shaped, policy-makers' attitudes towards lobbying and to the regulation of the professional lobbyist. This has assisted in illuminating and clarifying questions that have surrounded the work of professional lobbyists and the legitimacy of their role in helping to shape legislation. Evidence has been presented to a number of parliamentary bodies including the All Party Small Business Group Report, <i>Breaking Down the Barriers to Entrepreneurship</i> (2012), Parliamentary Enquiry into Lobbying and the House of Lords Enquiry into Small Business Exports and informed policy.</p>

Research with international institutions continues and the public affairs agenda is reinforced by engagement with both business policy makers and academics of international repute. The first International Conference on Public Policy and Public Affairs was held in Beijing (June 2013) to share best research practice internationally.

Key participant researchers in this case study are **Harris** (Dean at the University of Chester since March 2009 - present) and **Moss** (Professor at the University of Chester since April 2010 - present).

3. References to the research

Harris, P. (ed) (2013), *Public Affairs Management* (four volumes), Sage, London. ISBN: 978-1-4462-5480-6

Moss, D.A., McGrath, C., Tonge, J. and Harris, P. (2012) "Exploring the management of the corporate public affairs function in a dynamic global environment" *Journal of Public Affairs* 12,1, pp. 47 – 60. ISSN: 1479-1854

Baines, P. and Harris, P (2011) "Marketing in the 2010 British General Election – Perspectives, Prospect and Practice" *Journal of Marketing Management*, 272, 7/8 pp 647 – 655. ISSN:0267-257X

Harris, P. (2010) "Machiavelli and the Global Compass: Ends and Means in Ethics and Leadership" *Journal of Business Ethics*, 93,1, pp131-138, ISSN 0167-4544

Harris, P. and Lock, A. (2010) "Mind the Gap" The Rise of Political Marketing and a Perspective on its Future Agenda, *European Journal of Marketing*, pp. 44, 3/4. pp.297-307. ISSN 0309-0566

4. Details of the impact

This research has had a number of impacts:

- 4.1. Firstly, in terms of its impact on the establishment and development of the disciplinary field of public affairs in the UK and Europe and its contribution to the international body of knowledge. This is demonstrated by editorship of journals, research publications and recognition by professional and academic institutions.
- 4.2. Secondly, in terms of how the research has been disseminated into professional practice and influenced public and political debate about the role, practice and regulation of political lobbying in the UK. This is demonstrated by recognition by industry and government taking advice resulting from research and presented at boards and committees by the researchers. Harris first submitted evidence to the first Committee on Standards in Public Life in 1997 a paper on the direct links between lobbying and political fundraising, and in 2012 gave evidence to the inquiry launched by the All Party Parliamentary Small Business Group considered the role of entrepreneurs in driving economic growth (*Breaking Down the Barriers to Entrepreneurship*). This has been followed up with a number of articles and presentations with a collaboration of interests in Europe, Asia, Australasia and America. Attendance at events in China in 2011 and 2013 have impacted on both Chinese academic and business communities - evidenced by endorsement from the head of a distinguished Institution based in Beijing (see section 5).
- 4.3. Thirdly, the research has had a direct impact on corporate public affairs practice. This is particularly through the global research project into best practice in global public affairs operations which has fed back into the structures, training and policies of global operating companies. The award of a major public affairs research project to Moss and Harris in 2010

Impact case study (REF3b)

by Unilever is further recognition of the work that has been conducted.

- 4.4. Public Affairs Management Research was used extensively by Harris, Adderley and Russell with the support of Moss to pull together a report on the impact of the potential closure of MBNA (Bank of America), Chester's major Financial Services Business. MBNA is Chester's largest private employer, employing approximately 3,550 people on site, with an annual payroll of £155 million. The research indicated that there was a lack of understanding of this company, its business and impact by local and regional decision makers. The confidential report outlined the scale of the Chester-based MBNA operations and its impact on the local, regional and national economy. Another published report by Harris, Pyke and Adderley (2011) referred to below further corroborates the impact of the research.
- 4.5. The University of Chester calculated that MBNA's overall economic impact on the region is £543.9 million per annum making MBNA a major contributor to the Financial Services Sector in the North-West of England and an important part of the national economy. Significantly, 15% of MBNA's annual payroll is paid to staff located in the Chester postal area while there are also high concentrations of employees within areas already known to be suffering from high levels of deprivation (e.g. Birkenhead, Tranmere, and Ellesmere Port). This undoubtedly means that any job losses would be significantly magnified in those areas. MBNA plays a key role in training and building knowledge based skills within the region. In addition, MBNA spends £215 million per annum in the supply-chain, which equates to £10.75 million per annum of local spend. Over 1000 suppliers have contracts with MBNA for less than £100,000, representing a range of dependent small and medium size businesses. Given this, the University calculates that MBNA's spend in the supply-chain leads to an additional 3,834 people being employed, in addition to staff directly employed by MBNA.
- 4.6. MBNA is of significant importance to the economic well-being of the UK economy as a whole. The report calculated that MBNA pays the UK government £173 million in taxes, rates, NI and PAYE per annum (correct as of 2010). MBNA is a major regional sponsor of cultural, economic, social and sporting events and organisations and over the period 2010-2013 has donated/committed £1.4 million to organisations and supplied £2.3 million in corporate sponsorship. MBNA's operational transactions in the UK are worth £11 billion per annum, which equates to 9% share of the market.
- 4.7. The report was given confidentially by the team to a number of local, regional and national government decision makers, alongside a number of local presentations by the team which informed decision making. The research conducted helped communicate the impact of the potential sale and closure of this business to regional and national decision makers including the Secretary of State for Business and led directly to increased stakeholder recognition and support for the retention of the business. Furthermore, this allowed MBNA UK management to stabilise its position and exert pressure to maintain a viable business in Chester and contribute to wealth creation in the North-West.
- 4.8. Evidence of impact may be found in endorsements from organisations named in section 5. Comments include "the business community is grateful for the way the University is assisting to shape regional economic policy" and "The Bank of America has benefitted greatly".

5. Sources to corroborate the impact

International Conference on Public Policy: Theory and Practice and Governance, 5-6th June 2013, Beijing Normal University, Beijing. Conference website: <http://ag.bnu.edu.cn/>. Corroboration of paragraph 4.2.

Letter of endorsement from the President, Peking University corroborates paragraph 4.2.

HMSO (2012), Oral and written evidence by Phil Harris in Report by the All Party Parliamentary Small Business Group Report, *Breaking Down the Barriers to Entrepreneurship*, London.

Impact case study (REF3b)

Corroboration of paragraph 4.2.

Harris, P., Adderley, S and Russell, N. (2011) Confidential Report, Economic Impact Assessment of Bank of America Card Services (MBNA), University of Chester. Corroborated paragraph 4.4 - 4.6.

Harris, P., Pyke, C and Adderley, S. (2011) An interim review into the impact of the Financial Service Sector in West Cheshire and Chester and its immediate sub region, University of Chester. ISBN:978-1-905929-96-2. Corroborated paragraphs 4.4 - 4.6.

email from the President of MBNA sent to the Chief Executive of the North West Business Leadership Team regarding the economic impact report. Corroborates paragraph 4.7.

email from the Managing Director of a local company (also private sector representative on the Public Service Board for West Cheshire, and as the Past Chairman of the regional Chamber of Commerce) corroborates the quotes in paragraph 4.8.