Theorising the Policy of Vocational Education and Training: where is the policy voice in a devolved TAFE structure? (work in progress)

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Framework

1. Introduction - what is the VET sector, what is policy and what are the differing perspectives on policy analysis?
2. What is 'the state' doing in VET policy? - responding to a 'crisis of ungovernability'
3. How does this affect VET? - steering from a distance
4. What is the new public sector management model?
5. How does this affect the provision of policy advice to government?
6. Conclusion.

1. Introduction

This paper is one of a series from a larger and longer study for my doctoral research, that analyses policy theory and policy processes in the vocational education and training (VET) sector from the perspective of the 'role of the state' and approaches to public sector management. The VET sector these days covers an enormous range of training, providers and patterns of delivery. What we do know is that it is comprised of the states/territories' TAFE systems; private training providers; enterprise training, on the job training in businesses, large and small, and in industry; sections of the adult and community education sector and the schools sector; Group Training Companies and other 'broker' arrangements; partnerships such as Skill Centres as well as a range of non formal, non institutional training provision.
The extent of this list immediately highlights two things. Firstly that in just 5 years or so, a more realistic picture has emerged and been recognised, of the extent of the provision of VET beyond the TAFE systems and secondly, it illustrates the range of interest groups who now have a significant stake hold in the 'what and how' of policy development in VET. Each of these peak multiple interest groups in one form or another, seeks to influence the formulation and the outcomes of VET policy and each has a differing discourse and perspective.

Policy itself is a process - a series of cyclic, if not symbiotic, phases - and as such is in a state of continual compromise, whether in the intention, the development or the implementation phases. It is the result of key political actors and rival arguments in wary compromise as policy is shaped, put in to practice, evaluated and reshaped. There exists an uneasy relationship of differential empowerment of these policy actors and participants with each other, with the bureaucrats who shape the policy and with the government which holds the mandate to set policy direction, enact and implement it. (Considine, 1994)

Policy analysis can be viewed in a number of ways - from the micro level of implementation and delivery, the 'street level' of policy analysis, focusing on specific matters such as optimum student teacher ratios or local management of devolution, right through the spectrum to a macro level that focuses on the role of the state in adopting a particular approach to policy formulation, or the broader social change implications of education in a market/competitive environment.

I intend to view policy theory in VET at present from the latter perspective ie. the macro level of the role of the state in formulating and implementing policy in VET. So too, I address the secondary question of ‘where is the policy voice in a devolved TAFE system’ from the same macro level of analysis.

In approaching this research task I take heed of Stephen Ball’s reminder that:

*What we need in policy analysis is a toolbox of diverse concepts and theories (because) ... the complexity and scope of policy analysis - from an interest in the workings of the state to a concern with contexts of practice and the distributional outcomes of policy - preclude the possibility of successful single theory explanations.* (Stephen Ball, ‘What is Policy? Texts, Trajectories and Toolboxes’ in Discourse, Vol 13, No 2. p 10. April 1993)

I will propose some preliminary observations on why the state is playing a particular role in VET policy development noting the plethora of seemingly random policy statements, intentions and ad hoc practices in national VET policy over the past 6 years, and connect this with Claus Offe’s explanation of the nation state’s response to crisis and ungovernability (Lindberg et al, 1975; Offe, 1977, 1996; Markovits, 1990) and the new public sector management model. (Cuttance, 1995; Sturgess, 1996). In this sense I am making a very preliminary attempt to trace a ‘policy trajectory’ across several levels of analysis and pull together some of the ad hocery of both levels (Ball 1993).
Policy theory in education: a bonsai view

In the realm of educational policy analysis it is possible to discern several different levels of focus and perspective (Power, 1995; Gale, 1994, Crump, 1992). There exists a macro level approach of applying theory usually by retrospective analysis of education policy developments, much focused on the role of the state. (Ranson, 1995) This state centred view of the underpinning theory of education policy is based on Marxist notions of capitalism, the role of the state and power relationships.

Education policy analysts who have focussed on this period (Gewirtz and Ozga, 1990; Dale, 1989) and who have drawn from the work of Offe (1975, 1977) and others, argued that education was in Marxist terms, part of the means of state production, reproduction and control. Such state-centred theorists note that the state has a permanent set of problems which derive from the needs of capital and which are themselves contradictory, related to the capital accumulation process, the context for continued expansion, and the need to legitimate the capitalist mode of production, including the state's own part in it (Power, 1995).

There also exists a micro level focus of examining current policy practices and processes at the ground level, to assist in understanding the dynamic and complex development of policy systems and cycles as they are being immediately applied. This approach includes implementation based or school centred levels of policy processes and analysis giving acknowledgment, albeit at times unrecognised, to the power that comes from context, interpretation and application (Crump, 1993). It may or may not involve drawing theoretical conclusions about the bigger picture.

Of course, there is also the concurrent existence of the large body of professional and academic work which makes comment on the content and direction of topical policy developments in education (Yeatman, 1993; Hodgkinson & Sparkes, 1995; Henry 1996; Seddon, 1996; Schofield, 1996.).

Policy sociology

Recent policy analysts such as Stephen Ball (1990) and Bowe et al (1992) however, have posited a view that could be loosely described as neo-pluralist - the intersection or ‘touchstone’ (Crump, 1992) of the macro level and the ‘street level’ of analysis (Gale, 1994) of policy theory. This approach considers the education state as a sub system of the nation state, including embracing the shifting power positions and integral relationships with the political, economic and ideological levels of state existences. In contemporary terms this approach takes into account the dominance of the New Right in developing economic discourses for all activities of the state. (Pusey, 1991; Marginson, 1993). Ball and Bowe acknowledge the various contexts in which policy is shaped and changed as it passes in cyclic arrangement from intention through to implementation.

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Broadly in my view, supporters of this approach argue that the policy process is complex, made and remade in different contexts and the effects are impossible to predict. They see the power of the state as being much reduced by these factors, indeed being reduced to that of just one player amongst many, and believe therefore that a state control model, with an implied linearity is thus no longer appropriate for education policy analysis. The local resistance/comprehension factor is significant, weakening the power of government intentions. It is in this approach that the first overlapping of the macro and micro levels of policy analysis begin to be apparent - or as Ball suggests (1993) to employ more than one theory of policy analysis.

In turn Ball and his followers have been criticised for selectivity and eclecticism in developing this analysis of the policy cycle and particularly for reducing the central role of the state in order to emphasise political recontextualising and the interplay of stakeholders at all levels. (see Hatcher and Troyna, 1994 and Dale, 1994)

2. What is the state doing in VET policy?

As Australian researchers of education policy have noted (Marginson, 1993; Pusey, 1991; Crump, 1992; Poole, 1992; Taylor & Henry, 1994, Kenway et al, 1994; Yeatman, 1993), the education and training policy environment does not exhibit a linear or correspondence relationship of power between players, either at the macro level - the role of the state and its relationship to class and capital - or at the micro level - the role of the individual school/college, its teachers, curriculum implementation, and relationship with students as future citizens and workers.

The current policy environment in education and training can be portrayed as anything but simple. In fact Crump (1992) describes it as 'policy soup'. For a start the impact of globalisation and economic development has set a dynamic context where the power of international economic and political factors affect social and community developments. (Fagan & Bryan, 1991; Brown, 1996; Lingard, 1996). All researchers have acknowledged that educational policy development is in a sense in disarray, beset by contradictions, tensions and shifting interests. The politics of education are volatile and conflicting (Marginson, 1993) and involve much 'shot in the dark' game plays (Ball 1990) by powerful key actors or stakeholders (Considine, 1994). Many writers have examined the contradictions in policy statements and developments - either by obvious or more subtle means (Yeatman, 1993; Crump, 1993; Crump & Walker, 1994; Taylor & Henry, 1994, 1996; Gleeson, 1994; Dwyer, 1995; Schofield, 1996).

Some have even alleged that the demands of legislation, and the restrictions and allure of funding are the main motivations behind current policy developments in VET (Brine, 1995: 146) The notion of a 'funding market', rather than a 'training market' in VET certainly supports this perspective (Shreeve, 1995).
This paradigm shift in public policy development in Australia from 'nation building' (Pusey, 1991) via public provision, to management of scarce resources via the promotion of market forces (Muetzelfeldt, 1992, Yeatman, 1993) sits readily with the analyses made by Offe (Lindberg et al, 1975; Offe, (1977): 1984, 1996) on how the state responds to crisis in governance.

Briefly, Offe argues that the expectation overload to which the state power is exposed resulting from balancing the demands of the welfare state, pluralism and the promotion of democratic participation, leads to a position whereby the state cannot effectively process this growing burden of obligations and responsibilities. He shows some interesting parallels and juxtapositioning of both conservative and progressive thinkers when the state is in crisis. Those on whom the burden falls most heavily - the middle class through pressures such as the taxation system - become increasingly conservative in their calls for change. The solution to this ungovernability is a call for the state to remove itself as the provider of services and to introduce various reorganisation strategies to redirect claims of the social welfare state. These include incentives and inducements for institutions to behave in certain ways consistent with 'state' goals, the privatisation and deregulation of public services and their transfer to competitive private enterprise. This type of state response can be observed in many western countries - the United Kingdom, Germany, The United States, Australia and New Zealand.

3. How does this affect VET?

It is possible to use Offe's diagnosis of the politics of ungovernability, the pressures of globalisation (Lingard, 1996) and the arguments built up by Ball and Bowe et al (1994) regarding policy sociology, to better understand the policy moves and countermoves in the matter of the expansion of the vocational education and training market and the discourse that has developed to legitimise it. In addition the approach taken to management of this new 'distanced' role for the state and its obligations to deliver public VET services exhibits a new perception of public sector management.

As many researchers in this field have noted, there is no obvious coherent theoretical policy framework which has informed this activity since the Australian National Training Authority (ANTA) was established in 1992. (Schofield, 1996, Ryan, 1995, Fooks, 1995). The closest thing to a theoretical base for expanding the vocational education and training market comes from the recent application of competition policy principles (Hilmer, 1995) to education and the assumptions of greater efficiency and improved quality, behind such notions as 'user choice' - the framework of ideas of the New Right and of economic rationalism (Ball, 1990, Crump, 1993, Marginson, 1993). Crump calls these "assumptions of appropriateness".
The decision to develop an open training market in 1990 following the release of the Deveson Report, *The Training Costs of Award Restructuring*, formed part of the broad government agenda for microeconomic reform, based on agreement between the ACTU and the Federal Labor government in the 1980s. One of the consequences has been a change to the state's approach to the provision of government services.

Pusey (1991) provides fascinating insight into the Federal government's restructure after the 1987 election and the resultant sources of power and policy advice that were established within the bureaucracy, particularly in the offices of the Cabinet, Treasury and Finance. Like all government services, education became and remains subject to the dominant discourse of economic rationalism (Muetzelfeldt, 1992) and the pressures of a constructed market-style environment which have been bought to bear on the provision of government funded services in all OECD countries. In Australia, under Labor this grip has been slightly modified by the older Labor concerns about equity (Lingard et al 1995).

Because there is no comprehensive and persuasive articulation of the 'rules' under which the training market will operate, the initial decisions of the Commonwealth government in the 1992 Agreement (DEET 1992) and in the subsequent National Strategy for Vocational Education and Training (ANTA, 1994) have become subject to a plethora of policy activities and pressures ranging from states' rights issues through to cost shifting, public/private funding and provider issues (Fooks, 1995, Shreeve, 1995, Ryan 1995) The 'soupiness' of this context was noted in the recently completed COAG Review of the ANTA Agreement (1996) which recommended that ANTA develop a national policy on competition in vocational education and training for consideration by the Ministerial Council and implementation by State Training Agencies - Recommendation 15.

The VET system as we know it has been a top down driven reform from its very beginnings - the injection of funds in 1991 by the Keating government in the *One Nation Statement* and the establishment of ANTA in 1992 as the funding allocation and policy making body for a national (TAFE) VET system. This tightening of the national interest and the emergence of a federalist approach to the economics of education in VET was simply mirroring what had happened in 1990 in the schools sector (see DEET 1992) Thus the policy for education outcomes at school and post school level in the differing states/territories has been defined by a small group of key, influential players at the national level, with the states reduced to a reactive role (Donaghy, 1996; Ryan, 1996)

In all of this it is possible to see, embedded in the legacy of the 'corporate federalism' of the Labor governments under Hawke and Keating, and expanded under the 'competitive federalism' of the Coalition government (Evatt Foundation, 1996) a deliberate move by the state to deal with the growing demands for, on the one hand, the policy, planning and financial management of the provision of a skills base for Australia for the next century and on the other hand the operations for achieving that goal.
The role of the state thus changes from that of provider to that of purchaser and regulator of services - illustrating Offe's theory of response to the crisis of the authority of the state. Education as with all public policy, is now heavily enveloped in the intersection of neo-liberalist economics and the domination of the New Right, especially in the reduction of all activities and processes to economic units (Pusey, 1991; Dwyer, 1995).

This is the state of 'ungovernability' and response of Offe's analysis. The response has involved the strategy of the state distancing itself from operational aspects and attempting to become a regulator of the market through the establishment of ANTA and caveat-based funding arrangements under Sections 96 and 41 of the Constitution. However, as many have noted (Kenway et al, 1993, Harmsworth, 1995, Ryan 1995), because there is no such thing as a pure market and because markets create relationships of power, by inclusion and exclusion, the state has also had to become a participant through purchase of services, through regulation as well as the traditional involvement as provider and owner of services. ie. the new role of the state sees its expansion to cover four roles in VET.

In summary: what is the state doing in VET - it's responding to a situation of 'ungovernability' (Offe, 1975) and the dominance of the New Right (Pusey, 1991; Marginson 1993; Kenway 1994; Yeatman, 1994). How is it managing this situation of 'ungovernability'? - by moving towards a new model of public sector management (Cuttance, 1995; Yeatman, 1994; Sturgess, 1996) that embraces contractual and market arrangements, focuses on outcomes as distinct from outputs and sets up new relationships between policy stakeholders, the bureaucracies and the Ministers and government as an entity per se.

4. What is the new Public Sector Management Model?

Osborne and Gaebler were the first to popularise the new approach to managing crisis in the provision of public services by government, in their book Re-inventing Government (1992: 34-37) although many writers has expounded the ideas before this (Peters and Waterman, 1982; Peters, 1989). In their book Osborne and Gaebler argued for the need to separate policy from operations:

- to give government agencies greater capacity to steer
- to ensure that policy decisions are not captured by the preference of service providers
- to allow managers to use competition, preserve flexibility to respond to change and help insist on accountability and;
- to allow greater experimentation and allow managers to develop a more comprehensive strategy to address problems

It is this notion of policy decisions being captured by the preference of service providers that connects with the separation of the TAFE systems as providers from the central functions of policy, planning and resource allocations - there are examples at the national level as well as at the state level.
One of the aims of the new managerialist approach to running the state has been to create efficiencies by eliminating lateral duplication, particularly of policy coverage. Hence a government cannot afford to have conflicting policy advice on any matters of service provision, no matter what the area - financial, industrial relations, legal, community services. The changes to the TAFE system, not just in NSW but also in Victoria, Tasmania, Western Australia and Queensland, are part of the broader shift in thinking on public sector management. (Clarke et al 1994; Cuttance, 1996; Webber, 1996)

5. How does this affect the provision of policy advice to government?

Under the new Public Sector Management model (Cuttance, 1995) the highest level of contractual obligation is between the Government and the community who elected them. In turn the government has an obligation to deliver certain policy outcomes and contracts both the public and the private sector to achieve them. Some contracts are for direct consumption by the community, such as health, transport and utilities services. Some contracts are for the direct consumption of the government, such as policy, planning and financial advice. Thus policy direction is clearly set by governments not by agencies or departments.

Under this new approach, there is a desire to have research and policy advice on an 'as needed' basis, contracted when necessary and providing relatively uncomplicated answers. Indeed Sturgess (1996) suggests that the question should be what will remain inside the public sector? There are many examples that spring to mind that illustrate the increase in the contracting of research and policy advice in VET at the national and the state levels in the past 3 years. It is part of a broad social and political change that seeks to 'buy in' independent policy advice when its needed and not be tied to the advice of bureaucrats with perceived vested interests.

In NSW what was begun under Greiner as Premier in 1988 and again in 1991, in reforming the public service, by separating policy and operations has been continued under the Carr government. The government role of 'steering rather than rowing' (Osborne and Gaebler, 1993, p34ff) has been achieved by removing the possibility of 'provider capture' of policy advice or 'provider domination' of policy development. (Baldwin and Walker, 1995) Provider capture of the discourse, so the theory goes, prevents critical analysis and advice on the most beneficial strategic directions because the provider has a particular line to push, which may not necessarily be the best one for the government to follow. Although of course, there are assumptions made by governments about agency capture that are not necessarily true.
The perception that government has become too monolithic and bureaucratic is being tackled by breaking up bureaucracies, moving away from the classic Weberian model. Traditional bureaucracies are seen as stifling individual and corporate initiative, not allowing the managers to manage. Osborne and Gaebler provide easily readable anecdotal evidence of the success of allowing managers the right to manage in the public sector. At the national level, characteristics of the Coalition approach to government include a desire to reduce the size of government - ironic since ours is the third smallest in the OECD countries; to increase privatization and increase competition.

It is worth noting that in the new public sector management model, where the separation of policy from operations is weakest as identified by Ewart and Boston (1993 in Cuttance, 1996) is where policy advisers need detailed and specific operational knowledge to provide sound policy advice; where successful policy advice depends on coordination and consultation with those responsible for policy formulation and those responsible for policy implementation; where there is likely to be a clash of cultures such that policy implementers will oppose the policy advice. This to me describes some elements of the VET sector in NSW. There remains a need to link policy and planning closely with specific operational arms to provide sound policy advice. Here is where the potential exists for coordination and collaboration in a devolved structure

Conclusion

It is possible to see the simultaneous operation of the macro level of a state centred response to a situation of 'ungovernability' and 'crisis' as described by Offe, witnessed by the increasing costs of supporting a publicly funded VET sector and the growing pressures of globalisation, with the emergence of a new model of public sector management or 'virtual government' (Sturgess, 1996) to effectively manage this state of 'crisis'.

In this sense as it affects the VET sector, the state is removing itself from 'operations' and setting up accountability mechanisms from a distance (Osborne and Gaebler, 1992) However, as Lingard notes (1996) the state still steers in VET- albeit in a role more removed than before - through regulation, funding, purchasing, formulating and provision, giving the state 'power without responsibility' (Ball, 1994).
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