

Introduction

Emmanuele Pavolini and Tanja Klenk

In the last 20 years Western European Public Administrations (PAs) underwent a deep process of transformation, which usually takes the name of new public management (NPM). Among others, this NPM process took two relevant directions:

- a) an attempt to introduce more competition in the services' provision;
- b) an attempt to change the way internal human resources of PAs were used, adopting a process of 'managerialization'.

The book studies the impact of marketization and managerialization in a specific part of Public Administration, namely welfare organizations. The focus on welfare organizations is justified not only by the fact that *a good part of PA expenditure in general goes into the welfare state field*. For instance around 65 percent of total EU-27 Public Sector expenditure goes to welfare state fields (including education and tertiary education). Moreover, the overall trend to marketize and managerialize public administration affects welfare organizations in a particular way. Here, new governance models featuring competition, efficiency and effectiveness not only clash with traditional ideas of bureaucratic regulation but also with the norms and standards of professional service delivery. Indeed, the fact that the labor force in welfare organizations is made up of 'professionals', meaning people with specific training and expertise, is often overlooked in the process of reforming welfare governance. As a result, the introduction of new modes of welfare governance comes along almost always with organizational conflicts.

Finally, the marketization and managerialization of Public Administration provides particular challenges for welfare organizations as they are expected to deliver services to people, being in most cases vulnerable and not in the position to act as a competent and rational market actor.

The book assesses the marketization and managerialization of welfare governance in a double comparative perspective by comparing different fields of welfare state policy and different countries. The aim of the book is

to connect different streams of research that not always go along together: reforms in public administration, welfare state transformations, the role of professionals and private enterprises in relation to sectors where traditionally the role of the state has been strong, and characteristics and changes in different welfare state sectors (health care, education, tertiary education, social care). Going beyond recent literature in social policy research which mainly is interested in the impacts of a marketized and managerialized welfare state at the macro level (in terms of public expenditure, contribution rates, service coverage, unemployment rates etc.), this book discusses impacts at the meso- and micro-level. Thus, the following questions are central for the structuring of the book:

- What is happening to private for-profit and non-profit enterprises working (also) for PAs in welfare state typical sectors?
- What is happening to working conditions and quality of work among welfare professionals and workers, working either in state- or privately owned welfare industries?
- In what way are users affected by increased competition and managerialized welfare organizations?

The book consists of two parts: Part I maps, assesses, and explains the recent transformation of welfare governance models in the light of marketization and managerialism. While the contributions of Part I focus on changes at the meso-level of the policy field ('welfare mix') and at the level of the organization (that is, working conditions, customer involvement), the contributions of Part II take a look inside organizations, enquiring coping strategies of professionals. How do professionals adapt to, resist, or manipulate new models of governing welfare organizations?

The two parts are therefore quite interlinked in the sense that the first one is broader and considers changes in the governance models, whereas the second, adopting a more micro-focused analysis, looks at what happens at the professionals' level. The first part of the book has a common structure. Five chapters are dedicated to the governance changes in the five main policy fields studied: health care (by Pavolini), long term care (by Theobald), higher education (by Moscati, Stanchi, Turri, Vaira, and Pavolini), education (by Pavolini), and employment policies (by Jantz and Klenk). Each chapter has a similar structure. First, they give a general *introduction* to the policy field analyzed before then presenting the *main reforms related to marketization and managerialization* introduced in the last ten years in a number of countries, belonging to different policy traditions and the role (central or peripheral?) marketization and managerialization had in the more general reforms in the policy field. In a next step the

effects these reforms have in terms of governance as well as for the users of the services and for the employees of welfare organizations are discussed. In addition, *case studies* portray in more detail what has happened in selected countries. In each chapter usually at least three countries have been compared belonging to different welfare state traditions: Germany (as a typical continental welfare state), Italy (as a typical Southern European one), the UK (as a typical Anglo-Saxon one). Different chapters have also focused on single countries belonging to Scandinavian welfare states (often Sweden).

While the chapters in the first part of the book give an overview of the state-of-the-art of empirical research on processes of managerialization and marketization in five fields of the welfare state provision, the second part of the book focuses more on the impact of reforms on the workers in the sector. The second part's focal point is the different processes and experiences affecting the main professionals' profiles in the different policy fields, looking at a series of case studies and specific analysis in order to obtain a more general picture of what is happening. In particular Chapter 6 provided by Noordegraaf discusses new ways that governance and professionalism interact, adopting a cross-policy field view. Managerial reforms provide severe challenges for professional work. Consequently, professionals tend to oppose NPM rigorously. Noordegraaf, however, argues that even though it is necessary for professionals to develop a positive stance toward management: professionals must take organizing and managing more seriously and will have to develop organizational capacities in order to adapt to changed external circumstances giving rise to new risks and new cases. In addition, organizational reforms are necessary to support and to strengthen the viability and legitimacy of professional services in turbulent times of privatization. He suggests going beyond a dichotomous understanding of the relationship of professionalism and managerialism by introducing the notion of 'organizing professionalism'.

Kuhlmann and Burau aim in Chapter 7 at exploring empirically the 'situated' nature of knowledge, and in turn, the 'situated', context-specific forms, figures and transformations of hybridization processes. They develop a theoretical approach that links the knowledge technologies approaches (including feminist contributions and criticism) to the contemporary debates into hybridization; second, they use empirical material (secondary sources) from a German study in the health care sector to illustrate how the technologies of knowledge play out in both professional groups (at different levels of qualification/status) and the service users. The objective of this chapter is to highlight that hybridization does not outflank power relations but may create opportunities

for transformations. In summary, this may help us to move beyond the hybridization debate.

The Danish case is particularly relevant in the European perspective, given the centrality the 'flexicurity' model had and has in the international debate about labor market policies and activation. Jørgensen, Baadsgaard, and Nørup take, in Chapter 8, the thread of de-professionalization through managerialization to an empirical test. Taking the modernization of the Danish labor market administration as an example, it is studied whether or not the newly introduced NPM methods and processes are limiting the social workers discretion. Indeed, expert knowledge is challenged, and thus, the authors conclude, there are signals pointing to de-professionalization.

Professionals are a special target group of NPM argues Schimank in Chapter 9. NPM reforms attack on what they saw as unjustified privileges, 'rent-seeking' behavior, and simple laziness of professionals. And indeed, NPM reforms have a severe impact on professionalism as they weaken professionals' 'occupational control' by the establishment of external performance evaluations combined with external control of work. Schimank makes the case that whenever occupational control declines, de-professionalization will follow.

Schools provide a particular case in the sample of the book as they are considered to be both, heteronomous and professional organizations. Until recently, however, the state constrained its ambitions to control and refrained from systematically controlling the process and 'output' of educational work. This, however, has changed in the light of the results of OECD studies, such as PISA, as is shown in Chapter 10 by Peetz. The OECD created considerable turmoil in particular in the German educational system. The German 'PISA-shock' not only resulted in changed teaching methods and renewed curricula. What's more, Germany currently witnesses the economization of school leaders: head *teachers* transform into school *managers*.

Rostan, Ceravolo, and Vaira focus on changing professionalism in higher education systems in Chapter 11. In the last 30 years Western European higher education systems have faced the implementation of NPM reforms aiming at changing the sector, its institutions, and academics' profession and working conditions. NPM affects directly or indirectly the structure of the academic profession and the working conditions of higher education professionals. The chapter presents evidence on how the consequences of higher education reforms are perceived and evaluated by academics. The chapter has a quantitative and a comparative approach. Taking 'The Changing Academic Profession International Survey' as a database, four cases are compared: UK and the Netherlands, which are at the forefront of NPM in higher education, and Germany and Italy, where reforms

started comparatively late, but had more questionable consequences on the university system, as examples.

Teelken and Thunnissen analyse in Chapter 12 the higher education system, too, but adopt a qualitative approach. Academics involved in teaching and research feel increasingly overruled by so-called external quality norms, which are imposed upon them through rules and regulations. Even though respondents seemed to have maintained scope for keeping or even broadening their own autonomy, they enter a stage of what the authors call 'rational resignation', that is a reluctant, but silent agreement to the Public Management reforms imposed upon them. By applying a micro-institutional perspective the chapter investigates the impact of NPM for individual academics in a comparative perspective. The Netherlands, the UK, and Sweden – three countries with different traditions in public administration and university governance – are contrasted.

In the concluding chapter Klenk and Pavolini give a summary of the main findings. Similarities between countries and across policy fields can not only be found in the general trend of reforming welfare governance – the trend toward quasi-marketization and managerialization is clearly observable in all countries and in all policy fields – but also in the timing of the reforms. The most important cross-sector and cross-country trend, however, is the power shift among the different actors we can observe. While managers – often coming from a professional background inside the same organizations (!) – have appeared as new relevant and central actors, who receive quite more autonomy and responsibilities in running the organizations, professionals in public welfare bureaucracies have seen their role and autonomy challenged.

All in all, the book shows the importance of studying the processes and the impact of marketizing and managerializing welfare governance. Even though several cases of adjusting marketized and managerialized welfare governance have been found, the authors have not come across a case where marketized and managerialized welfare governance has been fundamentally questioned.

