

## Institutional logics

Reconceptualising 'public providers' in post-open market technical and vocational education and training

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## **Institutional logics: reconceptualising 'public providers' in post-open market technical and vocational education and training**

In a number of advanced market democracies the role of public technical and vocational education and training institutions has been called into question. This is one result of a singular dominant public policy discourse favouring the provision of public services through contracting out in competitive markets. With the limitations of this default policy setting becoming increasingly apparent there is an opportunity to identify a new narrative to facilitate a transition to a less contestable training market environment. In particular, the rationale and justification for the direct public provision of vocational education through government-owned and operated institutions can be re-examined in non-market terms. However, the deep penetration of the reductionist and simplistic pro-choice competitive ideation into current policy environments has resulted in a limited, often dualistic, range of conceptual options being used by analysts. This article investigates alternative concepts before settling on the use of institutional logics to articulate the multiple contributions to the provision of the skills and knowledge made by publicly-owned institutions.

Keywords: institutional logic, market, public institution, technical and vocational education and training, dualism

### **Introduction**

In response to widespread antipathy to increases in public spending that gathered political momentum throughout the 1980s a market-based restructuring of the provision of public good produced a set of processes now known as marketisation (Birch and Siemiatycki 2016, 177-178). These practises assume that private businesses are more efficient than public agencies and that governments can create a range of markets capable of realising efficiency while fostering diversity, choice and responsiveness in service delivery (Harper et al. 2015, 7). With fiscal concerns trumping all others, some believe that 'it becomes harder to legitimate public goods driven by equity, environmental concerns and social justice criteria' (Birch and Siemiatycki 2016, 194).

This article offers a mainly conceptual preliminary exploration of alternatives to the dominant economic narrative that depicts state-owned institutions of technical and vocational education and training (TVET) as simple competitors in the marketplace.

By identifying potential alternatives to market-driven rationales, advocates for public provision of TVET are introduced to non-economic concepts to justify the use of state-owned institutions as a legitimate activity of government when the policy environment moves beyond the hegemony of marketisation and privatisation.

Given marketisation's monopoly over public policy development, other possibilities will have to demonstrate a similar level of comprehensiveness and reasonableness. In other words, a potential substitute can be operationally defined as a logic (Oxford Dictionaries 2019). Initial research identified two literatures that deploy logics to describe how socio-economic systems and institutions function. The first is described by Maurice, Sellier and Silvestre (1986) and it explicitly refers to TVET in what has been described as a 'logic of difference' in two European settings (Powell et al. 2012, 405). The second is the North American 'institutional logics' (Thornton, Ocasio, and Lounsbury 2013) which have yet to be extensively applied to the analysis of TVET policy. They offer novel ways of thinking about the contributions public TVET institutions make to national training systems.

This early search for alternative conceptualisations found also that institutional logics might be related to the nascent, at least outside France and Germany, sociology of conventions which can use combinations of 'different logics of coordination' (Diaz-Bone 2016, 215). It will be argued that the logics of Maurice, Sellier and Silvestre, if set up as binaries, lead back to marketisation. The sociology of conventions has been found to be fundamentally different from the institutional logics narrative. The findings suggest that institutional logics can be used to produce a non-market justification for the role of public TVET institutions.

## **The limits of TVET marketisation?**

The public benefits anticipated from the marketisation and privatisation of the delivery of education and training have become central to the public policy-making processes of many governments internationally (Wheelahan and Moodie 2016, 15-16). One consistent trend has been to reduce direct government expenditure in various countries where private providers have gained access to state-fabricated, publically-funded training markets. For example, in Scotland between 2010 and 2015 funding to the sector was reduced by 18 per cent (Audit Scotland 2016, 26); British Columbia experienced a 13 per cent drop in apprenticeship allocations (Industry Training Authority 2007, 9, 2017, 16); and Australian public TVET funding in 2014-15 fell to 4 per cent below 2005 levels in real terms (O'Connell and Torii 2016, 3).

The other advantages expected from the marketisation of TVET (such as improved quality, increased course choices and innovative delivery methods) have been much more difficult to identify (Youth Action, Uniting, and Mission Australia 2018). The capabilities of government-owned TVET institutions in a number of countries have been materially reduced as a result of marketisation (Wheelahan and Moodie 2016, 18-19). A United Kingdom House of Commons committee found that government-created markets force contractors 'to take unacceptable levels of financial risk, fail to appreciate differences in quality provided by rival bidders and procurement decisions are driven by price'; as a result 'public services have deteriorated' (Weardem 2018).

The marketisation of TVET has its economic genesis in Friedman's (1955, 1) mid-twentieth prescription to leave the provision of education to unfettered market competition to remedy the 'indiscriminate extension of government responsibility'. However, this solution to state overreach is being challenged on a number of fronts. In relation to human capital

development, the World Bank (2019, 124) positions TVET leading to work as part of a 'social contract [that] envisions the state's obligation to its citizens and what the state expects in return'. The normally pro-market bank's atypical conclusion is 'that the social contract is broken in most emerging economies, and it is looking increasingly out of date in some advanced economies as well' (10).

Partially in response to 'a growing feeling that the free market approach of the last 30 years has not always produced the outcomes society might have wanted' (Kiernan 2018, 15), the New Zealand Government is progressively removing tertiary education fees for students (Tertiary Education Commission 2018). An Australian pro-business lobby group survey found that citizens want governments to supply core services such as vocational learning options and 'place less importance on private provision of education and training' (Committee for Economic Development of Australia 2018, 36).

Additionally, the heavily marketised British training system produced a 'drive to the bottom' by financially rewarding low quality, short apprenticeships over longer, more rigorous, highly skilled completions (Wolf 2015, i). The shortcomings of this market led to a review and reorganisation of technical education qualifications, funding and pathways (The Independent Panel on Technical Education 2016). After many years of support for English TVET markets, the Labour Opposition has adopted a policy of increased public provision in the form of an integrated National Education Service that is 'free at the point of use' (Evans 2018). Similarly, in Australia after three decades bi-partisan acceptance of TVET markets, the alternative federal government has declared that 'the competitive market system in VET has been a failure' (Cameron 2018).

The impact of marketisation is also evident in non-Anglophone countries such as Denmark which is progressively introducing TVET governance processes that facilitate marketisation. These include a linear national performance management system that uses

incentives, 'taximeter' funding arrangements and a more highly politicised method of negotiating conflicts and compromises (Friche and Andersen 2017). Finland and Sweden provide an instructive example of the results of marketisation. Both countries share the Nordic form of social democracy (Esping-Andersen 1990, 167) that features a universal upper secondary school system incorporating a significant component of TVET; 95 per cent of all educational expenditure comes from the state (Virolainen and Persson Thunqvist 2017, 48). While Finland enacted policies that supported the public provision of education, Sweden embarked on a purposeful project of marketisation from the early 1990s which allows for comparisons of the outcomes achieved in the two countries.

As part of a global analysis of the marketisation of school education Astrand (2016, 91) found that Swedish students moved from being among the top performers in reading, math and science in the 1990s to a situation where in 'all subject areas, Sweden is the country whose performance has declined the most'. This continuing pattern of deteriorating results was reported in the Program for International Student Assessment 2012 (PISA) and has been attributed to the marketisation of the sector (Astrand 2016, 95-96).

In contrast, Finland has retained an education system 'rooted in public investment and collaboration instead of privatisation and competition' (Sahlberg 2016, 122). Since topping the world in PISA 2001 (Sahlberg 2016, 110), Finland has continued to top subsequent PISA results and to demonstrate 'consistently high performance in international tests' (111), contributed to by its 'reliance on public institutions' (114).

A range of economic commentators have questioned the educational benefits of open market competition between training providers. On the basis of applying a transaction cost economics analysis, Toner (2014, 228) concludes that TVET is 'unsuitable for contracting out' by governments because the sector has multiple objectives, lacks accepted measures of productivity and unequivocal indicators of teaching quality are absent. Stanley (2017, 3)

argues that competition policies rarely produce optimal results, are highly industry specific and frequently have disadvantages that outweigh advantages. Some of the drawbacks include diverting service delivery expenditure into advertising/marketing, duplication of facilities/information systems and an unintended limiting of student and employer choice as the range of courses offered is reduced to those that are most profitable for providers.

Quiggin's (2013, 63) blunt conclusion is that 'for-profit education has been consistent failure in all times and places' with limited exceptions for some low-level TVET qualifications.

In spite of the growing recognition that privatisation and marketisation of TVET has not produced the full range of intended benefits, the appeal of this default policy setting remains strong as exemplified by the term of reference for the latest English review of post-18 education and funding that asks the expert panel to determine 'how we incentivise choice and competition right across the sector' (May 2018). Against this backdrop of market failure, some of the alternative public policy concepts that might be used after the open market era are introduced next.

## **Conceptualising post-open market TVET**

### ***Education and employment logics***

In a conceptually useful application of logics to the ubiquitous marketisation of TVET, Wheelahan and Moodie (2016, 44-48) grouped different countries on the basis of the strength of the links between vocational education and the labour market. They explicitly connect a number of systemic features and the socioeconomic status accorded to the TVET sector with a country's prevailing *education logic* or its alternative *employment logic*. Vocational education and training 'is lower status in those systems with education logics, and relatively higher status in those systems with employment logics' (Wheelahan and Moodie 2016, 48).

These two ideal-type typologies were first proposed by Iannelli and Raffe (2007, 50) in their



studies of national school to work transition systems:

Employment logics are in systems where vocational upper secondary education has strong links with the labour market and weak links with higher education. Education logics are in systems where vocational upper-secondary education has weak links with employment and stronger links with tertiary education.

This transitions research demonstrated that the 'vocation effect' of movement through four school to work systems was nationally consistent and varied as predicted by social, economic and political policies that were aligned with one logic or the other. The Netherlands was found to be the closest to the employment logic, Scotland the closest to the education logic and Ireland and Sweden were intermediate between the two (Iannelli and Raffe 2007, 51-52). Raffe (2008, 279) proposed that these two rationalities could 'help policy-makers to understand their own system's logic for which specific policies must be designed'.

### ***Applying a logics-based analysis to TVET***

While Iannelli and Raffe (2007) provided the two logics, they did not establish them as a pure form of dualism, i.e., mutually exclusive categories. They linked the two logics by inserting a middle ground characterised by mixtures of different proportions of education and employment rationalities. Education and employment have a complicated relationship that can be linear (school to work); an intimate combination (apprenticeship) or in opposition to each other when child labour laws and compulsory school attendance legislation interact. In philosophical terms this 'Hegelian included middle' is the application of the notion of opposites in cases where two different categories partly obtain their meaning from each other (Dow 1990, 144). This middle ground will feature prominently later in describing hybrid organisations and their institutional logics (Skelcher and Smith 2015).

Ianelli and Raffe (2007, 50) represented education and employment as a linked spectrum of logics with an included middle because they had found that 'neither general nor vocational education is consistently associated with better labour-market outcomes; different studies produce different conclusions'. Regardless, some researchers have used the education and employment logics to create a dichotomous categorisation of specific countries. For example, Klatt, Clarke, and Dulfer (2017, 17) characterise Australia as having a schooling system underpinned by an education logic rather than an employment logic. Wheelahan and Moodie (2016, 54) also apply these two ideal-type logics to describe how formal qualifications are used in various national training systems as well as describing the higher or lower status of TVET in different jurisdictions (48).

### ***Dualism is integral to marketisation***

By choosing dualistic classifications to initially critique the artefacts of the Australian national training system (Wheelahan 2015) and then expanding this style of analysis globally (Wheelahan and Moodie 2016) the locus of attention falls upon systemic rules, standards and processes rather than the nature of the system itself. While conceptually significant in their explanatory power, the various logics expressed as dualisms reinforce the centrality of market logics by simplifying complex interactions and promoting *either-or* arguments to the exclusion of *both-and* considerations. Dichotomous categorisations also tend to ignore the middle ground.

Marginson (1997, 278) posits that market systems 'determine the bounds of possibility' and 'the logic of markets is to reduce all the different phenomena to a singular self' because 'market relations are dualistic, normalising and excluding'. Those who proclaim 'good' for market-like behaviours automatically project 'bad' onto the non-market others by reasserting Friedman's views of state education provision (1955). Such an approach reduces

complexity 'by focusing the attention of organisational actors around a limited set of issues and solutions that are consistent with the prevailing logic' (Thornton 2001, 296).

In framing his criticism of the impact of competitive markets on education and training Marginson drew upon Dow's (1990, 143) application of dualism – 'the practice of organising thought by means of all-encompassing mutually exclusive categories with fixed meanings' – as the primary mode of thinking that imposes order in mainstream economics. Dualistic forms of thought have assumed a pervasive and reductionist role in theorising the economic system because we simultaneously do not have in practice complete knowledge while also having too much information to assimilate effectively (Dow 1990, 145).

Regardless of the complexity and the absence of full knowledge, mainstream economics has accepted a 'correspondence between dualistic theory and reality' (146) which excludes alternative modes of thought that are not founded upon the prevailing dualisms (148). It is argued that establishing the opposition between employment and education logics actually facilitates market ideation rather than critiquing it.

In order to better understand the limitations imposed by dualistic classifications, we will turn to the original source of Ianelli and Raffe's (2007) employment and education logics which emerged from their reading of Maurice, Sellier and Silvestre's (1986, vi) comparison of France and Germany and each nation's specific 'inextricable connections between the domains of:

- education
- business organisation and
- industrial relations'.

### **The logics of Franco-German socio-economic institutions**

While there is no evidence that Maurice, Sellier and Silvestre (1986) actually identified a pair

of logics labelled education and employment, they frequently described a range of specific logics they observed in action. Their unique contribution was the development of a theory of how a nation's social institutions coordinate and structure work relations as a result of the inseparable connections between the skills and knowledge transmitted through the education and training domain, the business organisational domain representing power/cooperation and the channels for regulating conflict in the country's industrial relations domain (vi). These various domains are characterised by linked logics.

One of the logics dominates the modes of thought in the first country while its pair is found to be more influential in the second. Crucially, these joined logic pairs were considered to represent trends rather than dualistic opposites thereby allowing the complexity of the interactions to be explored. Maurice, Sellier and Silvestre's statistical and anthropological study compared the holistic interrelationships between French and German social and economic institutions including:

- school education
- technical and vocational training
- university education
- the labour market
- industrial relations systems
- company employment and promotion procedures
- compulsory national service and
- family structure and culture.

'These interrelationships generate different national *logics* (emphasis in original) and a degree of coherence within each country' (Maurice, Sellier, and Silvestre 1986, 278). They concluded that individual countries are path dependent, thus challenging the conventional

wisdom that globalisation inevitably leads to organisational convergence in a single model (1986, 292). Using this European logics research, Raffe (2008, 290) proposed that 'there is less optimism that features of successful systems, such as the dual [TVET] system, can be transferred to other countries, and more recognition of the need to design policies to suit the specific institutions and culture of each country'.

In Germany professional certification of workers is the crucial element in determining the internal structure of the workforce (Maurice, Sellier, and Silvestre 1986, 15).

Alternatively, in France 'more than half of skilled workers have no professional qualifications' and occupational training has weak influence on skill ratings and 'cannot be separated from the discriminatory influence exercised by the level reached by the worker within the system of general education'; previous work experience is highly valued and has a determinate effect on skill ratings (16). In the socially-determined high-status German firms 'great importance will be attached to the means of acquiring professional skills' while the absence of a highly developed link between the relatively autonomous French education system and industry means there is a greater emphasis on 'in-house training' (Maurice, Sellier, and Silvestre 1986, 66).

This research supported the proposition that social relations are built upon the priorities given to cooperation, competition and domination not only as practised in 'the workplace but also in the schools, training programs and other places where individuals prepare for jobs' (Maurice, Sellier, and Silvestre 1986, 158). In particular they describe how French secondary education reinforces low social mobility and the maintenance of class relations because the education system is perpetuated through competition while in Germany 'there is a broad consensus against the development of a type of educational system within which such competition could take place' (159). They specifically cautioned against using a market-centred analysis of education mobility because it disregards the reasons for the actor's

decisions and the importance of how qualifications and hierarchies are shaped by the firm (161). Social mobility in the context of the labour market is a result of interactions between education, job experience and the kinds of social relations that exist within industrial companies.

In re-examining the relevance of Maurice, Sellier and Silvestre's 'logic of difference' to contemporary French and German TVET, Powell, et al., (2012, 417) concluded that their analysis remains valid in its explanatory power and use in policy development. Palier and Thelen (2010, 6-7) have also described the 'tight coupling' of French and German institutional realms that requires changes to be made in adjoining policy arenas when programs are adjusted in response to emerging issues in a single area. For example, labour markets are intimately integrated into welfare policy ensuring that changes in methods of employment (i.e., increased temporary and part time work) impact both areas (27). In other words, training and education systems that are only understood in financial, market-based terms ignore other influences that may produce unintended and unforeseen consequences when changes are made to TVET provision.

Even though it has been argued that the use of logics as dualisms limits their explanatory power by relying on the same economic reductionism that supports fully contestable markets, it does not mean that the use of logics should be rejected. By resisting the seductive urge to establish different logics as dualisms and as a mechanism to make binary typologies of organisations, institutions, systems or nations; societal analysis can be used to compare the non-market national logics underlying the relationships between education, the labour market and other social institutions.

Given direction by the notion of logics that commenced with the Franco-Germanic comparison by Maurice, Sellier, and Silvestre, two further, apparently unrelated, applications

of logics were identified that might contribute to public policy reform in post-open market TVET.

### **Conventions – logics of action and coordination**

Emanating from France, the sociology of conventions has a 'core assumption that economic value and worth have to be interpreted and constructed according to situations of economic coordination', for example, by agreeing on quality standards or the use of the metric system (Diaz-Bone 2016, 214-215). Conventions are theorised to be conscious, but often tacit, understandings that organise and coordinate in predictable ways because they are 'agreed-upon, if flexible, guides for economic interpretation and interaction' (Biggart and Beamish 2003, 444). Historically contingent, multiple and socially accepted conventions help explain the judgements made by economic actors in specific situations such as in markets that are impacted by issues beyond simple supply and demand because there are other activities taking place such as codification, measurement, certification and regulation that are often neglected by mainstream economics (Jagd 2007, 78 and 87). By facilitating dispute-resolving agreements conventions provide 'logics of action' that determine which social behaviours will make 'ordinary human relations possible' (Boltanski and Thevenot 1999, 375) through balancing the desires of the individual against the common good of the collective by having agreements such as those that prevent price gouging (Boltanski and Thevenot 2006, 348).

Convention theory, and its associated logics of action and coordination, is a European attempt 'to develop a realistic economics' built upon micro-foundations rather than structural ones (Biggart and Beamish 2003, 451). Like other criticisms of marketisation it rejects the dualism of subject-object and structure-actor including the rational actor model of neoclassical economics (457). Conventions provide mechanisms to deal with the sense of

injustice that is aroused 'especially when justifications of a market order are extended beyond their legitimate boundaries' (Boltanski and Thevenot 2006, 15).

Crucially, the sociology of conventions 'conceives of institutions as different from conventions' and 'the meaning of institutions is incomplete and not external to actions. Social actions are not determined by institutions and actors apply conventions to interpret the meaning of institutions' (Diaz-Bone 2016, 215). Marketisation is frequently reduced to a process that gives users a choice from a 'diversity of providers' (Harper et al. 2015, 8) that are different types of institutions. Contestability in markets is designed to promote competition between institutions. It is unlikely that the sociology of conventions can offer a fulsome counter-argument to the conventional marketisation of TVET because of its rejection of institutionally directed behaviour.

### **Institutional logics**

Representing a 'new theory of institutions' Thornton, Ocasio and Lounsbury (2013, 40) describe the nature of institutional logics and their analytic capacity as follows: 'institutional logics represent frames of reference that condition actors' choices for sense-making, the vocabulary they use to motivate action and their sense of self and identity' (2). The logics give rise to institutional principles, practices and symbols that determine how reasoning takes place as well as the perception and experience of rationality. Institutional logics describe the way a particular social world works and emphasises practices rather than formal structure (46).

Most important institutional orders of advanced market democracies have a historically contingent central logic which constitutes their organising principles. For example, the institutional logic of capitalism is accumulation and commodification of human activity, the state is rationalisation and regulation, democracy is participation and popular



control, family is community and unconditional loyalty while religion (or science) is truth and symbolic construction of reality (Friedland and Alford 1991, 248). The seminal work on institutional logics concluded by proposing that 'people may mobilise to defend the symbols and practices of one institution from the implications of changes in others or attempt to export the symbols from one institution in order to transform the other' (255). The institutional logics research showing that institutions stimulate individual behaviours signifies a major difference to the position taken by the sociology of conventions.

Friedland and Alford (1991, 232) positioned their conception of institutional logics as a means to analyse organisational behaviours and practices by proposing that 'the central institutions of the contemporary capitalist west are potentially contradictory thus making multiple logics available to individuals and organisations who can transform the institutional relations of society by exploiting these contradictions'. This suggests that institutional logics can accommodate the 'Hegelian included middle' described earlier.

Firms can change their overarching institutional logic. Examples include the changes in management and organisational forms that occurred in the accounting firm Arthur Anderson as it transitioned from a professional to corporate institutional logic (Thornton, Ocasio, and Lounsbury 2013, 56) or the industry-wide change that saw academic publishing firms move from a scholarly editorial logic to a corporatised market logic in the 1960s and 1970s (Thornton 2001, 295). 'Vocabulary shifts also signal changes in prevailing institutional logics' and 'historical contingency underlies our theories of institutional logic emergence, re-emergence and change' (103). The organisational practices used in an institution play a key role as exemplars in creating, reproducing and transforming the logics. 'The creation of new practices and variations of existing ones are central to the emergence of and change in institutional logics' (148).

However, 'one logic does not fully replace the other once introduced into an institutional field, they compete' because institutional logics are both symbolic and material and they serve a dual role as a system of meaning and a routine of practice (Thornton, Ocasio, and Lounsbury 2013, 150-151). The narratives that are associated with particular institutional logics 'give meaning to specific actors, events and practices' and 'are a more concrete form of symbolic construction'; narratives help 'to make sense of events, create legitimacy and construct identities' (155).

### **Applying institutional logics to TVET**

Institutional logics are intended to offer 'a viable alternative to rational choice approaches' (i.e., marketisation) in understanding human behaviour (Thornton, Ocasio, and Lounsbury 2013, 173). Instead of envisaging society through a singular economic lens and education in terms of human capital theory, they believe that 'society is constituted through multiple institutional logics' (Friedland and Alford 1991, 243). Using institutional logics theory appears to be a promising alternative to the marketised rationale for TVET delivery because it recognises that neoclassical economics operates with a means-end, subject-object dualism which gives rise to organisational theories that tend to isolate organisations from their institutional and societal context (233-235) resulting in a theoretical perspective that 'has places it cannot see, territory it cannot map' (240-241).

Reay and Hinings (2009, 629) reiterate that institutional logics guide the behaviour of field-level actors by supporting belief systems and related practices that predominate in an organisation by creating of a sense of common purpose and unity. Instead of describing a winner-take-all dualistic competition, they (632) suggest there are changes in the institutional logic and organisation itself that are better characterised as collaboration. One example of this non-dualistic co-existence is the 'uneasy truce' between the two main logics that are evident

in Canada's Alberta Health System – the logic of medical professionalism and the logic of business-like health care – where the two co-exist without either dominating (630). The inherent differences between the professional logic and the corporatist logic have been managed for over a decade by the physicians and health managers:

- differentiating medical decisions from other health system decisions
- seeking informal input from doctors as part of broader decision-making processes
- working together against government's competition policy and
- jointly innovating in experimental sites to reduce costs and improve efficiency (640-642).

In setting out the case for a research agenda Skelcher and Smith (2015, 444) propose that the Institutional Logics Approach (ILA) 'offers a firm theoretical base for explaining hybridity' that can be used 'for generating policy and managerial advice'. The relevance to public TVET institutions lies in their use of the public administration and not-for-profit literature to hypothesise that 'different combinations of logics are generative of different forms of hybridity' allowing types of policy analysis that 'are liberated from the constraints of having to think of the world in terms of the state-market-community triptych' (444). The not-for-profit sector and public agencies can be conceived of as 'carriers of multiple institutional logics' that can be understood by determining how the plural institutional logics are accommodated within the organisational structure of these hybrid organisations (Skelcher and Smith 2015, 439-440). While recognising the possible existence of other types of hybrids, five theoretical non-profit hybrid types have been identified (440):

- *segmented* - functions oriented to different logics are compartmentalised within the organisation; e.g., various departments, schools, faculties in TVET institutions or at various levels of leadership and management

- *segregated* – functions oriented to different logics are compartmentalised into separate but associated organisations; e.g., multiple TVET campuses that serve specific regional or industry/occupational specialisations
- *assimilated* – the core logic adopts some of the practices and symbols of the new logic; e.g., a public TVET institution that gains legitimacy with funders by speaking the language of markets but retaining a strong educator's approach to staff recruitment and dealing with students
- *blended* – synergistic incorporation of elements of existing logics into a new and contextually specific logic; e.g., public TVET institutions that recruit fee-paying international students, create fee-for-service subsidiary companies or operate restaurants at a profit
- *blocked* – organisational dysfunction arising from inability to resolve tensions between competing logics; e.g., public TVET institutions that have rapid renewal cycles of leadership and governance membership in response to budgetary, quality or reputational issues.

To only see plural institutional logics as giving rise to such hybrid organisational forms 'would be to seriously underplay the potential of ILA'; 'it is important to recognise that the underpinning social theory connects societal, organisational and individual levels' (Skelcher and Smith 2015, 443).

### ***Institutional logics, hybridity and public TVET institutions***

A generalised decision to employ logics as a basic method of critical explanation relies upon recognising the existence of 'a plurality of logics in a historically specific and complex set of social circumstances' (Glynos and Howarth 2007, 214). Additionally, 'resource environments affect the construction of institutional logics through opportunities

and constraints they provide in the generation of material practices' (Thornton, Ocasio, and Lounsbury 2013, 157).

Other institutional logics research suggests that 'multiple [organisational] identities can be managed' in cases where 'organisational identity comprises those characteristics of an organisation that its members believe are *central, distinctive and enduring*' (emphasis in original) because 'multiple identities need not be in competition' nor 'universally held by organisational members' (Pratt and Foreman 2000, 20-21). The benefits that come from leaders actively managing the multiple institutional logics that underpin different organisational identities include having the 'capacity to meet a wider range of expectations and demands than similar entities with only one identity' (2). This multiplicity is clearly one feature that can distinguish the public institutions of TVET from a small niche training providers or those that are frequently found in enterprises that conduct their own in-house training. As in Australia (Education Advisory Group 1978, 6), where TVET was legislatively defined by what it was not (i.e., not a university or a school), the public TVET institutions in many nations are expected to cater for all types of students, a wide variety of occupations and employers and meet a variety of government objectives. By necessity, hybridity of institutional logics facilitates the organisation's capacity to meet multiple expectations.

Hybridity helps explain public institutions' responses as they are prone to the priorities established by powerful state actors promulgating a contracting out logic because the organisation's pattern of resource dependency; reliance on a singular group for critical resources forces organisationally positive responses to that group's demands 'even if they oppose the logic underlying these demands' (Besharov and Smith 2014, 69-70). The previously described behaviours of medical professionals and organisational managers that were observed in the Alberta health system exemplify this behaviour as do Lipsky's (1980)

street level bureaucrats who exercise considerable amounts of discretion in their direct dealing with members of the public that is guided by their prevailing professional logic (Skelcher and Smith 2015, 442).

## **Discussion**

The Nobel Prize winning economist Stiglitz (2016, 407) has promoted economic arguments to show that markets and financialisation have increased inequity that creates an obligation for public provision of 'educational opportunities for all'. Mazzucato (2018, 252-256) also argues that there is an economically rational place for the public provision of services such as health and education that improve a nation's human capital. While being supportive of public provision, their contribution still frames public policy choices as purely economic. The result does not provide an alternative conceptualisation, rather advocates for different degrees of marketisation. This article seeks to broaden analytic options by purposely identifying non-economic alternatives to those economists.

The significance of recognising the existence of multiple logics that are at work in determining the place of public institutions in their respective national training systems becomes more important because of the current public policy dominance of a 'fantasy logic' guiding central government agencies 'in which the market functions as a kind of panacea, promising to solve all problems through increased competition, greater choice and consumer responsiveness' (Glynos and Howarth 2007, 175).

Convention theory and institutional logics approaches share a number of characteristics. They embrace social construction, historical contingency, identify assumptions, provide meaning to daily activities, oppose rational economic actor models of behaviour and can explain conflict and resolution. However they differ in their positioning and explanation of institutions. Institutional logics rely upon 'understanding society as an interinstitutional system' where multiple logics frame human behaviour (Thornton, Ocasio,

and Lounsbury 2013, 17-18); whereas conventions theory believes that the meaning of institutions is not complete and they do not determine actor's behaviour (Diaz-Bone 2016). The ILA 'bears some affinity with the French conventionalist approach to justifications. The institutional logics perspective and the orders-of-worth approach [of conventions] are better understood as *competing orienting strategies*' (Thornton, Ocasio, and Lounsbury 2013, 178, emphasis added).

The application of institutional logics provides a means of developing non-market perspectives on the place of the public TVET institution and how to understand its possible futures in other than market terms. 'In this approach, thick descriptions of individual and collective meanings, beliefs and traditions are opposed to the search for law-like explanations of social phenomena' (Glynos and Howarth 2007, 3). Logics furnish the means to characterise social practices and regimes while accounting for their transformations or resistance to change by 'linking together of different logics, along with the empirical circumstances in which they occur, in order to construct an account that is descriptive, explanatory and critical' (Glynos and Howarth 2007, 152). The setting up of different logics as distinctly opposite and competing dualisms may allow for easier comparative analysis, simplify explanations and produce dichotomous policy options, but it simultaneously limits accessibility to the richness of what is really happening when multiple logics are at work and creates blind spots that lead to poor or inappropriate public policy solutions.

Public TVET institutions use hybridity to manage the multitude of institutional logics that move through their organisations on a daily basis. Sometimes the logics clash and require intervention, but mostly they come into the public institution and leave intact having successfully negotiated their relationships to the other institutional logics with which they shared the common space on their way through. The hybrid institutional logic that characterises public institutions facilitates the transition through the organisation of the many

types of students that include apprentices, those re-skilling and the disadvantaged, as well as catering for the needs of employers of the many occupations that rely upon formal qualifications to ensure their workers have the appropriate skills and knowledge. Public TVET institutions require the capacity to meet multiple, sometimes conflicting, community and political expectations. This capability can be explained and analysed by recognising the various institutional logics that are at work in a hybrid organisation.

## **Conclusion**

By understanding and mobilising organisational hybridity that arises from the intersection of multiple institutional logics, the public institution can embrace diversity to distinguish its capabilities from many private providers that tend to be sector specific and frequently so small as to have limited capacity to tackle broader social and economic issues facing governments. Additionally, it is becoming increasingly clear that governments are commencing to search for non-market alternative conceptualisations to rationalise the public good attributed to TVET. In a post-open market policy environment, public TVET institutions that can articulate their hybridity will be able to move past the market versus non-market shibboleth. Mobilising the concept of institutional logics identifies their innate capacity to simultaneously engage with the wide variety of other logics that exist in organisational, industry and occupational environments.

Due to the impact of competition policy which predates most contemporary national training systems, contestability for some portion of public expenditure is unlikely to completely disappear in favour of government-owned monopolies. In the face of an apparent shift in some communities' acceptance of marketised choice and competition as the default solution to improve the delivery of services, the rather daunting task facing supporters of public TVET institutions is to identify the institutional logics that produce hybridity and use



them to demonstrate improved public good at the intersection of the state, market and community. This comprehensive activity can be facilitated by using the institutional logics approach described in this article. This new theoretical lens would also provide an alternative narrative to that of critiquing the artefacts of the marketised training system that are most frequently understood as a series of dualisms.

Conceptualising the public TVET institution as a hybrid organisation allows new post-open market policy options to emerge that are not limited by decades-old dualistic distinctions. A hybrid public institution can simultaneously make impacts that meet the needs of separate but overlapping logics that prevail in the state (i.e., governments), markets (i.e., business/industry) and community (i.e. individuals/organisations). Institutional logics can be used to define and measure impact and complex outcomes in ways that can be made attractive to governments that increasingly have to respond to voters who have not seen or felt the benefits of the market. Rather than conceiving of national training systems as a singular, integrated whole, it also becomes possible to envisage multiple TVET systems co-existing and each fit for a specific purpose, in other words, form follows function.

Considering public TVET institutions as hybrid organisations defined by their own unique experiences and capacity makes a private-public dualistic comparison superfluous. Hybrid organisations respond to and accommodate multiple competing institutional logics and are inclusive of the middle grounds that exist. Public institutions can also use their understanding of multiplicity and hybridity to tailor training that suits the inherently different institutional logics that are present in various industries or even to recognise, in the name of training system optimisation, that public provision may not be the best solution for some occupations and businesses. A market mechanism could be the best way to deliver high volume, lower skill qualifications mandated by licensing and regulatory activity. Examples

include workplace first aid, basic food handling and preparation in childcare centres or security training.

The various logics described by Maurice, Sellier and Silvestre demonstrated that the education and skilling sector does not operate in policy isolation but has interactions with many other economic and societal institutions. This also implies that TVET cannot be taken out of context and subjected to a simplistic dualism such as education versus employment or public versus private in an attempt to effectively analyse public policy impacts. The provision of educational qualifications and the transfer of skills are complex processes that have multiple linkages that cannot be fully understood by studying the disembodied artefacts of the system such as competency-based training or qualification frameworks and the compromises that have been reached in order to bring these into existence.

The application of the institutional logics theorisation provides an alternative to public choice theory that is equally comprehensive and capable of developing post-open market public policies. Recognising the institutional logics in operation allows for a more complete understanding of the multiple interests with which a training system interacts and shines a light on the vast variety of social, economic, industrial, social welfare and community outcomes that are produced by public TVET institutions. An institutional logics-based approach to public policy supplies those who support direct government delivery with an alternative to representing public institutions solely in market-based economic terms. They can demonstrate these institutions' capacity to serve as positive, productive organisations that give effect to public policy in multiple socioeconomic areas.

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