



The
University
Of
Sheffield.

Access to Electronic Thesis

Author: William Gourley
Thesis title: Conceptualising the Interface between English Further and Higher Education
Qualification: PhD
Date awarded: 28 May 2010

This electronic thesis is protected by the Copyright, Designs and Patents Act 1988. No reproduction is permitted without consent of the author. It is also protected by the Creative Commons Licence allowing Attributions-Non-commercial-No derivatives.

If this electronic thesis has been edited by the author it will be indicated as such on the title page and in the text.

**CONCEPTUALISING THE INTERFACE
BETWEEN ENGLISH FURTHER AND HIGHER
EDUCATION
Volume One**

William Gourley

**A thesis submitted in fulfillment of the requirements for
the award of the degree of Doctor of Philosophy**

Department of Educational Studies

October 2009

ABSTRACT

The thesis is a theory-led conceptual account of organisational change at the interface of further and higher education in England over the period 1988 to 2008. It is focused on colleges in the further education sector that provide courses of higher education overseen by a separate higher education sector. The study is concerned with the role and function of boundary organisations and the nature of the exchanges and boundary work that take place between the two sectors. It draws upon theories from political science, economic sociology and the work of anthropologist Mary Douglas to analyse these cross-sector transactions. In part one of the thesis, the context for the research is outlined and the rationale for a conceptual approach is explained. In part two, an analytical framework is developed to conceptualise the dynamics of boundary provision together with processes of hybridisation. In part three, an assessment is made of the contribution of theory to an understanding of policy and institutional change, including the goal of widening participation.

Dedication

For Stephanie and Neil.

ACKNOWLEDGEMENTS

I would like to thank Professor Gareth Parry whose comments and help have always been helpful and appreciated. I would like to also acknowledge the help of Doctor William Richardson whose help early on in the thesis made me focus on getting it right. Finally I would like to thank my wife Katherine for putting up with me and my professional and academic commitments. Only she knows how much work has gone into this.

ABBREVIATIONS AND ACRONYMS

ALI	Adult Learning Inspectorate
ANT	Actor Network Theory
CNNA	Council for National Academic Awards
DFCS	Department for Children and Schools
DIUS	Department for Industry University and Sciences
FE	Further Education
FEC	Further Education College
FEFC	Further Education Funding Council
HE	Higher Education
HEFCE	Higher Education Council for England
HEQC	Higher Education Quality Council
IQER	Internal Quality Enhancement Review
LEA	Local Education Authority
LLN	Lifelong Learning Networks
LSC	Learning Skills Council
MEG	Mixed Economy Group
NPM	New Public Management
OFFA	Office for Fair Access
OFSTED	Office for Standards in Education, Children's Services and Skills
PCFC	Polytechnic and Colleges Funding Council
QAA	Quality Assurance Agency for Higher Education

TABLE OF CONTENTS

PART ONE

CHAPTER ONE: INTRODUCTION	p1
The Field of Inquiry	p 2
Positioning the Research: The Research Questions.....	p 7
The Structure of the Thesis	p 10
Positioning the Researcher	p 12
CHAPTER TWO: CONTEXTUALISING THE ENGLISH FURTHER-HIGHER INTERFACE	p 15
Positioning the Further-Higher education Interface	p 18
Configuring and Re-configuring the Further-Higher Education Interface: 1988 to 2008	p 24
1988 -1992	p 25
1993-1996	p 27
1997-2000	p 30
2001-2008	p 31
Trends and Trajectories in the Changing Further-Higher Education Landscape.....	p 33
CHAPTER THREE:LITERATURE REVIEW	p 41
An Overview of the Further-Higher Education ‘Field’	p 44
The Policy Context	p 45
The Practitioner and ‘Grey Literature’ Literature	p 52
The Academic Literature: Synthesis and Analysis	p 54
Boundaries and Boundary Work	p 64
Re-visiting the Further-Higher Education ‘Field’	p 71
CHAPTER FOUR: A THEORETICAL CASE STUDY	p75
Defining the Case	p 82
The Analytical Framework	p 89

The Research Questions	p 91
The Case Study Method: a Critique	p 94
Conclusion	p102

PART TWO

CHAPTER FIVE: A POLITICAL ECONOMY OF FURTHER-HIGHER EDUCATION p104

An Instituted Process	p109
New and Old Institutionalisms	p119
Why Institutions Matter	p123
Rational Choice Institutionalism	p126
Historical Institutionalism	p134
Neo-Institutionalism and Sociological Institutionalism	p135
Fields, Fissions and Fractures	p136
Institutional Environment and Institutional Arrangements	p139
Classifying the Interface	p141
Boundary Work: Contexts and Processes	p144

CHAPTER SIX: CLASSIFYING THE INTERFACE p150

The Ecology of Further-Higher Education.....	p152
Institutional Duality	p153
The Grid-Group Heuristic	p154
Trajectories of Change	p160
Structuration and Fields	p161
Boundaries and Transgressions	p167

CHAPTER SEVEN: CONFIGURING EXCHANGES IN FURTHER-HIGHER EDUCATION p188

Cases and Transactions	p191
The Further-Higher Education Interface	p192
Transactions as Instituted Processes	p193
A Conceptual Framework	p194
Transaction Cost Economics	p198
Asset Specificity as Hybridisation.....	p200

Uncertainty	p205
Frequency	p207
Small Numbers Bargaining	p208
Behavioural Assumptions: Shaping Organisational Preferences ...	p209
Principal Agent Theory	p210
Emergent Organisational Forms	p213
Hybrid Organisational Forms: Franchising	p215
Conceptualising the Further-Higher Education Interface.....	p220

CHAPTER EIGHT: BOUNDARY WORK IN FURTHER-HIGHER EDUCATION **p225**

Boundary Work	p226
Boundary Institutions	p229
Boundary Organisations	p230
Boundary Objects	p233
Connecting Boundaries	p237
'Clumsy Institutions' and Hybridity'	p238
'Wicked Problems' and Boundary Institutions	p241
Boundary Properties	p243
Boundary Crossing	p243
Boundary Work and Organisational fields	p251

PART THREE

CHAPTER NINE: NEW PUBLIC MANAGEMENT **p257**

A Neo Liberal Hegemony?	p263
'Wicked Problems' and New Public Management	p265
Reforming Public Sector Higher Education.....	p267
Marketisation and 'Low Policy'	p269
From 'Low' to 'High Policy' Legacies of institutional Duality.....	p281
Hybrids and Hybridisation	p283

CHAPTER NINE: 'LOW POLICY' **p291**

Bricolage at Work: the 'Franchise Experiment'	p293
Assets Specificity and the 'Franchise Experiment'	p308
The 'Franchise Experiment' as a Discovery Process	p309
Private Business Format Franchising: Lessons for	

Further-Higher Education	p313
Boundary Work, Boundary Organisations and Boundary Objects ..	p316
'Low Policy' and the Evidence Base	p317

CHAPTER ELEVEN: 'HIGH POLICY' p322

Illustrating 'High Policy'	p333
Reconfiguring the Interface: 'High Policy'	p335
The Grid-Group Heuristic and 'High Policy'	p343
'Shifts in Asset Specificity and High Policy'	p345
Institutionalising Boundary Work	p349

CHAPTER TWELVE: CONCLUSION p359

The Research Questions	p363
Future Work	p372

BIBLIOGRAPHY p375

TABLES

Table 5.0	p115
Table 5.1	p140
Table 6.0	p159
Table 6.1	p179
Table 6.2	p186
Table 7.0	p201
Table 10 1	p315
Table 10.2	p316
Table 11.0	p332
Table 11.1	p340
Table 11.2	p342
Table 11.3	p348
Table 11.4	p352
Table 11.5	p354

PART ONE

CHAPTER ONE

INTRODUCTION

This thesis is a theoretically-led conceptual investigation of institutional and organisational change that has taken place over a twenty year period in the delivery of higher education (HE) in the further education (FE) sector of English post-compulsory education. It addresses a gap in research into the evolving relationship between the FE and HE sectors which it will be argued lacks a substantive theoretically informed body of research to complement policy-based empirical work. The thesis synthesises a range of hitherto separate disciplinary traditions to construct a conceptual and analytical framework for understanding emerging hybrid forms of further-higher education organisational forms and the institutional and organisational changes in the delivery of non university based forms of HE.

The term further-higher education is used consistently throughout the thesis to designate a form of post-compulsory educational provision that is neither FE nor HE. It indicates a mode of delivery that is a hybrid, consisting of elements and permutations of both FE and HE in varying combinations and mixes within emerging further-higher organisational forms.

The chapter first sets out the field of inquiry and delimits the context and landscape of English further-higher education with specific reference to the twenty year period covering 1988 until 2008. Secondly, the research approach and disciplinary traditions that are synthesised and used to theorise further-higher education are introduced and the key research questions identified. Thirdly the structure of the overall thesis is outlined. Finally, the researcher's own position in the research process is described.

The Field of Inquiry

The field of inquiry investigated in this thesis is the delivery of further-higher education at the interface of the English FE and HE sectors considered over a period of two decades. The boundary work undertaken at the interface and the role and function of various boundary organisations that mediate exchanges across the further-higher interface is contextualised as part of a wider system.

The thesis explores the changing roles and functions of further-higher education chronologically, theoretically and conceptually. This twenty year period was one of rapid institutional and organisational change. The aim of the thesis is to understand these transitions and changes as a key aspect of a wider political economy that situates further-higher education in a broader conceptual and analytical framework. This framework is then used to develop a model and contextualise the exchanges that take place across the interface and the reproduction of economic, social, cultural and symbolic capital that cross the interface.

Further-higher education is distinctive in a number of ways. Located in one sector but overseen by another and more powerful HE sector it occupies the interstices of two separate systems with distinct histories, roles and identities. At the same time and despite these different histories there is an integral link between the FE and HE sectors which is part of a broader political economy of post-compulsory education.

The organisational forms that deliver further-higher education are also distinctive. They are organisational and institutional hybrids that are located between market and hierarchy. At different stages of the development of further-higher education the balance of competition to collaboration between providers has shifted. As a field of inquiry and over the twenty year period that this thesis is concerned with the further-higher interface has been configured and reconfigured in different ways.

Four major 'institutional turns' are identified as significant transitions that led to a fundamental reconfiguration of the further-higher interface. These four transition points fundamentally reshaped and reconfigured the interface resulting in it being redefined, reconfigured and reclassified.

The first of these transitions covered the period between 1988 and up until 1992; the second lasted between 1993 and 1996; the third was from 1997 to 2000; and the last phase covered the period from 2001 until 2008. A preliminary sketch of these four institutional turns reveals that between 1988 and 1992 the municipal or public sector of HE, the polytechnics and the FEC both under local education

authority control at the time, were radically reconfigured and their status redefined through incorporation.

From 1993 until 1996 former municipal HE was delivered through self-governing corporations independent of local authority control. The abolition of the binary divide between the polytechnics and universities following the 1992 Further and Higher Education Act entitled the polytechnics and some other higher education providers to acquire the university title and gave them powers to award their own degrees. These were years of market-led provision with further-higher education increasingly although not exclusively delivered through 'franchising' of an HE qualification. The post-1992 'new universities' or old polytechnics tended to dominate these collaborative arrangements.

The next set of significant changes were signalled by the publication of the Dearing Committee's report (NCIHE, 1997) on the future size, shape and scope of HE. The report recommended that the non university sector of HE delivered in FE should play a more prominent role in future provision of HE and complement the existing forms of provision delivered by the pre-1992 and post-1992 universities.

After Dearing, there was a raising of the profile and importance of further-higher education as it increasingly came to play a more prominent, if slow growing, part in delivering HE, and funding and quality assurance arrangements were reconfigured to reflect this.

From 2001 the introduction of foundation degrees (short-cycle, employer-led vocational HE) strengthened the role of FECs delivering HE. This was accompanied by a move towards more structured collaborative arrangements in contrast to the market-led phases that had preceded these changes that now encouraged coordination across the separate sectors.

For at least half of the twenty-year time period that is the subject of this thesis FE and HE had remained subject to formally separate planning, funding and quality assurance regulations. Further-higher education had been a somewhat anomalous development, an example of 'matter out of place' and without a clear remit from policy makers in either FE or HE. This marginal status meant strategic planning across the sector interfaces was limited. The different cultures, traditions, practices and systems found at the further-higher education interface complicated these existing divisions.

The main task of the research is how to conceptualise and theorise how these different regulatory frameworks and the permutations and configurations of funding, planning and quality assurance overseeing further-higher education. How have arrangements been configured and reconfigured over time? And to what extent are the changes transitional or permanent features of an emerging further-higher education landscape?

Navigating the turbulent and constant institutional and organisational change that has been a feature of further-higher education is inevitably a complex process to manage. Moreover, as HE in general has become more diverse and fragmented

with the massification of HE, further-higher education provision has accentuated this complexity and problems of coordination have become more acute as sector boundaries have blurred. The diversity of organisational forms that can be found in further-higher education thus creates further problems in coordinating and communicating across diverse organisational interests and sector boundaries.

The transition to a mass system of HE, defined as an increase to between 15% and 50% of the relevant cohort of students entering HE (Trow,1973), had taken place rapidly, in particular in the polytechnics from the late 1980s and early 1990s. The role and function of the non-university sector of HE in this wider expansion of HE provision is less well known but is explored conceptually in the thesis. Its contribution to widening participation and access of non-traditional students to HE is later analysed in terms of a broader political economy. Essential to this approach is recognition that the non-university sector of HE provision is an integral sub-component of the field of inquiry that explores the more extensive university based HE provision

This study is limited to English further-higher education and is bounded by time, location and sector. Nevertheless, this provision has to be understood in terms of broader macro processes including the marketisation and massification of HE that were accelerating from the mid-1980s onwards and as part of a wider ideological shift in the delivery of public sector provision. Linked to these shifts was an emphasis on introducing private sector practices, management techniques and competitive mechanisms into the public sector. Further-higher education would not be immune from these broader trends.

Positioning the Research: The Research Questions

The thesis is essentially a conceptual and hence theory-led piece of research. The analytical framework and conceptual toolkit that is developed to explore the further-higher interface is drawn from different disciplinary traditions. These are synthesised into a set of concepts and an analytical toolkit that combine institutionalist readings of organisational change in further-higher education with contributions from studies of boundaries and boundary work from different sources. They are incorporated into an overarching framework that permit and promote analysis of the further-higher interface as part of a wider political economy. The contributions are used to address the institutional duality of further-higher education and the problems created for the hybrid provision that has emerged at the interface. As a mode of provision delivered in one sector but overseen and accountable through another further-higher education has become a diverse and fragmented field of inquiry.

A number of research questions were derived from a preliminary reading of these literatures and disciplinary traditions. From a neo-institutionalist and sociological reading of organisational theory the question of how institutional and organisational transitions in further-higher education have evolved was conceptualised and theorised. From economic sociology the embeddedness of economic action in wider institutional, social and socio-political contexts has been considered. Contributions from the sociological study of science and technology and actor network theory (ANT) have been applied to understanding the role and function of boundary organisations and boundary work in collaborating across inter-sector

boundaries. In combination these literatures were synthesised into an interdisciplinary analytical model that is used to conceptualise the processes of hybridisation at the further-higher interface. These research questions were modified and refined as the thesis progressed.

The key questions posed by the research address the configuration and reconfiguration of the interface and how this can be understood conceptually and theoretically. The research questions are:

- * How can English HE delivered in FECs be conceptualised as a sub-component of a wider system of mass HE?
- * To what extent has the reconfiguration of the further-higher interface over the last twenty years resulted in the institutionalisation of new 'rules of the game', the persistence of institutional duality and parallel systems of regulation?
- * How can the boundary work that takes place at the further-higher interface and the changing roles and functions of boundary organisations that sit at the interface be conceptualised and contextualised?
- * Are the institutional and organisational changes that are and have taken place at the interface over the last twenty years permanent or transitory?
- * Does increasing diversity of HE provision enhance widening participation or re-inforce structured social inequalities through the function of non-university based provision as an alternative mode of delivery?

- * How can the historical shifts in terminological conventions, systems of classification and data gathering techniques in further-higher education be conceptualised and integrated into one analytical framework?

The relationship of FE to HE in further-higher education delivery therefore constitutes a dilemma for policy makers given that the goal of expanding and widening participation to HE coexists with the increasing differentiation and fragmentation of organisational forms that do not have equal access to resources, status and influence. Conceptualising the exchanges that take place across the interface also needs to incorporate some of the tensions and paradoxes that are a result of this complexity and the institutional duality of further-higher education.

The research questions set out above are designed to illuminate and explore some of these tensions and paradoxes, especially the dynamics of boundary work at the further-higher interface. How can boundary work and the boundary organisations that mediate the two sectors be conceptualised and how can the hybrid organisational forms found in further-higher education be classified?

The thesis sets out to explore these tensions against a broader political economy, through drawing on a set of conceptual tools and constructing an analytical framework that emphasises the contested nature of the further-higher interface. It also builds on an approach that is relational, holistic and contextual emphasising that the interface cannot be understood in isolation or as a simple dichotomy.

The Structure of the Thesis

The thesis is structured in three parts. Part One provides the context for understanding developments in further-higher education, reviewing the relevant literature and providing a rationale for the research approach adopted. Part Two develops the analytical framework used to conceptualise further-higher education and constitutes the main body of the research. Part Three examines policy developments in further-higher education and examines the significance of theory for illustrating policy.

The chapters contained in Part One set the scene for the development of a theoretical account of the evolution of further-higher education with chapter Two following this introduction providing an outline of the context of change at the interface outlining the institutional and organisational landscape of further-higher education provision from 1988 until 2008. Chapter Three reviews the literature and research and highlights future areas for investigation. Chapter Four outlines the case study methodology adopted in the thesis and explores the appropriateness of a theoretical case study for developing conceptual understanding in this under-theorised area.

Part Two constitutes the theoretical core of the thesis. Chapter Five provides a broad account of the political economy of further-higher education and synthesises the various literatures and research traditions that will be drawn upon. Chapters Six, Seven and Eight develop the analytical framework used to conceptualise the dynamics and significance of further-higher provision as a sub-component of the

wider provision of HE. Chapter Six investigates how further-higher education is classified and how shifts in classification can be understood conceptually and analytically. Chapter Seven explores the exchanges that take place at the further-higher interface and the asymmetrical nature of these exchanges through an examination of the contribution of a modified version of new institutional economics for understanding the dynamics of boundary work in further-higher interface. Chapter Eight investigates the process of hybridisation in further-higher education and the boundary work of boundary organisations in producing boundary objects and their role and function in coordinating inter-organisational collaboration.

Part Three applies the conceptual vocabulary and analytical framework developed in Part Two to understanding the development of the interface and illustrates its use with examples of policy formation and intervention in chapters Nine, Ten and Eleven. Chapter Nine explores the impact of the introduction of private sector business practices and management in FE and HE and its impact at the further-higher education. Chapter Ten explores the period following incorporation of the polytechnics in 1988 until the Dearing Report of 1997. Chapter Eleven then tracks the changes that followed Dearing as further-higher education evolved as a distinct form of non university HE provision. The final chapter concludes the analysis and makes recommendations for future research.

Positioning the Researcher

The idea for a conceptual and theory-based thesis emerged some ten years earlier when the author completed a research Masters degree at the University of

Sheffield. This inquiry was based upon a case study of the further-higher education college at which he was employed (Gourley, 1997). As part of that process a preliminary theoretical exploration of 'franchising' in further-higher education and other inter-organisational forms of collaboration that were neither fully market-based nor based on hierarchy was undertaken. An understanding of the boundary work, boundary management and boundary spanning that were intrinsic to conceptualising and understanding in further-higher education was necessary, Furthermore, an understanding of how to conceptualise the alignment of the incentives, preferences and reward structures across sector divides was important. The institutional environment and institutional arrangements in which the case study organisation, a large mixed economy further-higher education provider, was positioned was characterised by a state of institutional duality. Situated in one sector of FE but subject to the regulation by and accountability to another based in HE created problems for the coordination of plural forms of organisation that cross the sector divides.

Given the empirical focus of the Masters degree, there was a need to investigate the conceptual and theoretical foundations of inter-organisational collaboration. Indeed it highlighted the paucity of theoretically and conceptually informed studies in this area, especially those dealing with the structure, dynamics and processes of boundary work and boundary management in further-higher education partnerships. In particular, the institutional duality of further-higher education, subject as it was to separate funding, planning and quality assurance bodies, was generating new and diverse hybrid organisational forms at the further-higher interface. This led to an interest in exploring the dynamics of the further-higher

education interface that would lead to a theory-led approach to understanding how the further-higher education interface could be conceptualised.

As government policy shifted from limited policy interest in this type of provision prior to the Dearing Report of 1997 to an emphasis on structured collaboration it seemed to the author that there was an important need to contribute a theoretical framework to underpin more conceptually informed research. As a result, the thesis increasingly became a theoretical investigation of the transactions and exchanges that were taking place across the English further-higher interface. The exploration of how further-higher education was classified and categorised, configured and reconfigured over a twenty year time frame was to emerge as a major line of inquiry.

At an advanced stage of the research an opportunity arose to participate in the ESRC funded project 'Universal Access and Dual Regimes of Further and Higher Education' based at the University of Sheffield (2006-2008). The author joined the inquiry team as a linked research student but not as part of the main project. Two working papers were produced by the author at this time and presented to the project team (Gourley, 2007, 2008). The author attended regular team meetings and contributed theoretical inputs that emphasised macro and meso levels of analysis that complemented the largely meso and micro analysis adopted by the project team. A number of synergies resulted and a cross-fertilisation of ideas emerged.

The thesis is therefore the result of a number of influences, beginning with a case study of a further-higher education provider, moving to a theoretical and conceptual analysis of English further-higher education from 1988 to 2008, and finally to a synthesis of a range of disciplinary traditions to construct an analytical framework designed to help understand institutional and organisational change in further-higher education.

CHAPTER TWO

CONTEXTUALISING THE ENGLISH FURTHER-HIGHER EDUCATION INTERFACE

This chapter sets the scene for contextualising the shifting relationship between the English FE and HE sectors that collaboratively deliver further-higher education in the non-university sector of post-compulsory education. It covers a period of rapid and almost constant change from 1988 to 2008. During that period the profile and importance of further-higher education has increased considerably as it has moved from the margins of policy to a more central role as a component of a much larger university based sector of HE.

The FECs that deliver further-higher education in the non-university sector have their origins in a separate sector from the university based providers. This chapter briefly sketches these separate histories and trajectories. It contextualises them providing a starting point for understanding the evolution of contemporary further-higher education and the complexities and dynamics of the FE and HE sector interface.

For the most of the period covered, non-university based HE delivered in further-higher education was a poorly understood area. Indeed initially neither the FE nor

the HE sectors saw further-higher education as their main area of responsibility. It sat at the interstices of the two sectors, a somewhat anomalous mode of provision that was yet to establish its credentials as an integral component of HE. In the language of the social anthropologist Mary Douglas (1966) further-higher education represented an example of 'matter out of place' being neither FE nor HE but a hybrid of the two.

The shifting configurations of the further-higher interface constituted an integral if subordinate component of a larger sector of English university based system of HE. It neither had the same level of access to resources and funding, nor the same status of more established traditional HE. Nevertheless, further-higher education still comprised between 9% and 11% of HE delivered in England over the decade proceeding 2008 (HEFCE, 2009).

The boundaries and interface of the two sectors would be configured and reconfigured several times in the next twenty years. The definition and classification of what constitutes the FE and HE sectors and by inference further-higher education also changed over this time frame. Moreover, the governance structures through which the two sectors were co-ordinated had evolved through a balance of market led and state steered configurations that at times co-existed in an uneasy tension. A shift from the market led approach that preceded the Dearing report of 1997 would gradually give way to a more structured and strategic set of mechanisms for coordinating the further-higher education interface.

The parallel systems of funding, planning and quality assurance that operated in further-higher education and the governance structures for FE and HE were largely insulated from each other. This was especially the case after 1992 and the passing of the Further Higher Education Act of that year. This act established two distinct sectors of FE and HE regulated by separate funding and quality assurance systems. It also formally defined two distinct sectors of FE and HE establishing parallel systems. In the case of further-higher education these governance structures were problematic because neither had a remit specifically to deal with further-higher education other than as a residual responsibility to its core work.

Further-higher provision sits between the FE and HE sectors occupying the gaps between these two systems of regulation each evolving from different historical roots. One, with its roots in the FE sector and the municipal or public sector of FE once overseen by LEAs, was regulated by the Further and Education Funding Council (FEFC) post 1992. The other with its roots in a university based HE sector was overseen by the Higher Education Funding Council for England (HEFCE). Neither the FE nor HE sector bodies set up by the Further and Higher Education Act of 1992 had a clear responsibility for overseeing this interface. The following section sketches the influences of the legacies of these two systems and how they impacted on the evolution of further-higher provision.

Firstly, the shifting definition of what constituted FE and HE and the emerging conventions for classifying further-higher education are considered and placed in the historical context of the past and present roles and functions of FECs.

Secondly, the institutional arrangements that configured the funding, planning and quality assurance of further-higher education and its regulatory framework is outlined. Thirdly, exchanges that take place across sectors and the organisational boundaries of the further-higher education interface are contextualised. The configuration and reconfiguration of the further-higher interface is explored as a process that is set against this background. These transitions are bounded historically, geographically and temporally. This chapter provides the context for understanding how provision that evolved in one sector of FE was regulated and overseen by another sector of HE.

Positioning the Further-Higher Education Interface

The contemporary English learning and skills sector consisted of some 387 colleges funded by the Learning and Skills Council (LSC) in 2006/7 with a diverse range of providers that varied in size and structure. Of these, 262 were general FECs, 23 were specialist colleges and 102 were sixth form colleges (HEFCE, 2009). The sector was essentially characterised by diversity, complexity and fragmentation that defied easy categorisation. The further-higher education that was delivered in FECs was equally as diverse.

FECs have traditionally always been close to the world of work and have been local in their focus and orientation with strong links with employers. Historically, the roots of FE lie in the Victorian mechanics institutes that emerged in England and Scotland in the 19th century as a response to growing industrialisation creating a demand for skilled workers and technicians to fuel the industrial

revolution. These were not initiatives that were sponsored by the state but were based on voluntary and local initiatives that reflected the configuration of local labour markets and demands. This local and vocational feature of FE has remained prominent.

After the Second World War, FECs came under local authority control via the Education Act of 1944. The act to some extent consolidated the largely ad hoc nature of FECs historical development up until then. Nevertheless FECs still remained predominantly local types of provision that reflected a wide range of different types of provision, funding levels and local demands. There was no central coordinating body overseeing provision such as that which would be established following the Further and Higher Education Act of 1992 when FECs were finally incorporated and removed from local authority control. The system that was established in 1944 would remain largely in place up until the late 1980s and early 1990s when the FE sector was radically reconfigured.

General FECs and tertiary colleges deliver mainly vocational FE to young people and adults with much of it part-time. This vocational provision has gradually over time been supplemented by academic qualifications such as GCSE and A levels especially from 1960 onwards. FECs had by then began to develop a role as a second chance provider for many students who had not succeeded in the compulsory education system or who had delayed their entry into education for a range of reasons. In addition, a range of sixth form colleges also provide mainly academic courses. In the 1980s FECs branched out into delivering courses such as the Youth Training Scheme as the youth unemployment situation created an

urgent demand to re-skill the workforce and cope with rising unemployment. This link between economic imperatives and the FE sector as an engine of economic rejuvenation has been a persistent theme ever since. Today FECs are responsible for their funding and infrastructure to the LSC which was established in 2001 and also has responsibilities for work based learning and an extended FE sector.

Many FECs have a long history of providing HE, too, especially in more specialist and vocational areas. Prior to 1988 this was conventionally referred to as advanced FE with FE designated non advanced FE. But this HE provision was overshadowed by the contribution of the polytechnics from the late 1960s onwards. Today many FECs also provide HE provision albeit as a minority of their provision in comparison to the bulk of their FE work. It is this HE provision delivered in the non-university sector that is designated further-higher education. In terms of scale and scope it ranges from a substantial proportion of the post-compulsory education delivered in FECs found in the so called 29 or so mixed economy group colleges (MEG) who deliver significant amounts of HE to the 200 or so general FECs that deliver small pockets. These MEG providers deliver the bulk of further-higher education. There are also a smaller number of specialist providers such as agricultural colleges that also provide some HE.

Further-higher education providers receive funds from the HEFCE through three main routes: they are via direct, indirect and consortium based funding streams. The diversity of funding streams and the wide range of types of further-higher

provider in terms of scale and FE and HE mix has created a complex system in terms of its governance.

The HE funded by the HEFCE was designated 'prescribed' HE. This term had come into general use following the 1988 Education Reform Act. This distinction was re-inforced by further legislation in 1989 and then by the Further Higher Education Act of 1992 which formally established two separate FE and HE sectors.

Another mode of provision categorised as 'non-prescribed' HE is today funded by the LSC on a discretionary basis. Initially this funding passed from the local authorities in 1992 when FECs were incorporated and the FEFC established. These tend to consist of a range of professional courses, for example teacher training. The reasons for the distinction are historical. The 1988 act began a process of distinguishing between FE and HE as two distinct and formally differentiated sectors.

Thus from 1993 prescribed HE was funded by the HEFCE; non-prescribed HE remained with the FEFC who funded FE. In 1999 some non-prescribed HE (mainly the HNC's) was transferred to the HEFCE. Non-prescribed HE that remained funded by the FEFC was transferred to the LSC when it was created in 2001.

'Franchising', whereby delivery of HE was subcontracted to an FEC by an HE provider for a fee, was the predominant mechanism through which funding was

allocated indirectly. The HE provider remained responsibly for the quality of provision under this organisational form.

Contemporary further-higher education providers are quality assured for their prescribed HE provision by the Quality Assurance Agency (QAA). Non-prescribed HE delivered in FECs is quality assured by the Office for Standards in Education (OFSTED) which is responsible for overseeing the learning and skills sector of post-compulsory education. A smaller number of university sector based HE providers offer work funded by the LSC. In some cases a mix of further and higher education is delivered in what are becoming known as dual sector higher education establishments (for example Thames Valley University is a large mixed provider that delivers both FE and HE). A small number of university based HE providers deliver FE funded by the LSC.

This duality of funding, quality and planning streams has been a persistent feature of the further-higher landscape over the twenty years or so covered in this thesis. This has produced a number of contradictions, paradoxes and tensions at the further-higher interface. Anomalies in the classification of HE such as the distinction between prescribed and non-prescribed HE remain to this day (Clark, 2002). Nor has the existing statistical data on FE and HE always been easily comparable.

It is only relatively recently that attempts have been made to modify these initially distinct quality assurance systems to recognise the distinctiveness of further-higher providers operating at the interstices of two sectors. For example, the

QAA was created in 1997 and given a remit to quality assure all prescribed HE irrespective of where it was delivered. The transfer of responsibilities for quality assuring provision previously overseen by the FEFC, for example HNCs, to the QAA after 1999 increased the level of complexity of the system it was responsible for.

Further-higher education began to play a more prominent role in policy-making for HE following the Dearing Report of 1997. This recommended an expansion of sub degree level or short cycle educational qualification with a special role for further-higher education in providing it. The Labour government that was elected in 1997 accepted most of Dearing's recommendations. The report marked a significant increase in the profile of further-higher education in the context of a widening participation to HE and particularly in terms of its role in delivering sub-degree level HE or short cycle qualifications.

The separate FE and HE sectors established by the Further and Higher Education Act of 1992 are explored here for their contemporary relevance for understanding how the system for regulating the further-higher interface has evolved and changed. The 1992 act effectively codified and classified the distinction between FE and HE in legislation. However, for further-higher education there was no such clarity and it remained a somewhat interstitial form of HE provision that sat between two fundamentally different systems of regulation. The legacy of the 1992 legislation was that there were two sectors neither of which came under an overarching or single strategic planning framework.

With the exception of a minority of non-prescribed HE that is still funded by the LSC and quality assured by FE bodies such as OFSTED further-higher education is largely regulated by HE bodies. HE bodies have also been more prominent in policy formation for further-higher education in the past in comparison to those for FE. The evolution and implication of these dual arrangements for the emergence of the contemporary further-higher interface has been profound.

Thus different regulatory frameworks have co-existed at different stages of this evolution of further-higher education over the twenty year period covered here. These are explored as a set of institutional transitions that are illustrated at significant turning points in the evolution of further-higher education after 1988.

Configuring and Re-configuring the Further-Higher Education Interface: 1988 to 2008

Three major pieces of legislation and one highly influential report mark significant transitions in how the further-higher education interface was configured. The first was the Education Reform Act of 1988 (ERA) that set the polytechnics free of local education authority control. The second was the Further and Higher Education Reform Act of 1992 that continued the process with the incorporation of FECs and the abolition of the binary divide between polytechnics and chartered universities. The third, the Dearing Report of 1997 made recommendations for the shape of HE for the next twenty years and resulted in the government adopting most its recommendations. These were accepted in principle but then taken in different directions by the new Labour government

elected in 1997. The fourth and final transition was implemented through another act in 2000 which established the Learning and Skills Council confirming a sector divide between FE and HE. These phases of institutional and organisational transformation are explored throughout the thesis conceptually and analytically. The following section sets the context in which these reforms took place.

1988 to 1992

The incorporation of the polytechnics in 1988 and of FECs in 1992 transferred the assets, finances, staffing and planning responsibilities of the LEAs to newly created independent corporations that were to operate as legally autonomous bodies. The governing bodies of these corporations were to be reconstituted with greater influence for business interests and competition was to be encouraged between the corporations.

The first incorporations took place in the polytechnic sector. However, the binary divide between the polytechnics and the traditional or chartered university sector was to remain in place for some further five years and external bodies such as the CNAAs retained responsibilities for overseeing polytechnic awards during this interim. The chartered universities sat outside of this system with the power to award their own degrees.

Incorporation meant that FECs would be freed from LEA control and increasingly subject to an emerging market led institutional environment that would be overseen by the newly created FEFC established in 1993. Secondly, the

functions of finance, human resources and other key functions previously performed by the LEAs were now the responsibility of individual independent corporations. Thirdly, the collaborative arrangements that had evolved under the LEAs in the old public or municipal sector of non-university higher education would increasingly be replaced by franchising arrangements between the independent polytechnics and FECs that were largely unplanned and which weakly regulated.

However, like the polytechnics FECs remained dependent on external bodies for ratifying their awards until the abolition of the binary divide in 1992 gave the polytechnics the power to award their own degrees. The significance of this latter point is that both the polytechnics and FECs were familiar with the oversight of external agencies that ratified their awards. Consequently, and because of this past membership of a distinct public sector, the polytechnics and the FECs had always had less autonomy than the chartered universities. They were therefore and arguably more responsive to external pressures originating from central government.

In effect, the period 1988 to 1992 prepared the way for the consolidation of what would become a formal distinction between the FE and HE sectors. It also would also eventually lead to the establishment of two separate funding and quality bodies for FE and HE. The distinction between prescribed higher education that was funded by the then Polytechnic Colleges Funding Council (PCFC) and non-prescribed HE which remained with FE and the local authorities was to be later reinforced in future legislation. The consequence was that non-prescribed HE

remained and still remains somewhat of an anomaly in the system of classifying HE.

There was also a gradual but fundamental ideological shift that would be put in place that favoured the marketisation of FE and HE and the introduction of private sector practices. These changes mirrored wider changes that were taking place in the public sector outside of HE. In further-higher education they had begun earlier but were established in embryonic form under ERA.

1993 to 1996

In 1993 the FE and HE sectors were formally reconfigured and reclassified with the establishment of the FEFC to oversee the planning, funding and quality assurance functions of the FE sector and the HEFCE (responsible for quality assessment) and the Higher Education Quality Council (HEQC) (responsible for quality enhancement) to oversee HE.

From their inception their roles and functions with respect to the further-higher interface were unclear. Neither the newly created HE funding and quality bodies nor the FE ones saw their prime role as being to deal with further-higher education which was not considered to be their core business. Their main concerns were on what they saw as their main priority, namely the regulation of their own sectors. Nevertheless, the HEFCE and through it the HEQC and to a lesser extent the FEFC did produce a number of relevant documents and reports on the further-higher interface to extend what at the time was an extremely

limited evidence base on the subject of what was in policy terms a largely forgotten area (HEQC, 1995, HEFCE, 1996).

The main organisational form that operated during this phase of 'low policy' (Parry and Thompson, 2002) was loosely described as 'franchising' which referred to the sub-contracting of some of an HE organisations qualifications for delivery at the site of a further-higher education provider. Further-higher education providers thus received indirect funding for their delivery through their university based HE partner. The proportion of funding passed on by some HE partners was a bone of contention for some FECs.

'Franchising' was associated with the spectacular expansion and shift to marketisation in the late 1980s and into the 1990s. 'Franchising' as a term commonly used at the time was used to refer to a range of different organisational forms and arrangements in further-higher education. Consequently as a terminology it did not always accurately reflect the diversity of these arrangements. However, as a term its use was common and consequently it has been retained as a descriptor.

Although the term was not always used accurately across the further-higher interface it did in essence encapsulate a bilaterally dependent economic and contractual arrangement between legally autonomous FE and HE providers that was voluntary in scale and scope. As such, the growth of franchising was a significant feature of the marketisation of HE and the transition to a more diversified system.

While the period 1988 until 1992 was one of transition the period from 1993 until 1996 was one of rapid initial growth in franchising (especially up to 1994 when further growth was brought to a halt). Shortly following incorporation the HEFCE published a review of further-higher education provision which emphasised its continued focus on markets as a mechanism for its delivery (HEFCE, 1996). However, a cap on HE numbers from 1994 followed this initial growth and arrested this initial market led growth. This generated a degree of uncertainty and short-termism among some further-higher education partners.

Thus the phase 1993 until 1996 was one in which marketisation and market mechanisms were encouraged at the further-higher education interface but other factors intervened in the operation of these mechanisms. Firstly while the FEFC followed a policy of expanding FE after 1993 (albeit with a reduced resource base) the HEFCE began by inheriting an expanding HE sector that had moved from elite to a mass HE system.

This cap had repercussions for 'franchising' for further-higher education. Some HE partners reigned in their franchising at short notice and long term planning was difficult for further-higher providers given this uncertainty. Some HE providers withdrew suddenly from 'franchising' following these developments while others reconsidered their positions. This cap was substantially to remain in place until after the Dearing Report recommended a resumption of growth of HE numbers post 1997.

1997 to 2000

The Dearing Report was published in 1997 and marks a symbolic transition from the era of 'low policy' to a more interventionist one of 'high policy'. This would increasingly be based upon planned and structured collaboration across the sector boundaries. And while not all of Dearing's recommendations were adopted those that were, including the abolition of student maintenance grants and the introduction of tuition fees and student loans, were meant to facilitate an expansion in student numbers in HE.

This phase between 1997 and 2000 was one of structural transformation during which the responsibilities for funding all prescribed HE, including higher nationals that had previously been funded as non-prescribed HE via the FEFC (other non-prescribed HE remained with the FEFC), was placed in the hands of the HEFCE in 1999. This not only increased the administrative load on the HEFCE but a thin evidence base and a lack of familiarity with the operation of further-higher education needed addressing. Another consequence was that overnight the complexity and diversity of the HE system had increased and regulating this diversity posed potential problems for how it would be regulated given the increasing complexity of the task..

The establishment of the QAA shortly after Dearing reported took over many of the functions of the HEFCE and the HEQC. One of the priorities of the QAA was to address the matter of quality and standards of further-higher education.

The different systems of quality assurance that had existed at the start of 1997, with the FEFC adopting an interventionist and highly centralised inspection model that most FECs were familiar with and from 1997, the QAA using a peer based model of quality assurance (Underwood and Connell, 2000), meant there was duplication and increased bureaucracy to deal with as well as new systems and procedures to be established.

Other reforms such as the introduction of tuition fees and loans were potentially able to fundamentally begin to reconfigure the demography of the student body in radical ways. For further-higher education more radical changes were to take place from 2001.

2001 until 2008

In 2001 the FEFC was abolished and the LSC established with extended responsibilities for overseeing not only FECs but other providers of post-compulsory education and training. Perhaps of greatest significance was the announcement of a radical new qualification, a two-year short cycle HE qualification the foundation degree, from 2001 that was designed to become the main vocational qualification for further-higher education providers. The foundation degree was to be a vehicle for establishing a distinct area of expertise and type of HE that was employer focused and played to the existing vocational strengths of FECs. It was also meant to be a route that would help facilitate an expansion in the number of HE students and to help meet the newly announced

government target of having 50% of 18 to 30 year olds participating in HE by 2010.

A more structured approach to delivering further-higher education approach was now developing as the QAA extended its assessment to further-higher provision. New bodies such as the lifelong learning networks (LLNs) were established with the HEFCE having lead responsibility for these. Part of their remit was to facilitate cross sector collaboration between the FE and HE sectors.

Collaborative links through initiatives such as Partners4Progression, Aim Higher and the LLNs were encouraged to bridge the FE and HE divide and to facilitate the growth of structured collaboration in further-higher education, progression between FE and HE. Increasingly the LSC and HEFCE bodies were encouraged to collaborate in widening participation to HE.

A white paper on HE published in 2003 reaffirmed the governments commitment to structured collaboration and raising the profile of further-higher education. The same white paper pointed out the additional burden on further-higher providers and in particular of the MEGs in having to operate at sector interfaces and respond to separate systems of funding and quality assurance (DfES, 2003). Nevertheless the institutional duality of further-higher education was at least recognised as burdensome and over bureaucratic.

The introduction of variable tuition fees from 2006 reinforced trends towards the marketisation of HE. At the same time an emphasis on structured collaboration

appeared to pull in a different direction. In 2004 the Office for Fair Access (OFFA) was formed. This was meant to monitor whether tuition fees were adversely affecting poorer students and to ensure bursaries were in place to mitigate the workings of a pure market. Balancing collaboration and competition had been a feature of further-higher education throughout the transitions outlined earlier.

In 2008 and at the time of writing a new system of quality assurance for further-higher education went live after a number of pilots. This system of Internal Quality Enhancement Reviews (IQER) recognised the distinctiveness of further-higher provision while developing systems that were peer led rather than the inspection model associated with FEC inspections by OFSTED and before that the FEFC.

Trends and Trajectories in the Further-Higher Education Landscape

The four transitions outlined above witnessed the configuration and reconfiguration of the further-higher interface and shifts in the definitions of what FE and HE were. One consequence was that the further-higher interface was the site of a number of anomalies and contradictions that were the result of the institutional duality that had featured over the past twenty years and the legacies of its separate sector histories and identities.

Firstly, there were the external institutional pressures that originate in the parallel systems of regulation that have existed in the past. This can be divided into the system of parallel regulation from 1988 up until 1996 and from 1997 the gradual convergence of some regulatory structures to a model that could accommodate

the distinctive character of English further-higher education. These changes accelerated after 2001. However, for the most part significant differences remained between how university based HE was quality assured and funded and how further-higher education was. Examples of convergence include the introduction of IQER from 2008 onwards to recognise the distinctiveness of further-higher education. Earlier shifts away from indirect funding only income streams or franchising that pre-existed Dearing towards direct, indirect funding and consortiums based funding mechanisms represented another. These partial forms of convergence co-existed with remaining differences between university and non-university provision of HE.

Secondly, there continued to be differences between the level of centralisation and decentralisation permitted by central government and its agencies that the two sectors experienced. FECs had been familiar with a strong centralised steer from the FEFC and reliance on external awarding bodies and therefore limited autonomy. To a lesser extent the old polytechnics had a central system of coordination through the quality assurance of their higher awards through the CNAA. On the other hand the pre 1992 chartered universities enjoyed greater autonomy and were traditionally subject to a far less central steer.

Further-higher education, at the same time, had gone through a series of stages of exposure and insulation to the separate funding, planning and quality assurance mechanisms that constituted its institutional environment. The significance of different past experience of regulation at the further-higher interface is linked to how effectively these developments will be adapted to particular cultures and organisational forms found in FECs. For example will a

dual or binary system of delivery be most effective in delivering further-higher education in a traditional FEC setting?

Thirdly, the debate about widening participation and the role and function of further-higher education in helping achieve this was polarised with supporters seeing it as an inclusive movement and others seeing it as an exclusive one adding to an already stratified system of HE with its own entrenched informal hierarchies.

Other countervailing institutional pressures were the outcome of the intensification of diversification and differentiation of HE more generally. Looking at the system as a whole the massification of HE was linked to the emergence of a wider range of providers, organisational forms and different missions among organisations and increasing complexity and diversity. This highly differentiated system was informally stratified across a number of dimensions. For example, some providers were research intensive and others teaching intensive or teaching only. Some provided academic courses in HE, others vocational. Some had a local focus and others regional, national and international.

Differences in status, reputation and access to resources were a feature of this massified system. What is more a number of interest groups emerged. The research intensive Russell Group of elite universities received the bulk of the research funding and carried the greater status and reputation. A swollen middle of redbrick and new universities sat between this elite group and the further-higher providers who in effect made up an incipient if informal tripartite system within HE (Ainley, 2000, 2003).

Later, through the introduction of new qualifications such as the foundation degree differentiation was reinforced through further-higher education being afforded a special mission to deliver short cycle, vocational intermediate levels of HE usually on a part time basis and with the involvement of employers.

As the institutional duality of further-higher education was rooted in past sector histories and in the different priorities and institutional environments that FE and HE were familiar with this inevitably created some duplication, ambiguity and tensions at the further-higher interface. This section has sought to contextualise these tensions. It will assist a reading of the 'fault lines' in the emerging institutional environment at the further-higher interface. Adaptation to a structured duality that originates in the dual institutional environments to which this mode of delivery has been subject in the past is an everyday reality lived through the working practices of further-higher education providers on a day to day basis.

At each of the four institutional turns identified earlier the further-higher education interface had been reconfigured and reclassified. The reconfiguration that followed the phase of transition between 1988 and 1992 took place against a background of a rapid increase in student numbers largely led by the polytechnics but also indirectly via the franchising of HE to FECs. However, old practices and sector loyalties did not disappear. Fundamental differences between the sectors remained and in FECs there was also an intense and bitter contractual dispute that led to long term industrial unrest following incorporation in 1992. The university and non-university sectors were staffed under different

terms and conditions with staff delivering further-higher education having greater contact hours than those in the university sector.

Post-incorporation the adoption of private sector business practices arguably went further in the FE sector. These changes were analogous to developments in the public sector that emphasised increased efficiency and a reduction in the unit of resource. In further-higher education the combined influence of the Jarrett Report (1985) on HE and the work of the audit commission on FE (Holloway, 1998) which recommended the introduction of some of these private sector practices had prepared the ground earlier for these reforms

At the time this reflected a wider global trend towards neo-liberalism that was found in the public sector and the ideological dominance of ideas drawn from the private sector that were premised upon the superiority of the market mechanism and marketisation for delivering public services. These reforms witnessed a blurring of the public-private divide and argued for more consumer choice. The vehicle for driving enhanced choice was to be the market.

In reality what was operating in the pre Dearing phase of the evolution of further-higher education were quasi-markets. The concept is derived from the work of Glennester (1991) on education and Le Grand and Bartlett (1993) on social policy. Quasi-markets are market like mechanisms that act as surrogates for pure market mechanisms and are managed and steered usually by government.

It was ERA that paved the way for the introduction of quasi-markets into what had been the municipal sector of HE prior to 1988. In common with other sectors in education ERA began to establish market like mechanisms to co-ordinate post compulsory education. In the strictest sense of the term they were not pure markets hence the qualifier quasi-markets. There was no pure price mechanism in operation because in the end government set the costs paid to further-higher providers and controlled supply and demand through funding incentives. Nor was there freedom of entry for any new provider as would be the case in a pure market. Nevertheless this was a significant shift from the pre-incorporation world of public or municipal HE and the control of local authorities.

The tensions between markets or quasi-markets and a government steered system of intervention that would encourage collaboration across sector and organisational boundaries was a constant feature of the period between 1988 and 2008. At first quasi-markets were encouraged for delivering further-higher education (HEFCE, 1996). After Dearing it was increasingly clear that markets alone could not deal with the complexities of the further-higher interface and that a stronger strategic steer towards collaboration would be necessary.

The increased complexity and diversity of further-higher education and its interface has created what Rittel (1973) has termed a 'wicked problem' for further-higher education. By this he means that in situations in which diversity, complexity, fragmentation and ambiguous value laden goals co-exist then solutions to the problem of how to co-ordinate and steer the system is not always amenable to straight forward rational planning solutions. The result is a 'wicked

problem' without a final solution. Dealing with such problems requires a different approach and involves accommodating a range of interest groups and value systems that may conflict.

Arguably FE and HE may start from different values premises about what further-higher education actual should aspire to. FE with its vocational, part time orientation and its experience of being overseen by external awarding bodies has been described as providing high levels of pastoral support for its students. On the other hand, the more independent learning styles that are more familiar in university based HE stress different qualities tend to be more academic and seek to encourage a different set of skills.

In further-higher and in university based HE in general there is the additional problem of how to align equity issues and widen participation to HE to previously under represented groups and to square that with the operation of market mechanism.

Further-higher education is a complex enterprise. This chapter has indicated some of the complexities that have given rise to the contemporary further-higher landscape. At the time of writing change continues to be constant and further-higher education continues to evolve. The result is neither FE nor HE but a mix of both: in other words, there is a process of hybridisation taking place at the further-higher education interface.

This above has provided a historical and contextual description of the evolution of further-higher education delivered in a non-university setting. It described and contextualised the relationship of non-university based further-higher education to the wider and more extensive university based sector of HE. The duality of institutional environments and governance structures at the further-higher education interface has been explored chronologically and in terms of its significance for understanding the evolution of further-higher education and the further-higher interface.

These developments have been contextualised through an exploration of a number of transition points at which the classification of further-higher education and FE and HE had changed. Shifts in inter-sector collaboration and configurations of further-higher education at the interface have been outlined and tensions between market like mechanisms and moves to strategic collaboration emphasised. Finally the boundary work that takes place at the further-higher interface has been situated against a constantly changing further-higher landscape over a twenty year period.

In contextualising transitions at the further-higher interface four significant institutional turns have constituted the critical events that have been instrumental in the reconfiguration and reclassification of the further-higher interface.

Underpinning these transitions were a number of broader macro structural trends and trajectories that reflect wider changes in the political economy of further-higher education, the massification of English HE and a shift towards marketisation.

CHAPTER THREE

THE LITERATURE REVIEW

This chapter reviews the literature on further-higher education concentrating on three main sets of sources. It considers the policy literature and focuses on its significance for locating the policy context of further-higher education in a wider theoretical framework. Its contribution to understanding how the further-higher interface has been configured and evolved over a twenty year time frame is then assessed. The next set of sources is drawn from the practitioner literature and 'grey literature' on further-higher provision. This is largely normative and descriptive. It is often difficult to locate or to find systematic overviews of what is available. Finally, literature derived from peer reviewed academic sources that are not always focussed on further-higher education are consulted. Collectively these consist of a range of materials from different disciplinary traditions. This literature has been used to construct a cross disciplinary analytical framework for theorising further-higher education. The aim of this synthesis is to develop a conceptual understanding of the dynamics of the further-higher interface and the boundary work that takes place there.

The policy context illustrating the evolution of further-higher education is considered initially. For the most part the policy literature considered is restricted

to, and largely describes, how policy developments in further-higher education have taken place since 1988. It can be sub-divided into literature that covers government initiatives and legislation dealing with further-higher education and those materials produced by intermediary agencies and FE and HE based organisations. A limited number of historical and descriptive accounts of policy on further-higher education are also included. Few of these sources attempted to conceptualise the policy context within a wider theoretical framework.

Next, the practitioner literature is described supplemented by the 'grey literature'. A feature of this literature is that a wide range of sources exists that have been produced for different interests, audiences and purposes. It tends to cover a short time frame, is problem focussed and does not always provide accounts of its underpinning methodological and theoretical assumptions within a broader disciplinary tradition. It therefore consists of a set of literature that typically has not been designed to provide a consistent theoretically informed body of knowledge. Much of it is exploratory; is unsystematic and is not usually peer reviewed. Generally it is oriented to specific organisational or sector issues. While useful it is limited for the purpose of developing a theoretical case study of the evolution of further-higher education. Often produced for operational reasons that have been designed to progress an understanding of a rapidly evolving field, it has not always been straightforward to access because of its scattered nature and restricted circulation and publication.

A final body of literature is the academic literature. The more significant of these contributions have, for the purpose of this thesis, been drawn from two main

disciplinary areas. One is drawn from sociological accounts of organisational theory and particularly those neo-institutionalist theorists that have explored the role of institutions and institutionalisation in organisational life. A central concept derived from this literature was to be used develop a neo-institutionalist analysis of the emergence of further-higher education as a maturing 'organisational field' and the institutionalisation of organisational practices in its field. These insights have been applied to understanding the institutional environment of further-higher education, its institutional duality as a mode of provision that is neither FE nor HE, and the emergence of new organisational forms at its interface. A conceptual vocabulary is constructed to assist in the analysis of the further-higher interface that drew on this emergent neo-institutionalist tradition.

This literature contributes to theory development yet is at an early stage of the development of a mature disciplinary body of theory associated with conceptualising the further-higher interface. Much of what is available still lacks a cumulative theoretical and methodological foundation that is rooted in any one established disciplinary tradition. In terms of subject identities, academic studies on further-higher education do not constitute a clearly defined or well established tradition. Moreover, further-higher education providers tend not to have established research cultures in the sense that traditional university based HE does.

The insights that are derived from these inter-disciplinary literatures are synthesised into one analytical framework. The institutional, sector and organisational boundaries and boundary work that exist in further-higher education are then contextualised and analysed through a theoretical exploration of the

institutionalisation of organisational change in the further-higher organisational field. A review of the potential contribution of these diverse disciplinary traditions and literatures for developing research questions for understanding further-higher education is undertaken.

In combination the policy literature, the practitioner literature and academic literature feeds into the construction of an exploratory and theoretically led case study of the development of further-higher education over a twenty year time frame.

An Overview of the Further-Higher Education 'Field'

There is no one current synthesis of the burgeoning and diverse literatures on further-higher education provision that combines existing knowledge in one accessible format. Abramson (1996) had produced one earlier commentary and overview but that is now over a decade old. Nevertheless it provided a useful overview of the available knowledge of further-higher education that existed on the eve of the influential Dearing Report. Since Dearing there has been almost constant change and the institutional and organisational landscape of further-higher provision has undergone significant transformations. Not only has the institutional and organisational landscape shifted significantly but further-higher education has come to play a much more prominent role in widening participation to HE. Consequently there is a need for a synthesis of the literature that can inform the construction of a theoretical and conceptual understanding of the contemporary further-higher landscape.

Yet there remain significant gaps in the data that is available for making comparisons between the FE and HE sectors (Copland et al, 2008, Parry and Thompson, 2002, 2003, 2004). These gaps are both empirical and conceptual. Different methods and conventions have been used to gather statistics for FE and HE provision in the past and this has limited what lessons can be learned to further understanding of further-higher education. Different emphasis on policy priorities and goals at the further-higher interface also contributed to a relatively poorly understood non-university based provision. Until Dearing further-higher education was largely overshadowed by the much bigger university based sector of HE. Consequently knowledge of the size, shape and scope of further-higher education has been patchy in the past. Comparisons with the university based provision of HE have also been limited.

As an academic 'field' (Grenfell and James, 2004) meaning a set of shared methodological assumptions, a conceptual vocabulary and an established disciplinary tradition further-higher education is under developed and marginal to mainstream analysis of university based HE. It lacks a distinct disciplinary tradition that is theoretically informed when compared to those that focus on university based HE. The following sections outline the potential contribution of the policy, practitioner and academic literature to help fill this gap.

The Policy Context

Assessing the policy literature's contribution to informing, communicating and to facilitating the implementation of policy in further-higher education can be divided into two main phases of development. One of the more notable features of the policy literature on further-higher education is that it followed rather than preceded the many changes at the further-higher interface particularly during the cycle of 'low policy' identified earlier. It was largely dominated by the university HE sector leading the policy changes that impacted on further-higher education providers. As the latter were actually responsible to the learning and skills sector for their infrastructure and day to day operation there was a certain amount of duplication with parallel systems operating.

Prior to 1997 and the publication of the Dearing Report, further-higher education witnessed relatively little interest from policy makers. This was associated with what Parry et al (2002) have referred to as a cycle of 'low policy' or no policy. During this phase English further-higher education was largely marginal in terms of its contribution to active policy making. In this phase policy makers were largely silent on the role and function of further-higher education provision.

The second phase following the Dearing Report of 1997 witnessed an increase in the volume and frequency of policy documents that dealt with further-higher education producers as its profile was enhanced. These covered among other things investigations into the costs of providing further-higher education, the publication of codes of conduct for its delivery, guides to best practice for

practitioners and investigations into the scale and scope of further higher provision. Later, consultations and an increasing numbers of collaborative audits of further-higher provision were produced that added to the sum of knowledge about its delivery and attempts made to align statistical data across the sectors. The Dearing Report itself and a range of government publications and pieces of legislation dealing directly or indirectly with further-higher education are also considered. The increase in the volume of policy documents produced on further-higher education was coterminous with the maturation of further-higher education as a distinct mode of provision delivering short cycle, vocational and largely part time HE qualifications. It is this maturation of the further-higher education as an organisational field (see below) that this thesis has attempted to conceptualise and theorise.

If peer reviewed materials on further-higher education are relatively scarce, which may not be unexpected given the relative recent arrival (or rediscovery) in policy terms of further-higher education as a significant component of HE, the study of further-higher education has recently taken on a higher profile. There does appear to be the beginnings of an evolving research tradition dealing with further-higher interface although it is only relatively recently that this has evolved (Parry et al, 2008). This has built on the limited evidence base in existence prior to the raising of the profile of further-higher education post Dearing.

Bocock and Scott (1994, 1999) addressed the evolution of further-higher education and its increasingly significant role in widening participation and access in terms of fundamental shifts in the student experience, student demography and the different

approaches to learning and teaching and cultures found across FE and HE. The core question posed was whether existing configurations and the boundaries that categorise further-higher education are becoming more permeable?

Other articles investigated the further-higher interface from a business perspective. Two early examples of these were articles that discussed further-higher education as an instance of private sector business format franchising (Morris, 1993, Palmer 1992, Yorke, 1993). The articles addressed the lessons that could be learned from private sector practices if they were transferred to understanding further-higher education. Morris and Palmer investigated the contribution of private sector business format franchising for developing educational franchises. Yorke discussed issues to do with quality assuring franchising in HE. Another body of literature examined the introduction of private sector practices in the public sector and specifically the rise of the new public management (NPM) and managerialism. These are explored below.

Other reports had begun to construct a preliminary sketch of the landscape and scale and scope of further-higher education (Rawlinson et al, 1997). By the turn of the new century an increasing number of commentators were beginning to point out the slim evidence base and problems in comparing statistical data across the FE and HE sectors (Parry et al, 2002, Copland et al, 2008) and a need to build a firmer evidence base on further-higher education on which to base policy.

What is missing in much of this literature is a philosophical debate about the nature of further-higher education as a form of HE. Most accounts deal with the

bureaucratic and administrative conventions and the technical and legal distinctions that distinguish FE from HE (Garrod and McFarlane, 2007) or its historical genesis. There is an urgent need to move on to address core issues that consider fundamental questions about what HE in further-higher education should be. Specifically, conceptually and philosophically there has been little in depth analysis of what further-higher education is and in what way it differs from FE or HE. If, as is argued by some, there is some currency in abolishing the distinctions between FE and HE (Young, 2002, 2006), the dynamics of boundaries at the further-higher interface is still poorly understood. Boundaries between FE and HE may well serve positive and negative functions in widening participation.

Finally literature classifying further-higher education and the organisational forms found there needs to be situated in a broader analytical framework that can capture shifts in terminology and conventions over time. Tracking the institutional and organisational changes of a turbulent and constantly changing interface would benefit from a framework that can map shifts in the configuration of the interface. One neo-institutionalist account of classification systems that is developed in this thesis with this goal in mind is based on the work of Douglas (1966) on grid-group analysis. It will be applied to understanding the institutionalisation of classification systems in further-higher education. Douglas is interested in how boundaries within systems of classification represent potential anomalies that may threaten the integrity of existing systems of classification. The classification of boundaries in FE and HE and at the further-higher interface is conceptualised using this neo-institutionalist framework as a heuristic device for capturing the tensions and paradoxes found at the further-higher interface.

The various literatures considered here, therefore, need to be evaluated in this context. The amount of materials available has increased but its methodological and theoretical sophistication is at an early stage of development. There remain gaps in the amount of analytically and conceptually informed materials that can contribute to developing a theoretical corpus of knowledge that helps progress understanding of the further-higher interface and the hybrid further-higher organisational forms found there.

Much of the early policy literature then was highly exploratory not least because the dominant university based traditional HE sector which was, in many cases, unfamiliar with further-higher education provision. Although this was less true of the 'new universities' there were still gaps in knowledge of the scale and scope of further-higher education.

In the phase of 'low policy' or no policy (Parry and Thompson, 2002) further-higher education was considered marginal and peripheral to the core business of HE. Regulatory bodies in FE and HE did not have a clearly demarcated remit for dealing with the interstitial zone of further-higher education. When an early report by the FEFC and HEFCE on collaborative provision was produced in 1993 (Abramson, 1996, p 195) it was based on only fifteen visits to seven HE providers and eight FECs delivering further-higher education. In 1995 a report on collaborative audits used only cases that had been conducted as evidence and thirteen of these had been undertaken in the old polytechnic sector (HEQC, 1995).

An early report on further-higher collaboration (DES, 1991) identified that resourcing, uneven staff development and the systems in place for quality assurance were all considered to require attention. The strengths of further-higher provision were identified in terms of accessibility, ethos, strong systems of pastoral support and the psychological and cultural familiarity of further-higher providers to non traditional students in comparison to what were perceived as more threatening and culturally unfamiliar forms of HE.

Other reports reflected a pragmatic commitment to market mechanisms and marketisation for extending provision (HEFCE, 1996). The reliance on market mechanisms for coordinating further-higher education provision was to be addressed in the Dearing Report (NCIHE, 1997) which was to be a symbolic marker for a shift in policy with regard to further-higher education. Dearing marked the beginnings of a move towards a more interventionist pattern of structured collaboration in further-higher education. While competition within sectors was encouraged competition across sectors was not and structured collaboration and semi-compulsory partnerships became the preferred mode of coordinating the interface.

After Dearing, the production of policy literature focussed on further-higher education became more frequent. The HEFCE and QAA had now to deal with a larger number of further-higher education providers who had not been part of their remit before.

Post Dearing the demands on policy makers overseeing the interface were reflected in this increase in the volume of policy directives and investigative audits, consultations and guides to good practice. Some followed on from earlier investigations of the relevant costs of further-higher education (HEFCE, 1998, 1998a, 1998c, 1999, 2000a).

The issuing of codes of practice for indirect and direct further-higher education provision and consortia (HEFCE, 1999, 2000), and the increase in the evidence base as a consequence of the growth in collaborative audits of further-higher education provision, gave a greater level of understanding and firmer policy steer to providers (QAA, 2004, 2006).

Overall, the policy literature on further-higher education during this twenty year period is characterised by a contrast between an early phase of 'low policy' in which policy followed practice and the era of 'high policy' and semi-compulsory partnerships in which a more strategic approach was adopted.

The Practitioner and 'Grey Literature' Literature

The practitioner and 'grey literature' available on further-higher education has been reviewed by Jones (2006) and Schofield (2007). It was not always easy to access. Much of the literature could be described as variable in quality and diverse in purpose. A consequence is that it is difficult to abstract from this literature key themes or to identify materials that can contribute to cumulative and unified body of theoretical knowledge on further-higher education. Reluctance on the part of some

further-higher providers to share materials was one additional problem identified by Jones.

However, apart from its pragmatic purpose in informing operational practice, there are significant limitations in terms of the extent to which the practitioner literature was rooted in theoretical frameworks or explicitly formulated methodological assumptions that could assist comparison.

Consequently, there are limits to what the practitioner and 'grey literature' can contribute to developing a further-higher education 'field' of studies. The purpose and goals of this literature need to be considered in assessing its relevance for informing the wider policy debate. Moreover, for each source that championed the claims of the distinctiveness of further-higher education there were sceptics who doubted its capacity to deliver in the longer term. Scaife (2004), for example, represented the sceptics and argued that FE was rooted in a culture of the 'now' that made research by practitioners in FE difficult and marginal.

The literature on further-higher education can be divided by its purpose or function. The practitioner and 'grey literature' was usually designed for specific goals and aimed at operational issues although the developmental and dissemination of best practice frequently has a high priority. Much was teaching focused or oriented to short term organisational goals.

A wider range of literature addressed an eclectic body of issues related to further-higher education but there is no one convenient and accessible source that could

be turned to in order to give a synoptic picture of its evolution. Literature that bemoaned the lack of a research culture in further-higher education and FE included work by Brotherton (1996) and Elliot, (1996, 1996a).

For example, Elliot has argued there were structural, historical and ideological reasons why research in FE remained relatively invisible which inevitably impacted on research in further-higher education. Brotherton argued for a need to build a research infrastructure in FE in order to enhance organisational performance but had doubts that research was viewed as a core activity in FECs. Other practitioner based literatures were the outcome of collaborations between practitioners and HE based researchers.

Overall this practitioner literature paints a picture of rapid organisational transformation and instability in FE that makes it difficult for many smaller providers to embed research on further-higher education within FECs independent of university based HE researchers. Overwhelmingly FE practitioners are seen as transmitters of pre codified knowledge rather than as producers of new knowledge through research. For further-higher practitioners this creates dilemmas and poses questions about what constitutes scholarship and research in an FE institutional environment that is consistent with delivering higher level work. The practitioner literature reflects this tension and the institutional duality of further-higher education.

The Academic Literature: Synthesis and Analysis

A significant amount of the policy and practitioner literature covered here has looked at the impact of the introduction of NPM reforms in FE and HE and in particular the influence of marketisation, massification and managerialism on operational practices. For practitioners these would have been highly visible aspects of their day to day practice. Arguably the impact of these reforms went furthest in FE and by implication those FECs delivering further-higher education were profoundly affected. The following section begins with an account of how those institutional and organisational changes have been conceptualised in the academic literature and attempts to link them to broader debates about blurring boundaries in further-higher education while evaluating their relevance for understanding its interface.

The bulk of available literature on the significance of these reforms has been developed for understanding the change in the public sector more generally. The impact of NPM reforms on further-higher education should be understood against these wider ideological trends and shifts in the categorisation of public and private provision as ideologically disputed claims.

The rise of a neo-liberal economic doctrine has arguably been the dominant ideological framework through which many reforms that have been introduced in the public sector over the last twenty years were justified (Andresani and Ferlie, 2006 Clarke and Newman, 1996, Ferlie, 2008, Hood, 1991, 1998, Pollitt, 1993, 2000, Pollitt and Bouckaert, 2000). These broader trends in public sector reforms

were also reflected in the changes taking place in FE and HE and at the further-higher interface.

The rise of NPM reforms and managerialism in both FE (Hanningan, 2007, McTavish, 2003, Randle and Brady, 1997a, 1997b) and HE (Bleiklie, 1998, Deem, 1998, 2001, Deem and Brehony, 2005, Ferlie, 2008, Trow, 1994, Trowler, 1998, 2001) has been associated with developments in the post incorporation further-higher landscape that introduced marketisation and accelerated massification into both FE and HE. The audit commission (Holloway, 1998) in FE and the Jarratt Committee (1985) in HE had prepared the way for these transitions by arguing that both FE and HE needed to be more 'business like' through adopting private sector corporate practices. The reports were instrumental in preparing the way for later reforms in further-higher education. The relevance of these reforms for the analysis of further-higher education undertaken here is largely restricted to the changes that followed ERA in 1988 and the Further and Higher Education Act in 1992. However, pressure for reform was already underway prior to then.

While NPM and managerialist reforms still remain controversial there is no doubt there has been a significant shift in the governance in how FE and HE are regulated and whether these changes will have an equitable impact across the further-higher interface. Again there is little literature that has investigated the impact of these reforms across inter-organisational boundaries in further-higher education or the different management practices that apply to FE and HE. There is however, as indicated above, a body of literature that deals with FE and HE as separate sectors.

One area that has generally received more attention in the literature is the impact of marketisation and massification (Trow, 1970, 1973, 1974) in HE in further-higher education, as HE has moved from elite to a mass system of post-compulsory education. The dynamics of these changes are explored in the thesis though drawing on a neo-institutionalist perspective that emphasises the role of markets in economic life.

At the same time as market mechanisms were being introduced central control through intermediaries such as the FEFC had been strengthened. FE was increasingly micro managed by targets and sanctions as funding converged to a national standard tariff. These managed markets in FE coexisted with similar trends taking place in HE but at a different pace, sequence and level of intensity. The HEFCE and QAA established a similar 'playing field' for the new university sector post 1992. After Dearing, that was extended to further-higher provision.

Cycles of market led expansion followed by caps on numbers followed by another cycle of expansion post Dearing led to an uneasy tension between market led change and collaboration. Conceptualising the interaction of market and non-market modes of coordination at the further-higher interface is one area that the literature suggests more theoretical work could be done.

Commentators who investigate shifts in the relation of the state to markets and HE providers include Marginson (2007) who concentrates on the rise of a global HE market place and HE existing status as a scarce positional good. He draws the

concept of a positional good from the economist Hirsch and in essence argues that providing more HE provision does not necessarily reduce inequalities. Positional goods maintain their scarcity value in relation to alternatives provision through a range of mechanisms. In the case of further-higher education its status as a positional good only makes sense relationally in comparison to alternative modes of HE provision.

Perhaps, this is one of the more important features of the development of further-higher education since 1988. The cyclical swing from markets and demand-led funding and pump priming, to structured collaboration and semi-compulsory partnerships at the further-higher interface over twenty years can only be understood in the context of its past structural separation into FE and HE sectors.

There was a limited evidence base used to evaluate claims on how effective market reforms had been at the further-higher interface. And although the Dearing Report of 1997 would mark a watershed recognising the significance of further-higher education no sustained analytical or theoretical critique and analysis of the workings of the market in further-higher education existed.

The issue of how to align the market mechanisms associated with reform with a commitment to equity is at the core of the 'wicked problem' of further-higher education. The question is: how to increase organisational diversity and widen participation rates and access to HE for non traditional students while maintaining quality, equity of access and a comparability of provision that was different but facilitated equal access across the further-higher interface? Earlier claims had

argued the case for further-higher education as distinctive and different but an equal form of provision (Abramson et al, 1996). However, conceptualising the impact of differences in access, resources, power and status between further-higher and university based HE providers needs to be theorised rather than merely described. Dealing with equity issues in what was an already diversified system of university based HE provision was to prove controversial.

Indeed, further-higher education occupies a position at the interface of HE that is stratified by long standing differences in status, reputation and access to resources and wealth. It has not yet found its position as a legitimate mode of post-compulsory higher-education provision according to some commentators (Parry, 2008).

Representative commentaries on these debates that focus on university based HE include Shavit et al (2007) on diversity in HE systems, Slaughter and Leslie (1997) on the rise of 'academic capitalism', Teichler (1998, 2007) on diversity and absolute versus relative inequalities in HE systems and Huisman, (2007) again on diversity.

One argument is that increasing numbers in HE does not always reduce wider structural inequalities because existing informal stratification orders with its organisational field persist and are reproduced. The HE 'brand' as a category remains a scarce and contested resource and positioning further-higher education within this context needs to take the scarcity argument into account. Moreover, the

legitimacy of further-higher delivery within a mass higher education system is contested (Parry, 2008).

If the claims being made here lend some support that the increased diversification of an HE system inevitably leads to increased stratification then the 'wicked problem' of further-higher education is how to manage it and how to conceptualise the linkages. Increasing complexity of the system increases coordination problems as the system becomes more diverse. But there may also be a fundamental value clash at stake here. FE and HE sector identities and values still remain firmly entrenched (Smith, 2008), although claims that the distinctive ethos, scale and scope of further-higher education are what makes it different from university based HE need more firmly substantiating. As Parry et al (2002) have argued such claims are often inferred and not always explicitly made and backed by evidence.

Comparisons with other similar systems of further-higher provision in other countries such as American community colleges may provide additional insights to the extent that they are broadly similar to English further-higher provision. They are also further down the road towards a mass HE system than the English system.

Materials on the role and function of American community colleges (Brint and Karabel, 1989, Clark, 1960, Dougherty, 2001) have made claims that argue that the American community college performs a 'diversionary function' or assists in a 'cooling out' process (Clark, 1960). Brint and Karabel (1989) use the phrase 'anticipatory subordination' to describe the function of American community

colleges in aligning the aspirations of community college students with the demands of the labour market and economy.

The term 'diversionary function' derives from Dougherty's (2001) investigation of the contradictory goals, missions and tensions that are found in American community colleges. Dougherty argues that the tensions and conflicting goals to which American community colleges are subjected are incompatible. Situated between the academic and vocational institutional logics they try to achieve different things. According to Dougherty, as a vehicle of democratisation, community colleges widen participation; as alternative providers to university based HE. They also perform a diversionary function diverting potential students away from elite providers.

Clark (1960) refers to the 'cooling out' function of the American community college. He argues that student aspirations are lowered through their experience of studying in a community college so that they seek more 'realistic' future career opportunities. Analogously English further-higher providers may be acting as a buffer to sift and sort and socialise potential entrants to HE in ways that reproduce existing structures of inequality (Bathmaker, 2008).

What each of these approaches has in common is their positioning of the community college as occupying a structurally subordinate position in a wider organisational field and their role and function as axis of systemic differentiation. Analogously the role and function of English further-higher education can only be

understood relationally and holistically in terms of a wider political economy that treats the further-higher interface as part of one integral system.

One body of literature that potentially could illuminate the workings of markets and non-market mechanisms of coordination at the further-higher interface is based upon studies of markets as institutions and specifically a neo-institutionalist analysis of their dynamics. The analytical framework that is developed throughout the thesis is based upon a neo-institutionalist reading of the evolution and maturation of the further-higher interface. The institutionalisation of market and non market behaviour and market mechanisms at the interface can be contextualised through this literature as part of a broader political economy of further-higher provision.

This is not an approach that has hitherto been applied to the study of the further-higher interface on any large scale although some studies that adopt a neo-institutionalist approach have been attempted in HE (Frolich, 2005, Maasen and Stensaker, 2005). A conceptual and theoretical approach informed by the neo-institutionalist literature would be useful in further-higher education.

Another body of literature that has covered similar areas is the sub-discipline of economic sociology. This is a discipline that explores the relationship of the economic and social factors in the analysis of economic life and the role of institutions and other forms of economic co-ordination other than markets. It is useful for understanding further-higher education because it can be applied to conceptualising the relationship of market and non market led institutional and

organisational change at the further-higher interface as an aspect of its wider political economy.

Key authors in the tradition draws from an economic sociology of markets and non market economic behaviour. They have been identified in a comprehensive volume edited by Smelser and Swedberg (1994) that assessed the state of development of this paradigm. This has been complemented by the work of Swedberg (1991). Among other significant contributions to the development of a sociological approach to understanding markets as social structures are: Abolafai (1998), Baker (1984), Beckert (2002), Burt (1992), Callon, 1998), Fligstein (1996), Granovetter (1985), Hamilton and Woolsey Biggart (1988), Lie (1992, 1997), Poldonyi (1993) White (1981) and Swedberg's (1998).

The intellectual and sociological tradition that this literature is derived from has emphasised the institutional basis of economic life and the role of institutions in classifying, constraining and enabling economic action. What these authors have in common is that they question the hegemony of a neo-liberal economic model and an under-socialised concept of 'economic man' for understanding complex problems. Instead they present an alternative that examines the iteration of market and non market mechanisms and the embeddedness of economic action in social relations and the institutionalisation of organisational practices.

In terms of the contribution of this literature to understanding the further-higher interface one aspect of particular significance is the analysis of the processes whereby policy becomes implemented as practice. The concept of embeddedness

first developed by Granovetter (1975) is useful for conceptualising this and is a core concept in the literature in economic sociology.

Granovetter has argued that neither an over socialised concept nor an under socialised concept of 'economic man' is adequate for understanding economic behaviour. In his view all economic behaviour is embedded in social relations and social relations are coordinated through institutions and institutional environments. Applied to further-higher education agents act in contexts and institutional and organisational configurations that are not of their own making. However, successful policy initiatives must also become embedded in practice and that cannot be taken for granted. Formal pronouncements are not sufficient in themselves to create institutional and organisational change, although they are obviously necessary.

Thus the relevance of these inter-disciplinary literatures for understanding further-higher education is that they assist in the conceptualisation of the further-higher interface in theorising the hybridisation of the dual structures, cultures and practices found at its interface as a process of institutionalisation. The literature can thus help facilitate the construction of an analytical framework to inform the development of a political economy of further-higher education that stresses the iteration of the economic, social and political in further-higher education and how policy becomes embedded as practice.

The following section explores how the boundary between market and non-market mechanisms of coordination are negotiated by further-higher providers and the role

and functions of intermediary or hybrid organisational forms and boundary objects in mediating this process.

Boundaries and Boundary Work

The literature on organisational boundaries drawn from organisational theory and institutional theory provides a means of conceptualising the dynamics of the further-higher education interface. This literature considers how boundaries and boundary work across sector and organisational boundaries can be understood and the role they play in the institutionalisation of new organisational practices.

The role and function of boundaries in configuring the further-higher education interface needs to be understood holistically and relationally in order to capture the processes of collaboration across the interface. Conceptualising the boundary zones of further-higher provision as transition points at which transactions and exchanges take place is an important step in understanding this constant process of organising and disorganising.

One relevant body of literature has been produced by theorists who have done work on boundaries in the social studies of science and technology. They have considered the role of boundaries, boundary objects and boundary organisations as mediators of practices across sector as well as organisational divides.

Prominent among these are those theorists who draw their ideas from ANT amongst which were Callon (1991), Latour (1987) and Law (1992). Collectively their work attempts to move beyond analysis based upon dichotomies of subject

and object or of structure and action and to treat networks of subject, materials, things, organisations and objects as an inter-related whole captured within one conceptual framework. In terms of application of these approaches to conceptualising the further-higher interface ANT emphasises a dialectical and holistic approach that considers interfaces relationally and contextually and boundaries as parts of one integrated system and one context.

Other work that has been done on the concept of boundary objects by Starr and Greissemmer (1989) is originally derived from ANT. Boundary objects sit between two social worlds and mediate different value systems, organisational structures, processes and cultures. They may take the form of policy documents, events or processes. In further-higher education the different sector histories, cultures and practices can often create difficulties in understanding and communicating across sector and organisational boundaries. Understanding the role and function of boundary objects in further-higher education can contribute to conceptualising its dynamics.

A related concept is that of boundary organisation Guston (2001). Boundary organisations sit between distinct social worlds or organisational contexts acting as mediators to communicate across sector divides. The concept was first developed to understand the science-policy interface and how the findings of scientists were communicated to non scientists. Similarly boundary organisations in further-higher education are those organisations that are situated at the further-higher interface and are purposively designed to mediate between separate sector identities, cultures and understandings.

Another related tradition is the communities of practices literature (Lave and Wenger, 1991). This looks at how practitioners working in different organisations can work across organisational boundaries through shared communities of practice and understanding that cross organisational divides. Based on the idea of situated learning it is contextual and holistic in approach. What unites these disparate traditions is their focus on how institution, sector and organisational boundaries are negotiated maintained and crossed.

The insights derived from these literatures could be usefully transferred to understanding the changing role and functions of boundary organisations in further-higher education. Bodies such as the HEFCE, QAA and LSC engage in boundary work as boundary organisations. Boundary objects are produced by boundary organisations to bridge sector divides.

Other literatures from organisational theory that deal with the relationship between organisations and their environment and the boundary setting and boundary maintenance function could be usefully developed for insights to understanding the paradoxes and tensions found at the further-higher interface. Examples of these literatures include the work of Heracleous (2004), Hernes (2005), Borys and Jemison, (1989), Menard (2004), Santos and Eisenhardt (2005) and Thompson (1967). The insights that this literature can provide for understanding further-higher education include advancing an understanding of inter-organisational collaboration in further-higher provision and exploring the role of hybrid organisations and organisational forms in further-higher provision.

The literature that deals with the relationship between organisations and their institutional environment could be developed to understand the boundary paradoxes and tensions that are found at the further-higher interface. Firstly, the liminal and interstitial position of further-higher education could be investigated in terms of a wider political economy. Secondly, the boundary work and exchanges that cross sector and inter-organisational boundaries in further-higher education can be conceptualised in terms of their structural attributes and their relation to their institutional environment.

Williamson's (1975) work on transaction costs theory represents one possible approach. He analyses why particular governance structures are adopted to oversee transactions and exchanges across a technically separable boundary. He argues the governance structure, whether it is a market, a firm, a network or some hybrid of these will be chosen because it is the most efficient in reducing transaction costs. This is an economic argument that stresses efficiency considerations generally associated with the new institutional economics. In effect it is a relaxed version of a neo-classical model that incorporates institutions into the analysis but retains fundamental neo-classical economics assumption about economically rational behaviour.

An alternative sociological variant on boundary work emphasises the institutionalisation of organisational practices and economic action through a social, cultural and cognitive lens. The neo-institutionalist analysis of the further-higher organisational fields that is at the centre of this analysis conceptualises

boundary work at the interface in its symbolic, cultural and social dimensions as well as the purely economic. Friedland and Alford (1991) use the term 'institutional logics' to describe the underlying values, norms and beliefs that are embedded as organisational practice through a process of institutionalisation. FE and HE could be described as sectors whose structures, cultures and practices are premised on distinct institutional logics. The question of how further-higher can be conceptualised as a category and as a set of legitimised practices is pertinent here. Indeed, the process of hybridisation that is taking place at the further-higher interface is configuring and reconfiguring the interface in different mixes and permutations of FE and HE structures, cultures and practices.

Other authors consider the mechanisms whereby knowledge is transferred across organisational boundaries. Carlile (2002), for example, identifies the properties of boundaries in knowledge transfer and the syntactic, semantic and pragmatic processes of translating and transferring knowledge successfully across discrete organisational boundaries.

Smith (2008) has recently attempted a similar investigation attempting to understand the diversity and complexity of the further-higher interface in terms of how its organisational boundaries are formulated, maintained and crossed. He argued that the non-university further-higher provider has been relatively neglected and under-theorised. In particular the institutionalisation of boundary work at the further-higher interface and the relative permeability or persistence of boundaries needs further investigation. Burns (2007) made a provisional attempt to explore the role of boundary work in further-higher education and their significance for

understanding further-higher education. A further body of work that did not focus on further-higher education but was designed to conceptualise the boundaries between and within fields in HE other than further-higher education has been produced by Maton (2005) and Naidoo (2004). Both authors have used the concept of a 'field' drawn from Bourdieu to construct their analysis.

Bourdieu's concepts of 'field' and habitus as they have been used by Maton and Naidoo are useful for exploring further-higher education relationship to its cognate HE 'field'. Further-higher education as an organisational field is integral to university based HE; they overlap and interact in a symbiotic relationship of mutual dependence. But this is not a symmetrical relationship and power, status and reputation asymmetries define the interface. Values rooted in different FE and HE sector legacies and identities and access to status and resources are contested at the interface. Moreover, within the further-higher organisational field distinct institutional logics co-exist in tandem. This state of institutional duality within the organisational field reflects the duality of the external institutional environment of further-higher education and becomes internalised in the organisational practices of further-higher providers.

Bathmaker (2007) drew on Bourdieu's work to explore student transitions in further-higher education and the positioning of providers in a rapidly shifting environment in which the further-higher interface was being reconfigured. Staff and students in further-higher providers studied by Bathmaker were aware of these differences and factored them into decisions whether to continue studying in a further-higher provider or to transfer to a university based provider of HE. More

generally the concept of 'field' as used in conceptualising further-higher education is a construct for understanding not only of student positioning strategies within a field but staff and organisational positioning at the interface of two once separate field overlapping at a reconfigured further-higher interface. In that sense the further-higher education organisational field is a subordinate component of a wider and larger HE field that has moved from its margins to a more central if still dependent position.

Other studies that deal with the institutional and organisational process of hybridisation offer some analytical purchase on understanding the dynamics of the further-higher interface.

Revisiting the Further-Higher Education 'Field'

The literature review has drawn on a diverse range of academic sources to complement the policy and practitioner literature. In constructing an analytical framework for analysing further-higher education the contribution of organisational theory and a neo-institutionalist analysis of organisational change at the further-higher interface has been used to synthesis these sources and to construct a conceptual vocabulary that can assist theory development. One of the central concepts used in that vocabulary was the concept of an organisational field. A neo-institutional analysis of the evolution of a maturing further-higher organisational field was then attempted.

The concept of a field originated with Bourdieu (1992) although it was later developed and extended by DiMaggio and Powell (1983, 1991) in their conceptualisation of the evolution of organisational fields. Bourdieu's original concept was meant to capture the contested and disputed struggle over resources, status and legitimacy in a field. His use of the concept of a field needs to be considered analytically as an integrated whole in combination with his associated concepts of capital and habitus.

DiMaggio and Powell's version of sociological institutionalism or new institutionalism (the terms are sometimes used interchangeably), on the other hand, is designed to capture processes of institutional isomorphism. Isomorphism occurs in an organisational field when institutional pressures drive organisations in the field to convergence towards similar organisational forms and structures. On this point Bourdieu and DiMaggio and Powell differ in their emphasis on the extent to which the incumbents of a field conform to institutionalised norms and values. For DiMaggio and Powell isomorphic pressures originating in the institutional environment of the field lead to convergence. For Bourdieu there is a constant process of struggle and positioning within a field through the reproduction of social, economic and cultural capital.

In the instance of the evolution of the further-higher organisational field a complicating factor is its institutional duality. Distinct institutional logics operate within the field with one set of values and practices originating in FE and the other in HE. Further-higher education is a hybrid situated at the point of intersection of these institutional logics and subject to institutional pressures that coexist. Under

these conditions of institutional duality institutional forces that originate in two separate sectors can create a state of institutional contradiction.

One criticism of DiMaggio and Powell is that their emphasis on conformity to institutional norms and the search for legitimacy in an organisational field is that it cannot explain institutional change. However, as Seo and Creed (2002) argue institutional contradiction can itself be a source of change. They claim that institutional contradictions in combination with human agency can initiate institutional change.

An organisational field is a meso level relational and contextual concept that sits analytically between the macro level of the institutional environment of further-higher education and the micro level of actual organisational practice. An organisational field only exists to the extent that it has become institutionalised. The concept helps move away from dualistic accounts of further-higher education that view FE and HE as discrete categories. It highlights a constant process of organising and re-configuration at the interface. This does not preclude the existence of dual institutional environments operating within the context of one organisational field nor the contested nature of field level processes in further-higher education.

From a neo-institutionalist perspective the organisational field is a set of meanings and a system of classification. The likelihood of a convergence to one set of meanings rooted in separate FE and HE sectors identities at the further-higher interface and under conditions of institutional duality is disputed. What is more

likely is that a process of hybridisation and adaptation conflicting institutional pressures will emerge.

Conceptualising the organisational field as a set of practices and a system of institutionalised classification requires an analytical framework that can incorporate institutional duality. The diverse understandings of practitioners, policy makers and academic contributions within an organisational field can then be accommodated as part of the 'wicked problem' of further-higher education.

This literature review has explored the policy, practitioner and academic literature with the view of synthesising existing sources. It has shown that there are significant gaps in the existing materials for developing a conceptual understanding of the dynamics and evolution of the further-higher interface. These silences may indicate the stark reality of discrepancies in power, influence and status between the HE dominated boundary organisations that largely determined policy in further-higher education in the past.

What is needed is a conceptual vocabulary and an analytical framework that situates the evolution of further-higher education in a wider political economy. The aim should be to link the duality of the institutional environment of further-higher to its organisational field, its systems of classification and the boundary work and micro practices whereby policy becomes institutionalised and embedded as practice.

CHAPTER FOUR

A THEORETICAL CASE STUDY

“.....case studies, like experiments, are generalizable to theoretical propositions and not to populations or universes. In this sense, the case study, like the experiment, does not represent a “sample”, and the investigator’s goal is to expand and generalize theories (analytic generalization) and not to enumerate frequencies (statistical generalization).” (Yin, 1994, p 10)

This chapter provides the rationale for the choice of the theoretical case study as the preferred methodology for developing a conceptual understanding of how the further-higher education interface has evolved and has been configured over the twenty year period under investigation. Drawing on the literature outlined in the previous chapter it synthesises existing knowledge and extracts from it a conceptual vocabulary and theoretical insights that can be used to build an analytical understanding of the boundary work that takes place at the further-higher interface.

Shifting configurations at the English further-higher interface over a twenty year period reflect changes in the balance of power, status and reputation among university based HE providers and non university based further-higher education organisations. This case study links context to process at the further-higher interface. It explores the evolution and dynamics of the interface relationally and holistically and as part of a wider political economy of further-higher education. It is argued that in situations in which it is difficult to separate context from process a

theoretical case study is an appropriate choice of method. When little theoretical and analytical work exists on a phenomenon, a theoretical case study helps explore its complexities and can generate new concepts and theories.

Theoretically and conceptually further-higher education is not well understood. It lacks an underpinning body of conceptually informed literature on further-higher education and a substantive and cumulative body of theory that can be used to analyse it. The scattered and largely descriptive practitioner 'grey' and policy literature described in the previous chapter do not currently provide an adequate theoretical infrastructure to achieve this aim. Preliminary efforts to collect existing material are at an embryonic stage and for that reason a range of inter-disciplinary academic sources including that drawn from organisational and institutional theory has been filtered to construct a conceptual vocabulary that can act as a scaffold for developing an analytical and theoretically led case study.

Following Yin (1984, 1989, 1993, 1994) it is argued that the case study method is particularly suited to situations in which the researcher has little control over events or in which relatively little is known about the phenomenon under investigation. In situations where it is not possible to easily separate the boundaries of the phenomenon under investigation from the case being explored then it is a particularly suitable methodological approach. Further-higher education represents just such a situation.

Conceptualising how the further-higher interface, the institutional, sector and inter-organisational boundaries that define its contours have blurred and undergone

significant reconfigurations over the twenty years since 1988 is therefore a priority. The boundary work that has taken place at the further-higher interface is suitable for investigation because of the difficulties of defining a distinct further-higher education sector that can be separated from its FE and HE roots. It is an emergent and evolving interface and the role of boundaries and sector legacies in its evolution are not clear cut. In some cases boundaries may perform a positive function in enabling student transitions between FE and HE. In others they may act as a barrier or serve to reproduce and institutionalise internal distinctions within the organisational structure of further-higher education providers.

The boundary of the case, which in this instance is the further-higher interface, is blurred and difficult to separate from its context. The transactions and exchanges that take place across the interface are embedded and institutionalised in complex relationships involving crossing sectors, institutional and organisational divides that are rooted in the two separate FE and HE sector identities and legacies.

Disentangling these processes requires a holistic methodological approach that can capture the complexities and dynamics of the interface. Identifying conceptual tools that enable the construction of an analytical framework that can help conceptualise the processes of institutionalisation taking place at the interface is the goal of the thesis. In developing these tools theory may inform policy implementation or help clarify the processes whereby policy becomes implemented and embedded as practice.

The three literature streams outlined in the previous chapter (the policy, practitioner and academic literatures) were interrogated and synthesised with this

in mind. Within a neo-institutionalist framework the literature is placed in an analytical framework that is explored in greater detail in Part Two of the thesis. Here it should be pointed out that the central role of institutions is paramount in this analysis. The further-higher education institutional environment, its associated institutional arrangements, their impact on sector and organisational boundaries through the boundary work that takes place at the further-higher interface cannot be understood in isolation from a wider political economy. The outcome of the processes of institutionalisation at the further-higher interface, whereby formal policy becomes embedded as organisational practice 'on the ground', is theorised through the analytical framework that emerges from the case study. It is a process that must be understood in context and theorised in terms of the iteration of context and process.

As a theoretical case study, the thesis conceptualises the connections between the macro levels of the institutional environment, the meso level of the further-higher organisational field and the micro level of organisational practice, as a constant process of organising and reconfiguring the further-higher interface. Because it is primarily a conceptual approach the theoretical case study method acts as a heuristic device for generating new theory and concepts from the existing scattered literature on further-higher education that was outlined earlier.

Understanding the processes whereby the configuration of the further-higher interface unfolded over this time period and the context in which transactions and exchanges take place across and within organisational and sector boundaries is complex. Not only is the maturation of the further-higher education organisational

field an integral part of the development of the university based HE organisational field, but transactions and exchanges across the further-higher interface are often asymmetrical and constantly evolving while being occasionally contested. Further-higher education thus cannot be understood except as a relational construct rather than a dichotomy based on distinctions between FE and HE. A holistic and contextual analysis is needed to help understand this relation of process to context and structure to action.

Boundary work at the further-higher interface is surrounded by ambiguity, involves multiple interests and different stakeholders with different goals and interests while the causal processes linking the iteration of context to process is not well understood. Untangling this complexity theoretically is particularly well suited to using a theoretical case study methodology as the tool of investigation.

Rittel (1973) refers to situations in which there appear to be no simple solutions to understanding complex problems analogous to those found at the further-higher interface as 'wicked problems'. Further-higher education is an example of a 'wicked problem' inasmuch as it exhibits complexity, ambiguous and sometimes contested values and goals. Its fundamental institutional duality makes it difficult to understand causal processes or identify simple solutions to complex problems because of the co-existence of distinct institutional logics within the same organisational field. With 'wicked problems', it is the very complexity of the situation that makes it difficult to isolate causal mechanisms. Exploration of such complexity is inevitably provisional lacking a conceptual vocabulary or developed theoretical framework for understanding it.

The case under investigation and the institutional and organisational transitions that have taken place are bounded by time, location and sector and by four significant events, institutional or policy turns. At theoretically significant points in these institutional and organisational transformations the further-higher interface was re-configured, re-contextualised and re-classified. The transactions and exchanges that took place at the interface were embedded in institutional and social relations as well as relations of economic exchange that are intrinsically integrated within a wider political economy.

The units of analysis of this case are the embedded transactions and exchanges that take place at the further-higher interface. They are reconstructed through a focus on the policy, practitioner and academic literature outlined in the previous chapter. These transactions exhibit structural attributes that define the transaction as bilateral relations of dependence between legally autonomous FE and HE organisations. They constitute a type of exchange across the further-higher interface that is often asymmetrical. Differences in power, access to resources and status are evident and the legitimacy of different modes of provision is sometimes contested. Understanding and conceptualising these exchanges involves contextualising them against this interplay of multiple actors, agencies and structural contexts.

Investigating the context in which these transactions and exchanges are embedded in detail contributes to establishing a conceptual understanding of the institutional environment and the institutional arrangements (or governance

structures) that mediate the 'rules of the game' whereby transactions and exchanges are institutionalised and configured at the further-higher interface. Whether the transitions that occur are permanent or transitory and the organisational forms found in further-higher education are transitional or permanent is one of the questions explored throughout this case study.

The case study methodology allows a detailed theoretical investigation of the iterative processes whereby transactions and exchanges at the further-higher interface and the context in which they take place can be understood conceptually. Theoretical insights can then be drawn through a focus on detailed analysis of a single case. It is not the aim of this preliminary theoretical exploration of the dynamics of the further-higher interface to make statistical generalisations about the representativeness of the case at this stage. Its purpose is to engage in analytical generalisation rather than to generalise in terms of statistical frequencies or sampling and to generate a conceptual vocabulary and theoretical understanding of the interface. Analytical generalisation is theory led and the criterion for evaluating its effectiveness is its theoretical relevance rather than the statistical frequency with which an event occurs.

The author's own experience of working in a large college of further and higher education over a period of some twenty years complemented the policy, practitioner and academic literature used to construct this theoretical case study. However, this is not a study of any one provider: nor is it ethnography. It investigates and attempts to theorise the interplay of the further-higher institutional environment, the development of the further-higher interface and the organisational

practices of further-higher education providers from secondary sources using multiple sources of evidence. In this under theorised and poorly understood area there is little in the way of a pre-existing conceptual foundation for building theory: hence the use of a theoretical case study methodology as a tool for preliminary investigation.

Defining the Case

Stake (1994) describes different types of case study two of which are the intrinsic case study and the instrumental case study. The research in the thesis consists of both. It is intrinsic because the author was employed at a large further-higher education provider which made it intrinsic to individual experience. It provided an impetus to understand and conceptualise the constant changes that had been experienced over a period of almost twenty years. It is instrumental because it aims to answer the question of how a conceptual understanding of further-higher education provision can contribute to a wider theoretical understanding of further-higher education.

The key characteristic of the theoretical case study and an important element that distinguishes it from ethnography is that it is purposively theory driven and designed to elaborate future conceptual development. Yin provides one of the most thorough and systematic accounts of the case study method emphasising the theory driven nature of the case study. Other prominent theorists include Eckstein (1975), Stake (1995) and Merriam (1988) whose contribution to the study of the case study methodology will be considered below.

Yin defines the case study as:

“an empirical inquiry that investigates a contemporary phenomenon within its real-life context; especially when the boundaries between the phenomenon and context are not clearly evident.” (Yin, 1994, p 13)

This investigation, however, is not based on an empirical case study but a theoretical one informed by existing secondary sources and the need to develop theoretical propositions where few currently exist. A theoretical case study such as this uses the case, in this instance the exchanges taking place across the English further-higher interface, as a laboratory for generating potential novel or new concepts. These can contribute to building a conceptual vocabulary and analytical framework that facilitates the theorising of the interface, the exchanges taking place there and the boundary work through which exchange becomes embedded as practice.

In further-higher education, where few theoretical and conceptual accounts of its development currently exist, the paucity of theoretical accounts of the dynamics of the interface is a major drawback to informing policy interventions. For that reason the synthesis and selective use of the policy, practitioner and academic literature identified earlier, provides a starting point for developing more substantial theory.

The selection of the case and the unit of analysis are therefore choices that are made in terms of how they can progress the development of a more extensive theoretical understanding of the further-higher interface. This choice is inevitably

highly selective given the complexities of the interdependencies between context and the phenomenon under study. The process of case selection is informed by theoretical priorities, disciplinary traditions and the research questions.

“The case study inquiry

copes with the technically distinctive situation in which there will be many more variables of interest than data points, and as one result relies on multiple sources of evidence, with data needing to converge in a triangulating fashion, and as another result benefits from the prior development of theoretical propositions to guide data gathering and analysis.” (Yin, 1994, p 13)

Although often associated with qualitative research a case study may be quantitative or a mix of qualitative and quantitative methods. A key feature of the case study methodology is the use of multiple sources of evidence and of triangulation to enhance the reliability and validity of a study. It is effectively a strategy rather than one single method (Yin, 1994).

Case studies are consequently neither based upon pure empiricism nor on excessive concentration on details which limits the ability to generalise from case to theory. Some of the most common criticisms made against case studies are that it is hard to generalise from cases, that they are difficult to replicate and that they are subjective or ‘unscientific’. It is argued that in situations where theoretical knowledge is undeveloped and largely unexplored a theoretical case study is useful for generating new, novel insights that attempt to move beyond existing knowledge. Where that takes research cannot be known in advance and therefore

theoretical case studies should be designed to provoke new insights rather than test existing ones.

The case is selected on theoretical grounds to illuminate or illustrate a relatively unknown phenomenon. In this sense it is exploratory. In this study, the choice of the case study is a preliminary attempt to develop theory in a relatively under theorised area. Its primary function is as a heuristic device that can extend existing knowledge beyond its current frontiers.

Given that the case study approach adopted here is an example of theoretical or purposive sampling rather than statistical sampling the selection of the case needs justifying. The further-higher interface is the locus or intersection of two distinct sectors with different traditions, identities cultures and histories. The transactions and exchanges that take place across this interface are embedded in an institutional environment and an organisational field that is characterised by institutional duality. The case study methodology allows the exploration of the iteration of process and context at this interface and especially those tensions, paradoxes and anomalies that can be the result of this duality. As a theoretical case study the selection of the case and the unit of analysis have been selected for the theoretical insights it can provide in illuminating the dynamics of this further-higher interface. As an example of theoretical sampling the choice of the further-higher interface as its locus of investigation provides the foundations of the theoretical case study methodology adopted here

Moreover, in terms of the capacity to generalise from the findings of the case study the ability to generalise is an example of analytic generalization and not statistical generalisation (Hamel et al, 1993, p44). It is not about the frequency with which a case occurs as in statistical sampling, but about the theoretical relevance and consequent methodological significance of the case in informing theory development.

Arguing for rigorous and systematic approaches to research design in advance of data collection, Yin (1994) proposes that issues surrounding the validity, reliability and the ability to generalise from individual case studies need to be dealt with in terms of the appropriateness of the case study for aiding the investigation of theoretically undeveloped areas.

In terms of reliability, validity and generalisability the case study method does not meet a positivist understanding of what these measures mean. If by reliability what is meant is the ability to reproduce the case under investigation at a separate point in time that is plainly not possible given that the events are possibly unique. Nor does the researcher have much if any control over events in the way an experimental researcher would have. Reliability in terms of a theoretical case study resides in how relevant the case study is to the research questions being asked and the theory being developed and the further development of theory and concepts. One way of enhancing reliability is to make comparisons with analogous circumstances: for example, reforms in the public sector that witnessed the introduction of NPM and managerialism and the blurring of the public and private divide show similarities to the reforms that took place under incorporation. The

interface of public and private under conditions of institutional and organisational transformation in the public sector can illuminate similar processes at the further-higher interface.

In terms of measures of validity is what is claimed to be measured actually being measured? To answer this question there needs to be a focus on the literature that is available as data informing theory construction. The study draws on the policy, practitioner and inter-disciplinary academic literature to construct its theoretical propositions. This is not a comprehensive set of sources in terms of offering a theoretical foundation for conceptualising the further-higher interface and there are inevitably gaps. Validity, therefore, is not simply an objective construct but a question of the theoretical relevance of the literature used based on theoretical sampling and analytical generalisations that emerge from the materials.

The ability to generalise from the case study is also limited. However, as the aim of the research is to generate a conceptual vocabulary and theoretical propositions from the literature this is not a significant limitation. Its priority is to construct an analytical framework that can be used to make sense of the interface.

Eckstein (1975) describes a heuristic-case study as distinct from other variants of the case study method and through it theory may emerge in the process of 'finding out' and unpicking raw data. The detailed investigation of an individual case can reveal underlying principles embedded in the data that can contribute to the future development of further theory in Eckstein's view. In this sense the case study is neither testing an existing theory nor is it purely descriptive.

The choice of a theoretical case study to explore the further-higher interface and the organisational forms found in there is one that was made in circumstances that during the course of the study saw significant and unexpected events taking place. For example, the power to grant foundation degree awarding powers to further-higher providers in 2008 was one instance. This is typically the sort of terrain in which a case study is most useful as Yin (1994) argued when the case and the phenomenon cannot be easily separated and events cannot easily be controlled.

With little control over events and given the difficulties in identifying the boundaries between the case and context at the further-higher interface the policy context and the processes whereby policy is institutionalised as practice would require more detailed ethnographic techniques to advance understanding. This was not the method adopted here. The focus of analysis was on the policy literature and practitioner literature and was illuminated through a theoretical consideration of the academic literature on the role of institutions and institutionalisation in organisational change. This was then applied to the analysis of inter-organisational collaboration in further-higher provision across sector and institutional divides.

Thus a theoretical exploration of the processes of institutionalisation and de-institutionalisation, the configuration and re-configurations of the further-higher interface was undertaken as a means of developing an analytical and conceptual framework. The section below investigates the arguments for and against this particular methodological approach.

The Analytical Framework

Case studies may frequently use multiple methods of data collection and evidence. In the context in which they are used here they are distinct from ethnography and other methodological approaches because they may attempt some approximation to testing prior theories or hypotheses and follow a distinct logic of discovery similar to those procedures typically found in the experimental method (Yin, 1993, p46). These are preliminary theoretical propositions, hypothesis or formulated hunches to be tested in advance of collecting data and evidence. As Eckstein claims, the use of a heuristic-case can help the emergence of theoretical propositions and vocabularies that may contribute to the future development of theory. They are not in a literal sense testing existing developed theories. Their purpose is to generate new ones.

In practice, it was impossible to begin theorising the further-higher interface and its associated organisational forms without some preconceptions of its characteristics in advance. Most significantly, the institutional duality of further-higher education with HE sector bodies tending to oversee quality and funding issues while further-higher providers are responsible for their infrastructure to FE sector bodies can create tensions. The case study method can usefully aid the exploration of these tensions in a way that other methodologies cannot by situating them in the context of a broader system of classification that operates under dual institutional logics. The anomalies that result from this duality can then be contextualised.

By definition anomalies do not fit. As part of this initiative to construct an analytical framework to further conceptual understanding of the further-higher interface a neo-institutionalist analysis of the role of anomaly based on the work of Douglas (1966) was used. This formed part of the analytical framework that emerged from the data. The basic idea behind Douglas' work which is usually referred to as grid-group analysis was to investigate how systems of classification in human societies maintained boundaries and what happened when boundaries were transgressed in the context of that system of classification. This is explored in detail in more part two of the thesis. Here it should be pointed out that Douglas' essentially neo-institutionalist analysis of how classification systems maintain or threaten boundaries can equally well be applied to the categories and boundaries that demarcate FE and HE. Grenstad and Per Selle (1995), for example, argued that Douglas' approach bears similarities to a neo-institutionalist analysis.

Applying Douglas' grid-group analysis to further-higher education, as part of a system of classification of post-compulsory education that now included university based HE and non-university based further-higher provision, the latter could be considered an example of 'matter out of place'. It did not fit into the traditional system of classification of HE and was not accepted by all as a legitimate mode of HE provision (Parry, 2008). Douglas' grid-group framework is therefore used as a heuristic device to explore the nature of anomaly in this context. A theoretical case study is useful in teasing out the anomalies and paradoxes found at the further-higher interface through its emphasis on the iteration of context and process and its focussed analysis on a single case. Douglas' insights allow the reader to conceptualise the sometimes anomalous and paradoxical situations found at the

further-higher interface contextually as part of a wider system of classification that reflects existing structures and the institutional duality of further-higher education.

The Research Questions

A preliminary discussion of the conceptual framework adopted and derived from the literature review informed the construction of the research questions and helped formulate the choice of the unit of analysis for the case study in advance of data collection and analysis. This is discussed in this section.

The case is focussed upon English further-higher education and circumscribed by the configuration of the further-higher interface at different points in time and at theoretically significant institutional turns. Further-higher providers operate in an institutional environment and through configurations of institutional arrangements that are variously described as 'markets', quasi-markets or semi-compulsory collaborative partnerships. There is an inevitable tension between competitive and collaborative modes of operating and the governance structures that oversee operations. These dynamics are investigated through the exploration of a single case bounded in time, place and by sector.

The selection of appropriate units of analysis for the case study was based on theoretical sampling rather than on a probability sample. Considering transactions and exchanges at the further-higher interface to constitute the unit of analysis is therefore a theoretical choice. At each institutional turn over the twenty year period the transactions and exchanges taking place saw a reconfiguration of the further-

higher interface. The boundaries between FE and HE were reconfigured but unevenly. Researching this process was highly exploratory.

The research questions initially outlined in the introduction are reproduced here; both as a reminder of their scope and to underline their theoretical dimensions:

- How can English further-higher education provision be conceptualised as a component of a wider system of mass HE?
- To what extent has the reconfiguration of the further-higher interface in the last twenty years resulted in the institutionalisation of new 'rules of the game' or the persistence of institutional duality and parallel systems of regulation in further-higher education?
- How can the boundary work that takes place at the further-higher interface and the changing roles and functions of boundary organisations that sit at the interface be conceptualised and contextualised in further-higher education?
- Are the institutional and organisational changes that are and have taken place at the further-higher interface over the last a permanent or transitory phenomenon?
- Does the increasing diversity of further-higher education enhance widening participation or re-enforce relative structured social inequalities?
- How can the historical shifts in terminological conventions, systems of classification and data gathering techniques in further-higher education be conceptualised and integrated into one analytical framework?

Other questions evolved in the course of the thesis and contributed to the development of an emergent conceptual framework. These included the following:

- Is the hybridisation of organisational forms that have emerged at the further-higher interface a solution to the problem of dealing with competing and sometimes conflicting external institutional pressures in further-higher education?
- How can the paradoxes and anomalies that are found at the further-higher interface be conceptualised and investigated?
- Does institutional duality of further-higher education lead to a stable or unstable system of provision?
- Does the boundary work that takes place at the further-higher interface create boundaries that are barriers or facilitators of progression between FE and HE?

These additional research questions evolved as the researcher became more familiar with the literature and drew on other disciplinary traditions to conceptualise the further-higher interface. Linking the emergent conceptual framework to the research questions helped determine the methodological and analytical strategy that would evolve. Research is itself a process whereby progress is made through building on previous theory. Where little prior research existed it is therefore highly exploratory and provisional.

Furthermore, as Hamel et al (1993) claim case studies allow the exploration of the local in the global. What they mean by this is that a detailed and focussed analysis

of a particular case can reveal new insights into how macro processes impact on the micro.

The processes of marketisation, the rise of 'academic capitalism' (Slaughter and Leslie, 1997) and the commodification of further-higher education and HE are global phenomena. The accompanying institutional, sector and organisational changes, the spread of neo-liberalism and the introduction of private sector practices through NPM reforms and managerialism are, however, institutionalised within individual organisational structures and forms. These macro level processes impact differently on local situations and institutions and on the configuration of the further-higher interface and structuration of its organisational field. The case study method allows the exploration of these global local linkages.

“The movement from local to global is determined by identifying singularities and understood in the sense used in mathematics and scientific epistemology” (Hamel et al, 1993, p36).

What is meant by this is that the macroscopic is embedded in the microscopic and that the case can illustrate the workings of the wider social system and the principles underlying it through in-depth analysis. Investigation can generate analytical purchase and findings generated through the analysis of single cases in detail contribute to the development of a conceptual toolkit in under explored and poorly understood areas.

In further-higher education a detailed description of a series of transitional events, incorporation in 1988 and 1992, Dearing in 1997 and the establishment of the LSC in 2001, have been analysed in order to develop conceptual insights. Although

analysis of these events are not based upon an ethnographic approach but on policy documents, practitioner accounts and other academic literature, a detailed emphasis on these events can help untangle context from process and illustrate broader processes of institutionalisation. As one theoretical case study or as one of several case studies they may contribute to revealing the structural principles underpinning the political economy of further-higher education and its relation to HE as part of the wider economy and the process of institutionalisation.

The analysis of the case in detail and of institutional transformation at these points in time therefore can yield an understanding which can generate analytic insights to further understanding and to aid generalisation beyond the individual case. In further-higher education, the four institutional turns identified earlier help illustrate the underlying dynamics of the boundary work and boundary setting mechanisms at work at its interface.

The Case Study Method: A Critique

Through focussing in depth on one intensive case of a phenomenon the case study methodology contributes to uncovering how significant contextual and policy histories in further-higher education may be theorised. For this reason context and holism are important in case studies.

They are particularly useful for exploring new or unfamiliar research topics of which little is known. They can help generate hypotheses or direct researchers into avenues of future research based upon the uncovering of hitherto unknown

phenomenon or relations. The case study method acts as a sensitivising device for uncovering theoretically significant propositions, novel findings and new concepts. This approach through which concepts emerge from data is particularly suited to qualitative research but is not exclusive to it. Quantitatively based case studies can generate new concepts informed by the exploratory and investigative nature of the case study.

The epistemological assumptions underpinning the qualitative case study are that the social world is constituted through meaning and interpretation and consequently the adoption of a methodology should be contingent on its ability to contribute to the subjective understanding of a naturalistic world. This should incorporate the investigation of tacit, hidden meanings and the informal organisation which underpins formal organisation. This is important when the unintended consequences of policy initiatives are studied as well as the intended. This research represents a preliminary investigation of the written sources available and hence does not address these issues as such. However, a future investigation that builds on this analysis would need to investigate how public policy is implemented as practice. The various codes of practice, consultations and other policy literature on further-higher education are not simply public texts: they have to be interpreted.

The preferences and dispositions of organisational actors in further-higher education are, from this particular stance, an example of the negotiated outcome of an iterative process through which the macro, meso and micro structural dimensions of the workings of the further-higher interface are played out and

become embedded as institutionalised practice. How does the process of institutionalisation and de-institutionalisation, embedding and dis-embedding of practices, and the configuration and reconfiguration of organisational forms at the further-higher interface evolve? The case study method helps tease out this dynamic.

The classification of further-higher education at the FE and HE interface is problematic because of changes of terminology during the twenty years under investigation. An example is the shifting categorisation of prescribed HE and non-prescribed HE which at various stages over the twenty year period covered here have been redefined and re-configured. Some provision at one stage came under the oversight of FE funding bodies and at another HE sector bodies. This anomaly remains in place. What is particularly useful in this instance of the use of the case study methodology is that it allows the study of anomaly and paradox against context and over a sustained period of time.

All methodological approaches are based upon ontological and epistemological assumptions about the nature of the social 'reality' being studied and upon practical and political considerations. Given that this thesis is partly about new emergent or hybrid organisational forms both formal elements and informal elements of institutional life and the interaction between them need to be covered in any analysis. Multiple social realities and institutional logics coexist and occasionally conflict. The institutional duality of further-higher education in itself inevitably creates some tensions and these would need to be incorporated into any analysis. Policy texts should be read with this in mind.

Case studies can be classified by purpose. They may be descriptive, explanatory/exploratory or evaluative. The research reported here is aimed at being a theoretical exploration, although there are elements of description and evaluation involved. Untangling the normative and descriptive elements of an analysis of further-higher education from the conceptual and theoretical has been the purpose of this theoretical case study.

Yin (1994) argues theoretical selection of some sort is always involved in a well designed case study and this will be linked to the purpose of the research. In exploratory case studies there is a systematic search for emergent patterns or configurations. If configurationally distinct patterns are associated together then it is claimed they are related but not necessarily causally connected. In circumstances in which 'wicked problems' prevail then it is unlikely that these causal connections are easily identified or that they are easy to operationalise. 'Wicked problems' are characterised by complexity, ambiguity and anomaly.

Yet case studies may reveal trends that are not obvious or prominent on the policy radar but in the case of organisational and institutional transitions at the further-higher interface may be taking place beneath the surface or at the margins of the phenomenon under investigation. They may illuminate underlying structural principles of social systems in operation. Much of this study features inter-sector change and the analysis of patterns of competition and collaboration that often co-exist in tension.

A heuristic case study is useful for early investigations in which a common research trajectory is not clearly set out within an established academic disciplinary tradition. The case study can serve heuristic purposes enhancing meaning and providing new insights while generating a conceptual vocabulary and toolkit. This can contribute to the development of an inter-disciplinary analytical model that in this instance draws upon a neo-institutionalist reading of organisational change in further-higher education.

However, the case study methodology has had numerous critics. Often this is because the term has been used so loosely as to mean most things to most people. As mentioned above the term refers to a process and a strategy for uncovering theoretical and conceptual insights rather than a method in itself. If this definition is adopted as it is here then what characterises the strategy and what are its strengths and weaknesses?

A major criticism of the case study is its lack of generality. Yet as mentioned earlier the case study is based upon theoretical sampling rather than statistical sampling from a sample to a population. Moreover, pragmatic factors such as access and the sensitivity of a topic may determine what the universe of study is. You cannot easily identify a population or sampling frame in advance especially if the object of study is sensitive or deliberately elusive to outside investigation. This is also a useful approach if the case being investigated involves changes that are occurring at the margins or boundaries of inter-organisational collaborative processes that are not widely known or understood because they are relatively new. The interstitial emergence of new organisational forms in further-higher education is an

example. Informal organisation within formal organisations is another area in which the case study may be an appropriate method because it allows the teasing out of the interaction between formal and informal aspects of institutionalisation that might be missed by other methods.

The interaction between formal and informal aspects of institutional behaviour is significant and modelling this type of behaviour in particular requires a methodological approach which allows cross checking of behaviour against context. This is equally the case in modelling strategic or micro political behaviour as bounded rational or opportunistic behaviour in or between organisations. While this thesis is not an empirical case study as such the informal 'ecologies of practice' (Stronach, 2002) investigated in the course of the analysis is suggestive of areas for future research that could benefit from a more empirically focused and ethnographic approach that are sensitive to informal organisation.

However, this theoretical case study is an attempt to synthesise the policy literature and a range of evidence and data on the workings of further-higher education within one analytical framework. Prior conceptual categories, either tacit or explicit, will inevitably become guides to frame further research and to direct the development of theory through an iterative process with the data. It is the conceptual framework and research questions which largely determine the methodology of any piece of research. The research questions outlined above clearly focus on the boundary work that takes place at the further-higher interface and how that can be conceptualised as an iteration of context and process.

The methodological basis of the case study research is often criticised on account of its validity and reliability. In terms of validity, by which is meant the extent to which that which is being measured accurately reflects the theoretical 'object' of the study and that it reflects the literature available rather than any definitive measure of the objective property of the further-higher interface. In terms of its reliability it is constrained by the mix of policy, practitioner and academic sources drawn on and the degree to which they are publicly available. Moreover, as a representative account of the workings of the further-higher interface, it is highly provisional.

The case study typically uses multiple sources of evidence (Stake, 1995). For the purpose of this study these sources have largely been restricted to the policy literature, the 'grey literature' and practitioner literature and the academic literature. The author's own experience of delivering further-higher education in a large college provider over fifteen years and of interacting with various universities both old and new inevitably influenced how this data was interpreted.

There were few existing theoretical investigations of further-higher education available at the time of writing. Nor was there an established disciplinary tradition or an academic 'field' dedicated to the theoretical development of existing studies. The case study helped generate concepts and an analytical framework built on a neo-institutionalist foundation to partly address this.

Data that was being generated by fieldworkers and scholars that were involved in the FurtherHigher project at the University of Sheffield was also made available to

the author and contributed to the development of some of the ideas that emerged from the thesis. Two visits to further-higher providers that were involved in the project were also made by the author. In combination, these sources provide the data and intelligence through which theory could be generated.

Conclusion

The theoretical case study methodology adopted in this thesis was chosen as the most appropriate research method for investigating the evolution of the further-higher interface over time in order to capture the iteration of process against context in circumstances in which the boundaries of the case and the phenomenon under investigation are not clear and the researcher had little control over events.

The constant processes of organising and disorganising at the boundaries of the further-higher interface and across inter-organisational divides was analysed in the context in which it took place and against the background of the historical legacies from which it has developed. A number of institutional turns were identified as having particular theoretical significance for investigating the case. The processes of institutionalisation within the further-higher organisational field underwent a fundamental reconfiguration and reclassification at each of these turning points. The case study was built around an analytical framework that emerged from the literature review that was used to conceptualise the ongoing processes of institutional transformation in detail and in context.

Although most case studies do not begin without at least some initial sensitivising preconceptions these are often tacit rather than explicit at the beginning of a study. Indeed, this case study did not set out to test an existing theory, not least because of the paucity of existing theoretical accounts of the development of further-higher education. It looked to the emergence of theory from a scattered body of existing literatures and a range of disciplinary traditions. During the course of the study a neo-institutionalist reading of contributions from organisational theory was found to be most useful in capturing the dynamics of boundary work at the further-higher interface and the context in which it occurred. The institutionalisation of an emerging further-higher organisational field was conceptualised through this framework.

A theoretical case study is useful in helping build the theoretical underpinnings of a topic usually in its early stage of analysis when a developed corpus of theory does not yet exist. This is the situation that was presented in further-higher education. There are few accounts that are theoretically informed that can assist policy implementation. Part Two of the thesis offers a theoretically informed political economy and neo-institutionalist analysis of further-higher education over a twenty year period.

PART TWO

CHAPTER FIVE

A POLITICAL ECONOMY OF ENGLISH FURTHER HIGHER EDUCATION

This chapter provides an overview of the theoretical and conceptual content contained in part two of this thesis. It is premised upon a neo-institutionalist analysis of institutional and organisational change at the English further-higher interface. It situates the further-higher education interface in its broader socio-political institutional and organisational context while examining the processes of hybridisation and boundary work taking place at the interface.

The chapter functions as a prelude to the more detailed exploration of the analytical framework developed in part Two. The chapter sets the scene for the construction of an analytical framework that draws on a range of inter-disciplinary sources. This is then covered in detail in the following three chapters. In the past the fragmented nature of much of the work that has been done on further-higher education has lacked a strong disciplinary underpinning and tradition that can be used to advance theoretical understanding of its interface.

Firstly, the analytical underpinnings of the research are outlined. The conceptual foundations of the analytical model are introduced while a distinction is made between variants of old and new institutionalist theory. Different conceptual

understandings of what an institution is are discussed. This is contextualised as part of a wider political economy of further-higher education in which an institutionalist analysis of further-higher education is constructed. The socio-political, cultural and economic contexts in which institutional and organisational change at the further-higher interface has taken place over the two decades following incorporation is then considered.

To begin with, an analytical framework based upon a sociological institutionalist reading of the evolution of the English further-higher education landscape is developed. This investigates the transactions, exchanges and boundary work taking place at the further-higher interface conceptually. It explores those institutional contextual factors that contribute to the configuration and classification of the further-higher interface. It conceptualises the context and processes of institutionalisation within the further-higher organisational field, its stages of evolution and the mechanisms whereby the field has evolved.

Further-higher education is first considered as an institutionalised system of categorisation and classification. A neo-institutionalist reading of the work of Douglas on comparative systems of classification is utilised to conceptualise the categorisation and classification of further-higher education. The grid-group analysis derived from Douglas' early work is applied to understanding the further-higher interface as a distinct mode of delivery. Particular attention is paid to its hybrid nature and to processes of hybridisation taking place at the further-higher interface. Understanding the structural basis of anomaly and paradox within

further-higher education considered as a system of classification is progressed through the use of the grid-group heuristic.

Next the exchanges that take place across sector and organisational divides are conceptualised sociologically in terms of the embeddedness of transactions in wider institutional contexts. Specific configurations of social relations, sector legacies and identities are identified through the use of a modified version of transaction cost economics. A range of inter-disciplinary sources are also drawn upon to complement transaction cost analysis and to facilitate an understanding of the iteration of economic and social factors at the further-higher interface.

The role and function of boundary organisations that mediate exchanges and sit at the interface of the FE and HE sectors and further-higher education are theorised. Both the boundary work and boundary objects that are produced by boundary organisations are contextualised within this neo-institutionalist framework. Other disciplinary traditions that explore the significance of boundary work, boundary organisations and boundary objects including the sociological study of science and technology and actor network theory have been drawn upon to illustrate the dynamics of inter-sector and inter-organisational boundary work when the policy and technical domains interact. In the instance of further-higher education FE and HE are conceptualised as operating with two distinct institutional logics. Further-higher education is conceptualised as a hybrid mixing elements of both and subject to institutional duality and institutional contradictions at the further-higher interface.

The chapter provides an overview of the underpinning foundations of the neo-institutionalist analysis adopted here and the associated vocabulary that is developed throughout part Two. It sets the scene for a more detailed analysis of the dynamics of the further-higher interface and the processes of hybridisation taking place while the neo-institutionalist foundations on which it is built are made explicit.

The institutional forces that configure the contemporary further-higher interface emerged from the separate sectors and identities of FE and HE. This has given rise to an institutional environment characterised by the co-existence of two distinct institutional logics: one rooted in FE and the other in HE. Further-higher education providers must routinely navigate this duality and the institutional contradictions that emerge through their organisational practices and strategies. The dilemmas and conflict that are produced have to be managed. The emergence of hybrid organisational forms at the further-higher interface is arguably one response.

An analytical framework and associated vocabulary is constructed from those inter-disciplinary sources that were identified in part One of the thesis. These were used to theorise the dynamics of exchanges and boundary work at the further-higher interface. Contextualising boundary work at the further-higher interface and theorising the role and function of boundary organisations in facilitating exchanges is an important step in theorising the impact of institutional duality. The effectiveness of policy implementation across inter-sector and inter-organisational collaboration at the further-higher interface is better understood through an analysis that incorporates contextual and processual factors within one analytical

framework. This neither prioritises structure nor agency. Indeed, the iteration of context and process at the further-higher interface is a constant and fluid movement of organising. It cannot be conceptualised through static dichotomies or dualities that contrast FE and HE as objective categories. Indeed, the institutional contradictions associated with the institutional duality of further-higher education not only are the source of tensions but in combination with individual agency channel change.

In the past there has been a lack of a common conceptual vocabulary and analytical tool kit rooted in an established academic disciplinary culture specifically dealing with further-higher education. This presents researchers with a major problem in trying to conceptualise how the interface can be theorised. This is compounded by the lack of prior conceptual ground work to build upon. That which does exist tends to be fragmented across disciplines. This chapter gives an overview of the inter-disciplinary sources identified in the literature review and the concepts that have been drawn from them and synthesises them.

An attempt is made to conceptualise the macro socio-political external environment and meso and micro levels of analysis throughout. The institutional contradictions that result from institutional duality are filtered through the further-higher organisational field at the meso level and the organisational practices that are embedded at the micro level as institutionalised formal and informal organisational practice.

Throughout the thesis there is an emphasis on how organisational strategies have become embedded and institutionalised as practice. The processes and mechanisms whereby the values, norms, and sector identities and loyalties embedded in separate FE and HE sectors become institutionalised as hybrid practices are considered in context. Further-higher education is an emergent and socially constructed category: that is neither FE nor HE but a mix of both. This mix of sector legacies, identities and institutional environments is conceptualised relationally and holistically as one constant, fluid process of organising, disorganising and hybridisation. Hybridisation as a process is analysed as a coping mechanism for dealing with institutional contradictions and paradox at the further-higher interface. The advantages and disadvantages of hybridity are explored throughout the rest of part Two.

Further-Higher Education as an Instituted Process

As shown earlier a theoretical case study method was chosen to research the context, dynamics and processes through which the institutionalisation of boundary work takes place. A theoretical case study is particularly suited to circumstances when the 'case' cannot easily be separated from the phenomenon in which it is embedded and in which context and process are inter-twined. This section considers the further-higher interface as the intersection of economic exchanges as an instituted process across sector divides. It draws on Polanyi to conceptualise and categorise the further-higher interface as a mix of economic exchanges embedded in institutional contexts and sects of social relations and organisational practices that are configured at the boundaries of FE and HE.

The idea of the economy as an instituted process can be traced back to the seminal work of (Polanyi, 1944). Polanyi argued that economic action could only be understood in its substantive social and cultural contexts and that historically the economy was increasingly dis-embedded from its social and cultural roots. Here it is argued in a similar vein that further-higher education can only be understood as part of a wider political economy that recognises the embeddedness of economic action in its social, political, cultural, historical contexts.

Further-higher education is arguably neither FE nor HE but a hybrid. It is subject to institutional contradiction and tensions at its interface that have to be managed. FE and HE have been subject to increasing structural differentiation through different funding, quality, governance mechanisms and differences in cultures (Scott, 2009). The impact on further-higher education is unclear.

Different institutional logics, therefore, operate in different contexts and at different times. Coping mechanisms and strategic responses to duality have evolved as a response to these circumstances. Hybrid organisational forms offer a degree of flexibility and adaptive potential to absorb these institutional tensions and contradictions as well as a potential site for experimentation and innovation in rapidly evolving institutional and organisational environments. The role and functions of hybrid organisations is explored in detail in the following chapters.

Institutional and organisational change in further-higher education has witnessed a constant process of embedding and dis-embedding of its interface into new

configurations. The contextual institutional and organisational embeddedness of further-higher education needs to be contextualised against this fluidity of change and the tension between continuity and change.

The blurring of public and private distinctions between FE and HE sector after incorporation has contributed to the process of hybridisation. External conditions of institutional duality have to some extent become internalised in the diverse and hybrid organisational forms found in further-higher education. Some of these combine elements of both FE and HE within one organisational structure; others separate out their FE and HE provision into different organisations. Garrod and Mcfarlane (2007, 2009) for instance have investigated the emergence of organisational forms at the English further-higher interface as well as other countries with analogous systems. They have explored the emergence of dual systems of delivery within one organisational structure and contrasted them to binary modes of delivery in which FE and HE are kept separate by further-higher providers. While most of these are at a relatively early stage of development and evidence on how effective or otherwise they are in comparisons to alternative modes of provision is not widely available their emergence has posed a number of questions. For example how is the external institutional duality of further-higher education dealt with within organisational forms that are almost by definition collaborative inter-organisational and inter-sector arrangements?

According to Granovetter (1985) all economic action is embedded in social relations. In further-higher education, the contextual embeddedness of the different institutional logics that originated separately in FE and HE and the degree of

embeddedness of social relations and economic and exchanges at the interface, constitutes an analytically significant 'laboratory' through which the institutionalisation of further-higher hybrid practices can be theorised.

The process of configuring economic exchanges and social relations at the further-higher interface is simultaneously subject to convergent and divergent pressures. The institutional duality of further-higher education, rooted in its historically separate sector legacies, identities and systems of oversight, place conflicting pressures on providers. This needs to be understood as an aspect of the contextual embeddedness of FE and HE systems and their institutional duality. The extent to which FE or HE structures, practices, processes and values have been transferred across sector divides in further-higher education is the question. A constant process of hybridisation that combines elements of FE and HE in further-higher provision is one adaptive response to a lack of contextual fit.

Neither further-higher education nor HE can be considered in isolation as they are functionally interdependent in pursuing a common aim of widening participation to HE. It is this common purpose that has come to dominate the contemporary discourse on the role and function of further-higher providers. The question is, how in a differentiated and diversified system of HE provision, of which further-higher education is a sub-ordinate part, can equity issues be aligned with increasing diversity of provision?

The relation of non university further-higher education to university HE has to be contextualised against this wider political economy and the 'wicked problem' of

balancing equity and social justice issues within existing societal structures. This means that conceptualising further-higher education involves understanding it as part of one all encompassing contested organisational field of post-compulsory education. In such an integrated system there are asymmetries of power, influence, reputation and status at play across and within sectors. The transactions and exchanges that are embedded in the organisational field and institutionalised across the further-higher interface are therefore configured in a mix of relations of dependencies and synergies and are asymmetrical in form.

A political economy of further-higher education would also have to address the significance of the historical legacies and prior institutional configurations. Their contextual embeddedness in the contemporary landscape of further-higher education cannot be taken for granted. Such an approach would need to capture those theoretically significant institutional and organisational transitions that have taken place over the last twenty years as context, process and embedded organisational practice.

Against the backdrop of increasing globalisation and global competition, the economic role of further-higher education and its relationship to university based HE has become an important mechanism for creating a competitive labour force that can compete globally. As part of a drive to marketisation and massification further-higher providers have also been given a higher profile in raising aspiration and widening participation and access for non traditional students. The economic drivers of further-higher education provision are located in these macro processes

of globalisation, marketisation and massification. Further-higher education cannot be understood except in that context.

At the same time an ideological shift towards NPM and managerialism over the last twenty years and more has been evident in further-higher education. The influence of these trends in further-higher education and the public sector more generally is outlined in more detail in chapter Eight. Here it will merely be emphasised that the political and ideational dimensions of reforms in further-higher education need to be considered as part of wider trends in public sector reform.

The transactions and exchanges that take place between bounded groups or organisations in further-higher education are configured through boundary work and boundary organisations. The hybrid organisational forms found in further-higher education are conceptualised as arrangements that function to absorb and internalise the conflicting institutional pressures that are a consequence of the institutional duality of further-higher education.

In order to construct this analytical framework a number of disciplines have been trawled for relevant concepts and insights that can be applied to a theoretical investigation of the dynamics of the further-higher education interface. An overview of some of these contributions is given below.

Theoretical Investigations

Contributions from a range of inter-disciplinary traditions have been synthesised in an analytical framework designed to facilitate the conceptualisation and theorisation of further-higher education. In particular work done on the relations between organisations and their institutional environment and the nature of boundaries and boundary work has been used. Boundary work is a process that takes place in an institutionalised context mediated by boundary organisations that contribute to the shaping of the further-higher interface and its organisational field.

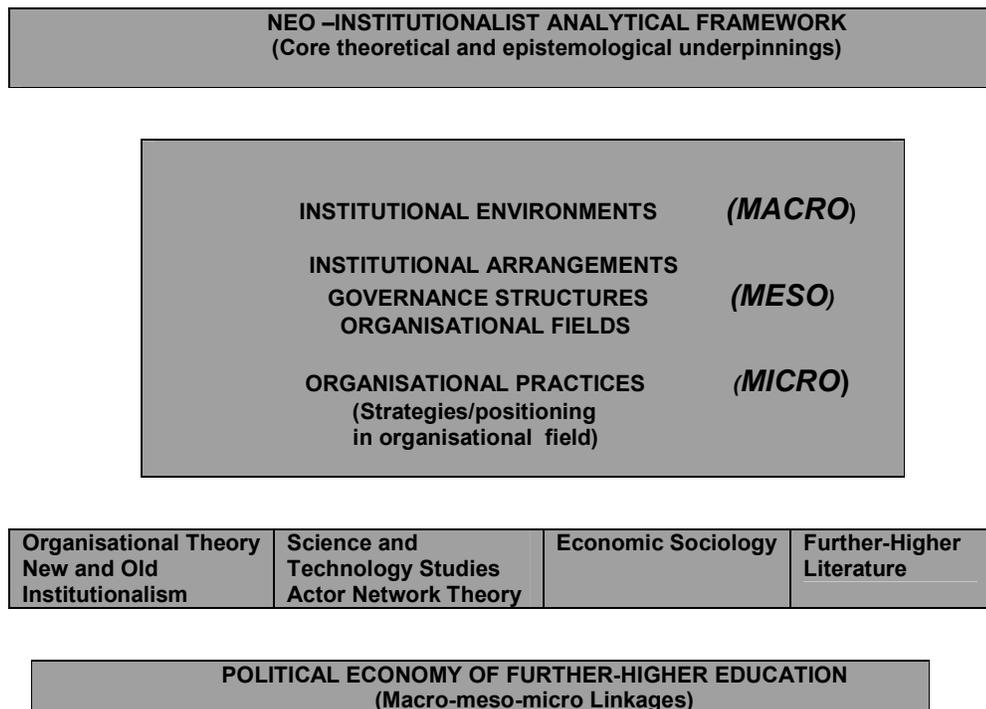


Table 5.0

Contributions from organisational theory, the sociology of science and technology studies, ANT and economic sociology are used to build a conceptual vocabulary that informs this analytical framework. Table 5.0 illustrates the linkages between inter-disciplinary traditions and the underpinning neo-institutionalist political economy approach adopted in this research.

Reading from the top to bottom of table 5 0 a neo-institutionalist analysis forms the core underpinning of the analytical model, focussing on the relation of organisations to their institutional environment and the interplay of institutional forces externally and internally. The institutional environment of further-higher education constitutes the macro level of analysis. The institutional arrangements or governance structures that are embedded in the further-higher organisational field represents the meso level. Finally the micro level of organisational practice and strategy constitutes the micro level.

Organisational theory provides insights from studies of hybrid organisations and of inter-organisational collaboration. More generally investigations into to the relationship between organisations and their environment have been explored using a range of disciplinary frameworks. The study of science and technology and ANT offers useful analysis of the role of boundary processes and boundary objects at sector and inter-organisational interfaces. Economic sociology provides insights that can be applied to understanding the utility of the concept of embeddedness for investigating exchanges and transactions at the further-higher interface. The contextual embeddedness of organisational practices and institutional environments cannot be assumed. Consequently policy implementation and formulation cannot be understood in isolation from the institutional and organisational contexts in which it takes place. These are situational factors that have to be investigated empirically. However, the policy and practitioner literature that was drawn from studies of further-higher policy and practitioner literature provides the meat upon which the analysis has been built.

In combination these inter-disciplinary contributions were applied to a model that maps the landscape of further-higher education while capturing the dynamics of boundary work and boundary exchanges as part of a dynamic and wider political economy of further-higher provision. The interplay of the dual institutional environments, institutional arrangements (or governance structures) that oversee further-higher interface and its maturing further-higher organisational field is highlighted throughout the analysis. The macro level processes originating in the wider economy and institutional environment of further-higher education are filtered through the meso level of the organisational field and are institutionalised at the micro level as distinct organisational practices.

Within organisational theory alternative theoretical frameworks including resource dependency theory, new economic institutionalism as well as neo-institutional interpretations, have been explored for their contribution to understanding institutional change in further-higher education. Each of these perspectives can be used to consider the relationship between a further-higher education provider and its environment in different ways and emphasises different facets of the relationship between them.

Resource dependency theory conceptualises the organisation-environment link in terms of power and an attempt to obtain control over resources. In terms of further-higher education collaboration this would provide a means for further-higher providers to access resources in the form of an HE brand that would otherwise not be available. However this is not a straightforward exchange nor is it a symmetrical

one. It is a relation of dependency as well as an opportunity to access new resources.

Resource dependency theory focuses on exchanges between organisations and their environment and power asymmetries that are embedded in these exchanges. From this perspective organisations try to minimise their dependence on others and external factors by controlling resources. Thompson (1967) was one of the earliest theories to consider relations between organisations and their external environment. Pfeffer and Salanick (1978) are other seminal thinkers in this tradition. There are also similarities with the resource based view of the firms developed by Barney (1991). When applied to further-higher education the insights provided by resource dependency theorists suggest that acquisition of resources is a means to accessing power and reducing dependency on other organisations in the same organisational field.

Complementing the work of organisational theorists are contributions from the sociological study of science and technology and ANT that focus on the boundary work that takes place at the science-policy interface. Insights from these studies on the role and function of boundary organisations and the boundary objects they produce are applied to theorising the boundary work taking place at the further-higher interface. These contributions are dealt with in greater depth below.

The work of economic sociologists more broadly considers the embeddedness of the economic in the social and the role of institutions in the social construction of organisational forms. Central to the analysis is the role of institutions and the

processes of institutionalisation in further-higher education. This is investigated and theorised using these different inter-disciplinary traditions within one analytical framework.

New and Old Institutionalism

There are a number of varieties of institutionalism. One common distinction is that made between old and new institutionalism. Old institutionalism is associated with authors such as Selznick (1957) who emphasised power and interests in the pursuit of institutionalised goals within organisations. However, critics of the old institutionalism claim it tends towards being descriptive and normative rather than analytical.

New institutionalism takes a variety of forms that Hall and Taylor (1996) sub-divide into rational institutionalism, historical institutionalism and sociological institutionalist versions. New institutionalism tends to emphasise cognitive processes and the transmission of norms and values and the search for institutional legitimacy as one of its core themes. In particular the emphasis on institutional conformity and the transmission of norms and values originating in the institutional environment in which organisations operate has been prominent, as has the role of institutional isomorphism (DiMaggio and Powell, 1983, Powell and DiMaggio (1991). Isomorphism refers to the institutional pressures organisations come under to converge towards similar organisational forms when subject to similar institutional environmental forces.

New institutionalist economics in the rational choice tradition is more oriented to theory development. This is usually within a neo-classical economic framework that retains a commitment to methodological individualism. However, new institutionalists extend the rationality postulate of neo-classical economic theory to argue that economic behaviour cannot simply be understood in terms of an individual pursuing pure self interest. Not only do individuals and organisations operate under conditions of bounded rationality rather than perfect information that will limit their ability to calculate outcomes but preference formation is mediated by institutions. New institutionalists, therefore, incorporate institutions into their analysis while retaining a core analytical commitment to understanding economic behaviour in terms of a relaxed form of the rationality postulate of neo-classical economics. Three versions of this rational choice approach associated with new institutionalist economics are transaction costs economics, principal agent theory and public choice theory each one of which will be considered below.

New institutionalist economics in the guise of transaction cost theory examines the structural attributes of transactions that take place at the further-higher interface and across sector and inter-organisational boundaries. These exchanges are considered in terms of their functional fit with the institutional arrangements or governance structures with which they are aligned. This is basically an economic argument that claims those governance structures that are most effective in reducing transaction cost for specific types of transactions will be chosen on the basis of their comparative efficiency. This is a somewhat under socialised concept of economic man that tends to ignore power, conflict and collective vested interests.

Neo-institutionalist theorists are distinct from new institutional economic theorists in that they focus on cognitive, cultural and other contextual factors rather than individual rationality in explaining the function of institutions. Neo-institutionalist thinkers explore the relationship between the institutional environment in which organisations must operate and organisational legitimacy.

According to key seminal neo-institutionalist thinkers the search for organisational legitimacy and conformity to institutionalised norms and classifications originating in the external institutional environment may result in a set of rationalised myths (Meyer and Rowan, 1977). These symbolic and ritualised expressions of organisational life may sit alongside the technical core and task environment of an organisation and do not follow the same institutional logic. One consequence is that the formal organisational structure, the technical core and task environment of an organisation may sit alongside ceremonial and symbolic representations of its activities and practices. Moreover, these two dimensions of organisational life do not simply conform to a search for technical efficiency.

One key variant of neo-institutionalist analysis that will be used in this thesis is based upon the work of Douglas on grid-group analysis. This is a neo-Durkheimian analysis of how institutionalised systems of classification reflect the broader social structure, underlying principles of social organisation and broader structures of legitimation. Originally developed in social anthropology to compare how different cultures classify their environments it can also be use to explore the role of

anomaly and paradox in systems of classification including how further-higher education is classified.

Douglas' schema is applied here as a heuristic device for understanding the classification of the further-higher interface and the anomalous nature of some further-higher education provision within a system for classifying all non-university and university based HE. The classification and categorisation of further-higher education, it is argued, reflects the ordering of power relations at the further-higher interface. Boundary work at the further-higher interface is considered a rhetorical and strategic activity that mediates the institutional duality of further-higher education. Power and interests are at work in this process. Institutionalised systems of classification reflect distinct patterns and dispositions of power in organising economic life. In the case of further-higher education these also reflect distinct tacit assumptions about the distinctiveness of further-higher education as a legitimate form of HE. This approach will be applied to the analysis of modes of organising at the further-higher interface in chapter Six. There the grid-group heuristic is used as a medium for contextualising, mapping and clarifying the trends and processes found in institutional and organisational change in further-higher education.

There are other variations of institutionalisms that are broadly divided into economic and sociological variants. Each emphasise different aspects of institutionalisation and the role and function of institutions. However, one thing they retain in common is that they put institutions centre stage of their analysis.

Why Institutions Matter

Following North (1990) an institution is defined as the humanly devised constraints that shape and guide human interactions. Institutions reduce uncertainty and ambiguity in the conduct of everyday life by providing a structure to human interaction and behaviour (North, 1990, p. 3). Institutions may include any kind of formal and informal constraints or rules that human beings devise to shape interactions. North specifically defines institutions as:

"..... a set of constraints on behaviour in the form of rules and regulations; a set of procedures to detect deviations from the rules and regulations; and, finally, a set of moral, ethical behavioural norms which define the contours that constrain the way in which the rules and regulations are specified and enforcement is carried out" (North, 1984, p8).

Scott, another well known new institutionalist thinker provides another definition by arguing that institutions are:

"cognitive, normative, and regulative structures and activities that provide stability and meaning to social behaviour" (Scott, 1995, p33).

The concept of an institution as used and debated in the new institutionalist paradigm and in particular by North is crucial to the argument that follows. The claim is that institutions matter and constitute the structures of constraint and choice that mobilise other organisational, political and cultural processes at the further-higher interface. The dual importance of formal and informal dimensions of

institutions is crucial to understanding whether a policy shift is likely to succeed or fail. Institutions effectively infuse values, preferences and incentives in organisational practices (Selznick, 1957). Cognition of these preferences varies according to circumstances and institutional, organisational and individual alertness. The grid-group heuristic is used as a heuristic device for mapping the contextual dimensions of the institutional landscape and environment in further-higher education. Practice is embedded in the context of an organisational field that constitutes the setting in which the players, following North, follow the 'rules of the game'. Thus institutions constitute the formal and informal 'rules of the game' while organisations constitute the players of the game.

One of the most significant features of the institutional landscape of further-higher education is that it is subject to institutional duality. While policy is largely formulated and implemented through the HE sector, the actual delivery of further-higher education takes place in the FE sector. Sector loyalties, identities past histories and conventions therefore play a significant part in configuring the institutional landscape of further-higher education.

Davis and North (1970, p133) make a distinction between the institutional environment and institutional arrangements. Institutional arrangements refer to the specific institutional mechanisms which coordinate transactions and economic exchanges such as markets or hierarchies. The institutional environment refers to background sets of institutions such as formal laws and informal conventions that oversee the operation of specific configurations of institutional arrangements.

Analytically the latter are basically meso level constructs while the institutional environment is a macro level one.

Organisations operate within configurations of institutional arrangements and are goal directed and set up for specific purposes. In further-higher education the significant characteristic of these organisations is that they are combined in semi-compulsory inter-organisational collaborations largely steered by the central state. They are bilaterally dependent on each other and must operate across sector and organisational boundaries and interfaces.

This next section looks at the contribution of new institutional economics for understanding the dynamics of institutionalisation at the further-higher interface and in particular three influential streams of new institutional economics thinking including transaction cost economics, principal agent theory and public choice theory. What these approaches have in common is that they retain a fundamental commitment to a rational choice model of preference formation. They emphasise to varying degrees that the core rationality postulate of rational choice theory remains at the centre of analysis. While they incorporate a relaxed model of rationality that allows a flexible view of rationality what they hold in common to varying degrees of emphasis is an assumption that economic behaviour is both purposive yet moderated through institutional environments that channel choice.

Rational Choice Institutionalism

Rational Choice Institutionalism is fundamentally neo-classical in its underpinnings and represents one of the three strands of institutional theory mentioned above. This variant of institutionalism is dominated by an economic version of the role of institutions in regulating economic life. It retains an assumption that organisational decision makers are rational in the choices they make and informed in making them. The assumption of rational choice is central to this approach. However, the version of institutionalism commonly associated with this tradition relaxes some of these core assumptions of rational decision making processes to include the possibility of bounded rationality and to propose that all organisational decision makers have limited cognitive capabilities and must deal with uncertainty and ambiguity.

Bounded rationality simply means that decision makers do not have access to perfect information, are limited in their abilities to calculate the optimum consequence of making one decision rather than another and 'satisfice' rather than maximise when they make choices. In other words they make do on limited information and under contextual constraints. These traditions are outlined below.

The conceptual framework that underlies new institutional economics is predominantly a neo-classical one that offers a relaxed view of the rationality postulate that is at the centre of neo-classical economics. The three variants of new institutional economics that have tended to dominate are discussed below.

The first is transaction cost economics which was largely developed from the work of Coase (1937) and Williamson (1985). The second is based on principal agent theory and complements the transaction cost outlook. This second tradition emerged through the contributions of writers such as Alchian and Demsetz (1972), Eisenstadt (1989), Fama (1989) and Jensen (1976). A third variant of new institutionalism is public choice theory.

Each of these academic contributions to modern economics has had a significant impact on the emergence of ideas associated with NPM in the public sector that are discussed in chapter eight. Followers of NPM effectively argue for the introduction of private sector business practices, markets, competition and the use of managerialist forms of coordinating public sector organisations according to private sector practices.

Williamson who built on the earlier work of Coase is generally considered to be the key figure in the development of transaction cost economics. He argues that there are various costs incurred in the process of transacting exchanges and in the process of coordinating economic action which are generally referred to as transaction costs. Transaction cost economics argues that the reduction of transaction costs can be achieved through the adoption of the most appropriate governance structure or institutional arrangements for coordinating transactions to match the structural attributes of the transaction.

Williamson used a comparative framework to compare the transaction costs of operating under one governance structure or set of specific institutional

arrangements when compared to alternative governance forms. He identified markets, hierarchy, networks or hybrid forms as the core alternative governance structures that transaction cost economics considers. The preferred governance structure according to Williamson will be the one that most adequately matches the transactional attributes of the exchange to the associated governance structure. The most efficient match will in turn minimise transaction costs. In effect what is important is which form of economic organisation will minimise transaction costs relative to another. Applied to further-higher education, transaction cost economics would consider the most 'efficient' organisational form for achieving these goals to be the one that reduced the transaction costs of adopting that organisational form. This is of course an argument from economics based upon efficiency criteria.

Transaction cost economics identifies four core structural components of transactions: asset specificity, frequency, uncertainty and small numbers bargaining and makes a number of behavioural assumptions about the economic agents engaged in transacting including bounded rationality and opportunism or self 'seeking with guile' to use Williamson's phrase.

In conditions of asymmetrical information in which one party to a transaction is more knowledgeable than the other there is always the possibility of a partner behaving opportunistically or as Williamson terms it, using 'self seeking with guile'. The condition of bounded rationality means that parties to the transaction rarely have perfect information available to them. Reducing opportunism therefore is a key goal of transaction cost economics.

Transaction cost theory is concerned with the efficient alignment with transactions to institutional arrangements or governance structures. It argues that a particular form of governance whether it be the market or via hierarchy will be chosen because it is the more efficient in reducing transaction costs. This economic approach tends to ignore the context in which transactions at the further-higher interface are embedded and issues of power. Contextualising these transactions against a wider economic, political, social and cultural setting is a necessary step for understanding further-higher education as an instituted process.

The concept of asset specificity is generally considered to be the key transactional attribute in transaction costs economics. Asset specificity refers to durable relationship specific investments that are tied in some way to the transacting parties. It is a function of a bilateral dependency between two independent and autonomous organisations such as those found in further-higher education.

In the further-higher education organisational field all transactions exhibit relatively high degrees of asset specificity because they are by definition collaborative arrangements that tie each organisation or agency into some form of mutual dependency. The inter-organisational relations found in further-higher education whether based upon a franchise, consortium, direct or indirect funding are examples of collaborative structures that habitually involve the drawing and crossing of sector and organisational boundaries. Not only is it difficult to deploy these assets to alternative uses in these circumstances but the switching costs can incur considerable transaction costs as in the change of a collaborative partner. Thus further-higher education exhibits medium to high levels of asset specificity

because of this inter-organisational bilateral dependence and the semi-compulsory nature of the collaborations that take place there.

The components of asset specificity are considered to be the crucial attribute of the transaction. However, the degree of uncertainty under which a transaction takes place is also important. At this point it is important to make a technical distinction between uncertainty and risk which are terms that are often used interchangeably. In the economics literature risk can generally be assigned a value or rather a probability and to some extent can be measured. This, for example, is how actuaries operate in the insurance business. On the other hand uncertainty cannot be measured: it is a qualitative condition and perception. Transaction cost economics uses the term uncertainty.

As uncertainty cannot be measured whereas a probability measure can be assigned to the economic concept of risk an organisation's perceptions, preferences and incentive structures are best understood as historically and socially constructed. It is the function of institutions to reduce uncertainty and enhance predictability hence the grid group heuristic developed in an earlier chapter is utilised to map and conceptualise these institutional processes of preference formation in their specific contexts.

Bearing this technical distinction between risk and uncertainty in mind, organisations that are described as 'risk averse' may in reality be described as uncertainty avoiding. However, using the conventional term 'risk averse' further-higher education deliverers may spread risk or delegate it through a collaborative

arrangement such as franchising. Indeed, in some cases this is what happened in the early post incorporation days of further-higher education franchising when a small number of universities withdrew from franchise agreements at short notice in order to respond to a changing and volatile policy environment in a typically short term reactive response. Franchising could thus be used to rapidly expand provision but also to contract it under unfavourable economic conditions. Most of the power to do this lay with the university partner.

The frequencies with which transactions take place are another core component of transaction cost economics. The long term and the short term duration of transactions is a key factor that decision makers must take into account in engaging in inter-organisational collaboration. It takes a lot of time and effort to build costs and collaboration does not come cheap. The longer the collaboration lasts or has existed the more likely that a form of relational contracting and shared understandings based upon normative and regulative institutional pressures will evolve and that trust will become an important factor. Transactions are likely to become embedded in social relations the more frequent a transaction occurs simply because asymmetrical information will be reduced through increased familiarity with partners. Boundary spanning roles and boundary crossing facilitation is likely to develop, too.

Williamson sometimes refers to the small bargaining problem by which he means that in situations where high levels of asset specificity exists between two or a small number of transacting partners, there is a greater risk of one or more of the

transacting parties acting opportunistically. Competitive mechanisms are not effective in such situations when asset specificity is high.

One strategy adopted by some further-higher education deliverers was to operate with multiple partners. This raises the transaction costs of coordination and monitoring exchanges but reduces uncertainty by spreading 'risk' or uncertainty. The Dearing report recommended that this should not be the typical arrangement. Some further-higher education providers went down this route despite this recommendation to enhance their bargaining power.

The deliberate alignment of preferences and incentive structures under conditions of asymmetrical information in which one of the transacting partners, usually the agent, knows more than the principal, presents an agency problem. It may well be difficult to observe or monitor or measure the labour process of the agent under these conditions hence incentive structures need to be created that encourage the agent to act in the interest of the principal. When multiple stakeholders and competing interests coexist as they do in the further-higher organisational field, the problem of aligning multiple organisational preferences presents regulators with a 'wicked problem'. Principal agent theory deals only this problem of complexity by assuming that organisational preferences can be reduced to a set of contractually based **RATIONAL CHOICE (CHECK)** principal agent problems. These 'tame problems', in contrast to the 'wicked problems' that are typically evident in further-higher education, are premised on a neo-classical model of rational economic behaviour.

Thus principal agent theory has evolved to address agency problems. The relationship between the principal and agent is effectively a formal contract. Multiple principal agent relations are conceptualised as a series of individual contracts in which the conditions of the contract are expected to be explicitly and formally codified. This rather one dimensional analysis tends to ignore the contexts in which agency problems emerge and the situational embeddedness of principal agent relations in different institutional, organisational structures and cultural environments. Moreover, non-market transaction costs and the informal dimension of economic organisation are rarely the focus of study in new institutional economics.

Agency problems need to be understood situationally, contextually and relationally and are not necessarily formal and when more than one organisation is involved they are even more complex. Often they are based upon relational contracting that evolves with time and agents cannot specify all possible outcomes as would be the case in a formal contract. Hence incomplete contracting poses problems for principal agent theory because the conditions of successful contract completion cannot be determined in advance. Moreover, the assumptions of agency theorists that are common to transaction cost economics are associated with a-priori behavioural assumptions about rationality and opportunism, or in the language of principal agent theory, moral hazard and adverse selection. These are theoretical givens and not investigated inductively or empirically to establish their truth value.

In particular, there is potential for opportunism and moral hazard under conditions of asymmetrical information. Goal incongruence results when principal and agent

do not share the same preferences or respond to the same incentive structures. Dysfunctional behaviour can result when this occurs or perverse incentives can be generated that distort the behaviour of agents. After all, the principal agent problem is effectively one of preference alignment. This may then raise transaction costs.

Principal agent theory along with transaction cost economics and public choice theory have been influential in providing a theoretical basis for neo-liberal reforms instigated in the public sector. The theoretical edifice on which these reforms are largely based has been mined for their contribution to understanding the complex dynamics of institutional and organisational transformation in further-higher education.

Historical Institutionalism

Another significant variant of institutionalist thinking is historical institutionalism. This variant of institutionalism uses the concept of path dependency to conceptualise the process of institutionalisation and capture how historical processes and pre existing institutional environments and arrangements can influence the configuration of contemporary institutional environments. Path dependency simply means that past structures, systems and processes can influence the present.

In further-higher education the legacies of prior institutional configurations of the further-higher interface still retains a substantial hold on the identities of contemporary further-higher education providers (Smith, 2008). Sector identities

and loyalties remain strong (Parry, 2008) and may have primacy in terms of how decision makers perceive themselves as further-higher education providers. Path dependency may play a significant role in the configuration of contemporary structures, systems and processes.

While the concept is somewhat more complex than the simple statement that history matters, path dependency in further-higher education is extremely important because it targets the relationship between prior institutional environments and institutional arrangements and the contemporary configuration of the further-higher education organisational field.

Neo-Institutionalism and Sociological Institutionalism

Sociological institutionalism draws on the work of DiMaggio and Powell (1983) among others who were the seminal thinkers in developing this branch of institutional thought. The cognitive and symbolic dimension of institutional behaviour is emphasised in this tradition as is the search for legitimacy. In common with work done by economic sociologists such as Granovetter economic action is conceptualised as being embedded in social relations. For DiMaggio and Powell these social relations are configured and contested in organisational fields.

One of the weaknesses of the new economic institutionalist approaches dealt with above is a lack of context. When transactions are treated as disembodied economic exchanges that occur in isolation from broader socio-political, social and cultural pressures and contexts this type of methodological individualism is not likely to

capture significant situational factors that influence organisational behaviour. Transactions and exchanges are embedded in wider contexts. One meso level construct that provides a means of contextualising transactions at the further-higher interface is that of an organisational field. Sociological institutionalism emphasises that all economic transactions are embedded in social, cultural and political institutional environments.

Fields, Fissions and Fractures

The organisational field is the site at which further-higher education organisations strategise and implement the 'rules of the game' in practice. The concept of an organisational field is drawn from a neo-institutionalist reading of how institutions oversee organisational change. Originally derived from the work of Bourdieu (1977, 1992) the concept of field as it was developed by Di Maggio and Powell is defined as:

"those organizations that, in the aggregate, constitute a recognized area of institutional life: key suppliers, resource and product consumers, regulatory agencies, and other organizations that produce similar products or services" (Powell and DiMaggio, 1991, p 64).

Organisational fields tend to emerge and mature and become embedded in the institutional fabric with:

"an increase in the extent of interaction among organizations in the field; the emergence of sharply defined interorganizational structures

of domination and patterns of coalition; an increase in the information load with which organizations in a field must contend; and the development of a mutual awareness among participants in a set of organizations that they are involved in a common enterprise” (DiMaggio and Powell, 1983, p149).

The organisational field of which further-higher education is a sub-ordinate sub component is comprised of a stratified set of inter related organisations that cross the further-higher interface. They are united by the common issue or goal of widening access and participation to HE for non traditional students.

Organisations within the field have differential access to power and resources and disparities in their ability to effect, resist or implement policy change. Fields are sites of contestation, and the intersection of different organisational interests and preferences, with each organisation engaged in a struggle for resources and a search for legitimacy within its field.

Further-higher education is part of one wider organisational field and movement towards a mass higher education system but is subject to divergent institutional pressures rooted in different institutional logics that characterises the further-higher interface. In contrast to the claims of some neo-institutional analyst, who stress the trend towards isomorphism as a field matures, further-higher education is subject to contradictory institutional pressures. These create situations in which organisations within the field both converge towards, and diverge from, one model of practice. These contradictory pressures reflect the institutional duality of further-higher education and the structural differentiation within further-higher education and HE of funding, planning and quality arrangements along sector lines. These are the legacies of the separate sector histories and identity.

In neo-institutionalist analysis isomorphic pressures in the form of coercive isomorphism, normative isomorphism and mimetic isomorphism push organisations towards adopting similar organisational forms. These are distinct from competitive pressures that affect organisations in a field and are more to do with a search for legitimacy than simply technical competence.

Coercive isomorphism refers to pressures that can impose sanctions if ignored and are often based upon funding and quality regimes that have the power to apply sanctions for non compliance. Normative isomorphism refers to peer pressure or for example the influence of professional bodies in influencing organisational behaviour. Mimetic isomorphism refers to copying another organisational model that is perceived as being successful without understanding the basis of that success.

The institutional duality of further-higher education and the prior existence of separate funding, planning and quality at the interface mean that different institutional pressures, institutional logics and conflicting goals operate simultaneously. All organisations within the organisational field are subject to the pressures of massification and marketisation. One consequence is that 'market forces' co-exist in an uneasy tension with collaborative policy imperatives. The cross sector and inter-organisational boundary work that this results in is designed to widen participation. Yet the problem of aligning market forces and equity issues in an increasingly diverse and highly stratified organisational field does not appear to be subject to a one size fits all solution.

Institutional Environments and Institutional Arrangements

Following Davis and North (1970) a distinction is made between the institutional environment, or governance structures, and institutional arrangements found in further-higher education. These distinctions are significant because they help identify the different levels of analysis that are necessary for understanding the further-higher education across the macro level of the institutional environment and social structures, the meso level of institutional arrangements and their institutionalisation in organisational fields and the micro level of the semi-compulsory collaborative inter-organisational transactions and exchanges that constantly take place at the further-higher interface.

Institutional arrangements reflect the duality of further-higher education and an organisational field, in which, despite a common focus on widening participation and access, exhibits coalitions and alliances and contests over resources, power and influence.

Within the organisational field boundary organisations act as intermediaries connecting the further-higher interface, producing boundary objects and engaging in boundary work that reinforces and reconfigures the interface in a constant process of organising and disorganising.

The concept of the institutional environment refers to the more abstract and general 'rules of the game', such as the laws and statutes and other codified

legislation effecting further-higher education. The institutional arrangements refer to the institutional configurations or governance structures that act as boundary organisations and implement the ‘rules of the game’. Together these frame the meso level of the organisational field and its internal dynamics constituting institutionalised and embedded behaviour and practices.

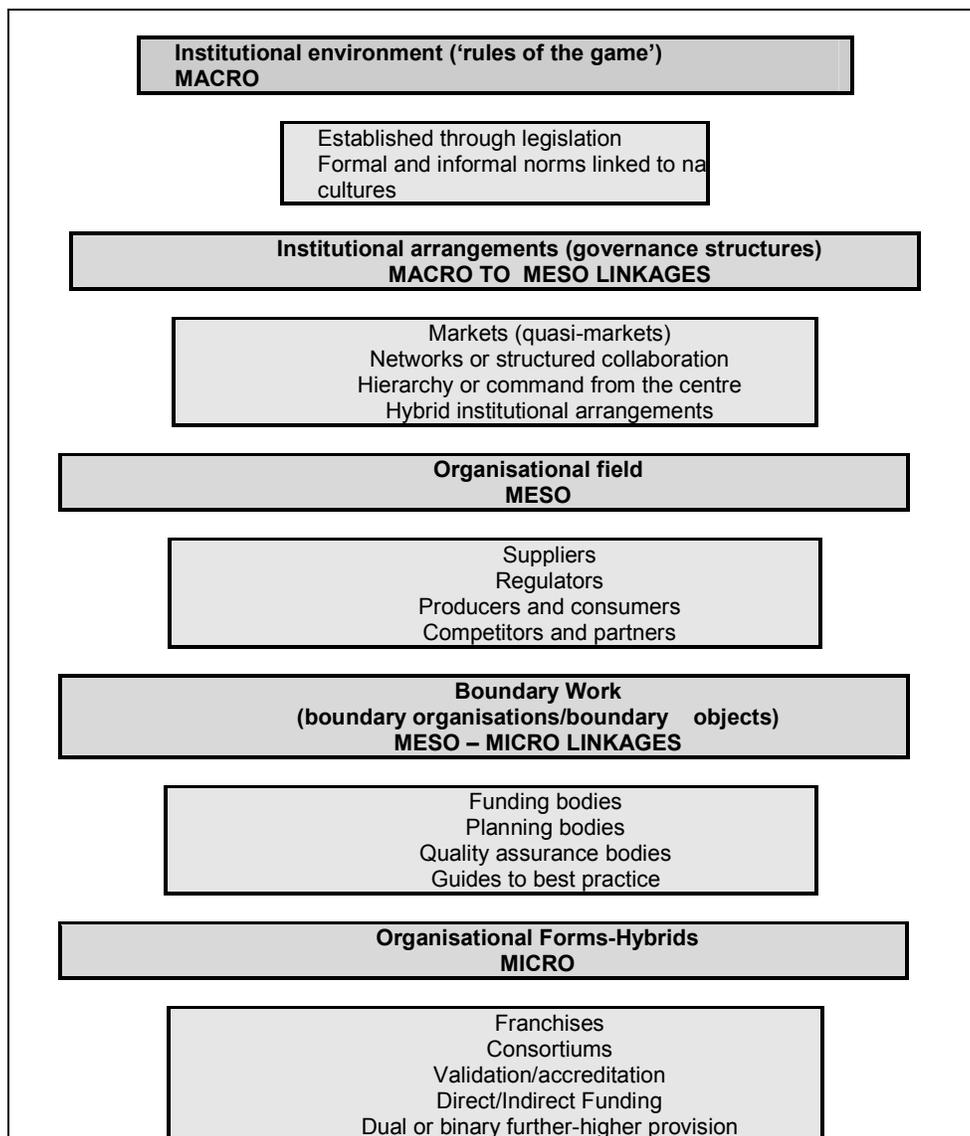


Table 5.1

Table 5.1 outlines this analytical framework schematically identifying the macro, meso and micro linkages across different levels of analysis. The macro level of the institutional environment is linked to the wider social structure. The further-higher organisational field is the medium through which the 'rules of the game' established in the institutional environment become institutionalised as collective practices at the meso-level. Within the organisational field organisational practices and strategies evolve as adaptive responses to the organisations environment through a process of hybridisation at the further-higher interface.

Classifying the Further-Higher Interface

In this section a model drawn from an analysis of classification systems developed by Douglas is introduced to explore the mechanisms whereby further-higher education is classified and categorised. Chapter Six is devoted to an exploration of the grid-group heuristic and the role and function of classification systems in further-higher education. Grid-group analysis is used as a heuristic device for understanding institutional and organisational change in further-higher education. It is argued that the act of categorisation and classification contributes to the legitimisation of the phenomenon being classified. Anomalies, tensions and paradoxes identified in classification systems indicate situations in which legitimacy is contested.

Douglas' development of the grid-group heuristic, was first provisionally explored in her book 'Natural Symbols' (Douglas, 1970) in which she attempted to investigate the relation between patterns of social organisation and systems of classification in

different cultures. Her basic claim was that any system of classification is the product of social relations (Douglas, 1970, p62) and that cognition and modes of social organisation are linked. Therefore all human cognition is culturally filtered through perceptual categories rooted in the experience of human beings of distinct forms of social organisation and experiences of social relations. She refers to these perceptual filters as mechanisms that generate 'cultural biases' within systems of institutionalised classification.

Her basic argument is that the social structure and the social construction of individual and group preferences or 'cultural bias' within that social structure are mediated through concrete patterns of social organisation and social relations and are thus interlinked and embedded in concrete experience. Perception reflects structure, although not in a deterministic or functionalist way.

In her original grid-group analysis she attempted to capture the general properties of classification systems and the iteration of social structure, patterns of social relations and social organisation, perception and 'cultural bias'. Here the grid-group heuristic is specifically applied to investigating the social construction of organisational preferences and incentives in further-higher education.

Organisational preferences and positioning strategies are conceptualised as being embedded in a wider system of institutionalised classifications that reflect underlying principles and structures of constraint and choice in the further-higher education organisational field.

The grid-group heuristic can be used as an analytical device that links patterns of social interaction, social organisation and social structure to systems of classification. This can be conceptualised across different levels of analysis and generalisation. The macro institutional environment configures the parameters of the meso level of the further-higher organisational field. Within the organisational field organisational preferences and positioning strategies emerge as the outcome of the interaction of structure and agency and can be considered at the micro level of organisational practice.

Tracking changes in the categorisation and configuration of further-higher education over time through analysing shifts in the grid and group dimensions is useful in revealing shifts in the interactions between the institutional environment, organisational field and organisational practices. The organisational cognition of group and organisational preferences and incentives of organisations at the further-higher interface is filtered through the macro institutional environment and via different institutional arrangements.

Different institutional environments and institutional arrangements influence how systems of classification are institutionalised. An attempt is made to apply this to understanding how further-higher education is classified as a system and in relation to its link with HE.

The analytical purchase of the grid-group heuristic resides in its ability to analyse different organisational forms against the institutional context in which they are found and link them to the resultant institutional collective preferences, incentives

and behaviour of organisational agents in further-higher education. It can also help capture those anomalous categories that do not fit into an existing system of classification. In this sense further-higher education can be conceptualised as an anomalous category and example of 'matter out of place' in a wider system of classification that includes traditional HE. The symbolic boundary work that takes place in classifying the further-higher interface reflects underlying assumptions and principles of social organisation and status distinctions.

Boundary Work in Further-Higher Education

This section analyses the boundary work and the processes of hybridisation that take place at the further-higher education interface. It sets the context for chapter Seven which deals with the issues of boundaries and boundary working in further-higher education. Boundaries mark a disjuncture in systems of classification, categorisation and organisational practices. The extent to which boundaries in further-higher education are blurring and becoming more permeable will inevitably affect the ability of further-higher providers to work collaboratively with both the FE and HE sectors.

Boundary work at the further-higher interface will be investigated using insights from neo-institutionalist readings of organisational theory on the role and function of hybrid organisational forms. This will be supplemented by work done on boundary work in scientific fields that investigate how scientists with technical and expert knowledge communicate with non specialist policy communities.

In particular the contextual embeddedness of further-higher education in two distinct institutional environments is discussed and considered from the perspective of boundary work at the interface. Not only must further-higher providers operate under 'rules of the game' that were drawn up in the HE sector but they must conform to different 'rules' in their day to day operational activities. This is because further-higher providers are responsible and accountable to FE sector bodies for their infrastructure and the bulk of their funding.

The process of hybridisation taking place at the further-higher interface not only blurs the boundaries between FE and HE but transferring and legitimising practices that originate in one sector but are applied in another can be problematic.

Hybrid organisational forms in further-higher education are increasingly common. Such hybrids are mixes of modes of coordination are drawn from different host contexts and institutional environments. They are embedded in relations of bilateral dependency and asset specific transactions that involve autonomous and independent organisations whose identities nevertheless remain separate. Sector loyalties and identities remain firmly entrenched in further-higher education (Smith, 2008).

A conceptual vocabulary is introduced that builds on the grid-group heuristic. It will be used to construct an analytical framework that contributes to understanding the significance of contextual embeddedness in further-higher education. The FE and HE sectors have different origins and institutional environments. Further-higher education to some extent must respond to both. This institutional duality will be

likely to generate more tensions to the extent that the two host institutional environments, FE and HE, are institutionally distant or proximate. The greater the degree of contextual embeddedness the more likely that the similarities will outweigh the differences and inter-sector and inter-organisational collaboration is facilitated. Nevertheless, boundary work at the further-higher interface mediates the differences between sectors and organisations. Incorporating boundary work into the analytical model and conceptualising its dynamics is central to the analytical framework developed.

Boundary work is a concept initially drawn from sociologically informed investigations of science and technical studies and the sociology of science (Gieryn, 1983, 1995) which has been used to explore the interactions of communities of scientist to non scientists. Science is conducted in one context according to a set of practices, procedures and values; while policy is the domain of another. How the two communicate across this divide when levels of technical understanding and the assumptions underpinning that knowledge are in the possession of one party but not the other is similar to the situation in further-higher education. The practices, identities and values underlying FE and HE are not always congruent nor is their acceptance across sector divides as a legitimate form of higher education in the context of a hybridising further-higher interface taken for granted. Transferring these distinct structures, cultures, practices and processes across sector divides requires translation and boundary work that facilitates the legitimation and acceptance of change. It cannot be assumed in advance.

Here the concept of boundary work is applied to further-higher education and inter-organisational collaboration across sector divides. How do FE and HE partners with different structures, traditions, cultures, established modus operandi and understanding collaborate effectively across organisational and sector boundaries? Boundary work refers to the process of boundary crossing, boundary maintenance and social and cultural reproduction that takes place at the further-higher interface. It is concerned with the mechanisms and processes for translating and communicating across boundaries. Boundary work takes a variety of forms but is essential to the inter-organisational collaboration that takes place at the further-higher interface.

Boundary institutions mediate the 'rules of the game' that will be specific to different institutional arrangements and contexts. They establish and link the 'rules of the game' across sectors and interfaces and co-ordinate the different and distinct institutional logics that govern the workings further-higher education. They are established through legislation and determine the classification, categorisation and formal constraints and choices that shape the institutional environment.

A boundary organisation is an intermediary organisational form or agency that straddles the further-higher interface and acts as an interface for the separate funding, planning and quality bodies. Boundary organisations enable communication across the different institutional logics, organisational practices and interfaces found in further-higher education. They are accountable to two sectors albeit in differing ways.

Their role and function in mediating the further-higher education interface has changed over time and in particular during the transition from 'low policy' to 'high policy'. During the phase of 'low policy' their role and function was somewhat ambiguous and anomalous and they tended to be peripheral. With the shift to 'high policy' these roles and functions were clarified and they played a more significant part in coordinating further-higher education at the systems level and overseeing the more structured collaboration of that phase.

Boundary organisations produce boundary objects. The concept of a boundary object is useful in helping understand the mechanisms whereby cross sector collaboration was achieved. Boundary objects are mediums that bridge the disjuncture of practices found at the further-higher interface and mediate the flow of resources, knowledge and pace and salience of learning across organisational boundaries. Boundary organisations produce boundary objects that function to bridge disjunctures in understanding and practices across inter-organisational boundaries. Examples of boundary objects in further-higher education include codes of practice, circulars and policy documents. However, they can also refer to events, processes and protocols.

Boundary objects function to mediate and integrate the heterogeneity, diversity, differentiation of perspectives, frames and meaning that are found in organisations engaged in inter-organisational collaboration. To the extent that boundary objects become institutionalised over time as common and embedded practices they are legitimised. On the other hand ineffective boundary objects are not accepted as legitimate.

Existing analysis of the role and function of boundary organisations and boundary objects in inter-organisational collaboration in further-higher education is limited and largely descriptive rather than analytical. Boundary work needs to be placed in a wider historical, contextual and analytical conceptual framework in order to explore the function of boundary organisations and boundary objects in oiling the system and organisational field. Chapter Eight explores these boundary concepts in more depth.

CHAPTER SIX: CLASSIFICATION AT THE FURTHER- HIGHER EDUCATION INTERFACE

The institutional and organisational changes that have been a key feature of the evolution of the further-higher interface over the last two decades are conceptualised in this chapter through the work of Douglas (1966, 1970) on classification systems. A neo-institutionalist reading of Douglas' work is used and applied to analysing the changing system of classification and categorisation of the further-higher interface. The further-higher interface is considered as an example of 'matter out of place' being a somewhat anomalous mode of provision situated at the interstices of FE and HE. Its liminal status is explored through the grid-group heuristic and the symbolic boundary work that takes place in classifying the interface is theorised.

The institutional environment of further-higher education is mapped while its relationship to the further-higher organisational field is investigated and compared to the ideal typical framework identified through the grid-group heuristic. The grid-group analysis adopted here is not presented as a full blown theory. It is used as a heuristic device useful for clarifying the trajectories of institutional and organisational change in further-higher education over time. As an analytical device it moves beyond dualistic concepts such as FE and HE theorised as distinct categories and allows the exploration of hybrid organisational forms and dual

institutional arrangements as mixes and permutations of elements of both FE and HE.

Thus the grid-group heuristic is not used empirically to operationalise the highly diverse and complex organisational forms and institutional arrangements found in the further-higher organisational field. Rather it is a means of providing a degree of conceptual and analytical clarity and focus for understanding the dynamics of the further-higher interface, how it is classified and categorisation and the iteration of context and process, structure and agency at the further-higher interface

Classification at the further-higher interface reflects the structural underpinnings of further-higher education. Considered holistically, relationally and as an integrated system, the disposition of power, status and resources in its organisational field is conceptualised through the categorical and definitional construction of a system of higher education provision of which further-higher education is a sub-component and some would argue marginal feature (Scott, 2009). The transactions and exchanges that take place at the interface are asymmetrical reflecting the structural differentiation of further-higher education as part of a wider political economy. The grid-group heuristic contributes to the construction of an analytical framework and a conceptual vocabulary for understanding these exchanges and the context in which they take place.

The main purpose of the chapter is to contextualise the processes of institutionalisation and de-institutionalisation whereby the categories and systems of classification that delimit the boundaries of FE and HE are becoming blurred at

the further-higher interface. The roles and functions of boundary organisations that sit at the further-higher interface and the boundary work they undertake is explored through the symbolic classifications and definitional categories they use to demarcate the boundaries of further-higher education.

Indeed, one of the main rationales for adopting a theoretical case study method for analysing further-higher education is that it is particularly suited to exploring a 'case' in which the boundaries between the case and its external environment are not clearly demarcated or easy to separate. This is reflected in the shifts in the classification and categorisation of the boundaries of FE and HE and the identification of further-higher education as a hybrid.

The grid-group heuristic is applied to understanding and classifying the further-higher interface and as a means of developing a concise conceptual vocabulary and an accompanying analytical framework that allows the exploration of the institutional and organisational changes taking place at the its interface.

This allows the contextualisation of further-higher education which can then be explored through a conceptual framework that maps the nuances of institutional and organisational change at the interface. One of the weaknesses of existing research into further-higher education is that it is still predominantly descriptive.

An Ecology of Further-Higher Education

According to some early commentators on further-higher education arrangements (Abramson et al, 1996, Boccock and Scott, 1995) there are both benefits and downsides to engaging in partnerships. While these have been described they have rarely been conceptualised via a coherent theoretical and analytical model that attempts to evaluate these policy shifts. Of special significance in the instance of further-higher education and the configurations found at the further-higher interface is the impact of the institutional duality of further-higher education. Delivered in one sector but largely driven by policy created in another further-higher education exhibits a number of tensions and paradoxes. This chapter explores some of these anomalies and paradoxes at the further-higher interface using the grid-group heuristic to identify further-higher education as an interstitial form of provision.

Institutionalisation Duality

The analytical framework developed here draws on a neo-institutionalist reading of Douglas' work to analyse policy transitions at the interface. It is argued that there are many links between Douglas' neo-Durkheimian grid-group heuristic and neo-institutionalism. As Grendstad and Per Selle (1995) argue, grid-group analysis, or as it is also often called cultural theory, considers how systems of classification become institutionalised and reflect the underlying social structure. There is not a deterministic or functionalist one to one correspondence between systems of classification and the social structure but rather certain modes of organising reflect

certain values and preferences. This could usefully be transferred to the study of organisational life at the further-higher education interface and could be transferred to understanding further-higher education provision and the dynamics of the interface. Not least of these similarities is the stress on the significance of the institutionalisation of systems of classification and how they reflect the underlying social ordering of power and social inequalities. The further-higher education organisational field is contested and dynamic and the transactions and exchanges that are embedded within it are asymmetrical and reflect power imbalances across the interface.

The core idea behind this analytical approach is to place institutions and the process of institutionalisation at the centre of an analysis of further-higher education. Organisational preferences and incentives among further-higher providers reflect the disposition and arrangement of social and economic relations in its field. This neo-institutionalist approach can be linked to the new institutionalism of organisational theorists who have tried to conceptualise institutional and organisational behaviour in terms of the roles and functions of institutions in regulating the transactions and exchanges found at the further-higher interface and within the further-higher organisational field.

The Grid-Group Heuristic

This section gives an overview of Douglas' grid-group model and investigates its analytical purchase as a heuristic device for tracking institutional and organisational change at the further-higher interface over twenty years. It has

evolved through a number of versions and revisions (Spickard, 1989) and was then applied to understanding complex societies and their institutional life and organisational configurations. The model has in its time been applied to the study of public administration (Hood, 1998), organisations (Altmarch and Barach et al, 1998), the workplace (Mars, 1982), risk (Dake and Thompson, 1998, Thompson, 1993, Wildansky, 1987) environmental issues (Verweij et al, 2006) and management (Hendry, 1999).

The basic premise of Douglas' grid group approach is that there is a link between the social structures in which social actors and organisations are embedded – that is the relations between groups and patterns of interaction that comprise the social structure - and their 'cultural biases', the preferences and perceptions of those social structures held by organisational decision makers and stakeholders. Thus the structural context is linked to how individuals and organisations perceive, filter, classify and categorise their institutional and organisational environment.

The institutional environment and organisational field through which the 'rules of the game' are mediated and translated into practice are mapped through the grid-group heuristic. This iterative process between macro, meso and micro levels of analysis produces modes of organising which reflect preferred and largely tacit and unconscious ways of governing and regulating human behaviour (both formal and informal) and represent what grid-group analysts refer to as 'cultural biases'. These 'cultural biases' are analogous to the tacit organisational preferences and incentive structures that are institutionalised as organisational practices in the further-higher education organisational field. Through the use of the grid-group heuristic those

basic premises are conceptualised and applied to analysing different modes of organising and governance and the forms of regulation found at the further-higher interface and how they have changed with policy shifts.

Organisational preferences and incentives among further-higher providers are collective perceptions rather than individual ones. It is this group identity, and the collective experiences and perceptions of further-higher organisations of their institutional environment that is detailed here. The organisational forms that populate further-higher education are governed by institutionalised 'rules of the game' represented through institutional arrangements that constitute the governance structures of further-higher education.

The further-higher education providers found at the further-higher interface strategise within the context of an institutionalised operating environment that appears taken for granted and classified as 'normal'. However, the perceptions and incentives that channel these strategies do not exist in a vacuum and have evolved from elsewhere and over time have become institutionalised as operational practices. In the case of further-higher education different FE and HE histories, identities and sector legacies have combined in a type of institutional duality that have produced hybrid institutional and organisational forms. The grid-group heuristic attempts to capture the processes whereby organisational preferences and incentive structures emerge as reflection of the social relations and institutionalised contexts through which decision makers make sense of the world around them. The institutional duality of further-higher education is internalised as organisational practices that must navigate the duality of further-higher education.

Grid-group analysis is essentially a neo-Durkheimian approach that argues that there are two generic dimensions of social organisation found in all human societies. The first is the group dimension which refers to the extent to which a social actor is incorporated into a wider collectivity and the extent to which membership of that group regulates or it can sanction a member's behaviour. The strength and permeability of the group boundary are significant for effective inter-sector and inter-organisational collaboration.

In the context of a further-higher education provider this would refer to the internal and external structures and organisational processes that in combination would constitute the boundaries of an organisation.

Boundary setting, boundary work and boundary maintenance mechanisms are particularly important aspects of analysis for understanding further-higher education. Not only is the further-higher interface the site at which boundary work can be most intense and necessary given the different traditions, cultures and modus operandi of organisation drawn from different sectors, but further-higher education itself is predicated upon organisational forms based upon a bilaterally dependent inter-organisational collaboration of some sort that is in reality semi-compulsory and medium to high levels of asset specificity.

The second dimension of grid encapsulates the extent to which behaviour is proscribed and autonomy constrained by often tacit perceptions internalised into classificatory schemes, incentives and preferences structures that are shaped by

the institutional landscape and the organisational field of further-higher education. Grid captures the roles, rules and systems of classification found in further-higher education. Organisational behaviour and decision making among further-higher education providers are constrained by the 'rules of the game' that the grid dimension delimits.

By combining the group and grid dimension there are four basic permutations of possible modes of organising based upon generic propensities designated hierarchy, egalitarianism, individualism and fatalism. At any one time further-higher education will display different mixes of these modes of organising and the associated tacit and implicit assumptions that underpin them.

The strength of this approach to understanding the mixes and permutations of FE and HE that are found in further-higher education is that it goes beyond dualistic approaches. For example some models of how economic life is coordinated contrast markets with hierarchies (the corporate business form or the bureaucratic public sector organisation). Indeed, Williamson's model of transaction cost economics (1975, 1981, 1991) locates markets and hierarchies as polar opposites on a continuum. In between are hybrid organisational forms and networks. This has limited use in explaining the processes of hybridisation and the emergence of organisational forms within further-higher education that represents neither a market nor a hierarchy but a hybrid. Franchising would be one such example. Moreover, there are far more permutations of possible ways of organising that represent neither hierarchy nor individualism but a variety of permutations of both.

	Fatalism	Hierarchy
Grid	Apathy and passivity Ritualism Random responses	Bureaucracy or Firms Authority Rule following
	INDIVIDUALISM	EGALITARIAN/ENCLAVED
Grid	Markets Competition Entrepreneurship	Communities of practice Networks Mutuality
	Group (-)	Group (+)

Table 6.0

Where group is strong, the top and bottom right hand quadrants result. This effectively means that the collectivity or organisation is able to sanction individual behaviour and limit the potential for individuals breaking ranks. A system of social organisation or mode of organising based upon hierarchy is the result, for example a bureaucracy or a corporate form when this is based upon role following on the basis of position in the hierarchy.

In the enclaved further-higher education quadrant although there are more egalitarian modes of organisation the collectivity is able to implement powerful sanctions through reputational and other mechanisms or sanctions that make it difficult for group members to deviate from group norms.

Therefore where group is strong but grid is weak then a mode of organising based upon a more egalitarian focus results. An example might be a 'community of practice' that transcends the boundaries of different organisations, subject networks or collaborative research groups.

When grid is weak and group is also weak then an individualist form of economic organisation tends to result. A market led entrepreneurial culture typical of a shift to marketisation would be an example. Sanctions are largely economic and incentives market based.

If grid is strong and group is too then the systems of classification and categorisation through which experience is organised and preferences and incentives regulated are clear cut and unambiguous. There is little scope for choice or awareness of alternative perceptions. The fatalist is an example; their existence is tightly regulated and is perceived as such. Apathy is internalised. The lack of a clear group identity isolates the fatalist and makes them ineffective in terms of their ability to mobilise their interests with others. Some peasant societies exhibit aspects of fatalism.

Unlike a dichotomy the grid-group heuristic opens up a wider range of permutations and mixes of FE and HE and mixes of modes of organising at the further-higher interface and within further-higher education.

Trajectories of Change

The drive towards marketisation and massification largely through franchising represents a shift down grid and down group; while the transition to 'high policy' and semi-compulsory forms of structured collaboration in further-higher education that followed Dearing marks a move back up grid and up group.

These transitions affected FE and HE differently and there were a diversity of responses by further-higher education providers to the tensions that resulted in hybrid organisational forms emerging. However simple dichotomies are unable to capture this iteration of context and process or to enable a range of combinations and permutations of modes of organising being considered.

The grid group model therefore provides a heuristic device to map these changes while the institutional and organisational shifts generated through policy shifts are explored in terms of a neo-institutionalist conception of what institutions are and how organisations and the dynamics of organisational agency within further-higher education operate. This is contextualised against the institutional duality of further-higher education and the four institutional turns identified in part One of the thesis.

Structuration and Fields.

Organisational fields only exist to the extent that they are institutionalised as practice and identifying the boundaries and internal fault lines of a field is an empirical question. DiMaggio's and Powell's criterion for further-higher education operationalise the concept of an organisational field and include: an increased frequency of transactions between field members; an increasing awareness of a common meaning system; the formation of coalitions and alliances and an increase in the information load incumbents of the field were subject to. (DiMaggio and Powell(1983,1991).

On all the criteria suggested by DiMaggio and Powell for analysing the structuration of a field it could be argued that the further-higher education interface was moving towards a more mature coherent and structured organisational field. The overlaps at the margins of the old FE and HE systems that had existed pre-incorporation were becoming more permeable and blurred as boundaries shifted and new funding and quality bodies generated pressures towards common responses to resource allocation and mechanisms of coordination and control.

The shift from 'low policy' to 'high policy' had led to an increase in information load in the form of circulars and policy directives as the profile of further-higher education was raised post Dearing. Coalitions and alliances formed along pre-existing lines such as the divide between old and new universities, the larger further-higher education providers and other interest groups within the organisational field. A common meaning system began to take shape with the transfer of funding and quality assurance function to HE bodies which meant that further-higher education providers were increasingly subject to similar if not the same external institutional environments as HE providers and structured collaboration was encouraged across sector boundaries. Boundary organisations such as the HE Academy, LLNs and funding and quality bodies facilitated events and staff development opportunities at which FE and HE providers could meet.

The institutional pressures identified by DiMaggio and Powell as contributing to the structuration of organisational fields matured included an analytical distinction between coercive, normative and mimetic isomorphism. Coercive isomorphism indicates that institutional forces are backed up by the threat of external sanctions.

Normative pressures refer to values that may be found among professional bodies or their representatives and mimetic pressures indicates the tendency to imitate those providers and organisations that are perceived as being successful, even if it is not fully understood why they are successful.

On each of these dimensions coercive pressures were evident most starkly in FE through inspection bodies such as the FEFC and the funding claw backs that took place in the early 1990's. But they also existed in HE through changes in funding bodies and quality assurance mechanisms that increasingly required compliance with common standards.

Normative pressures existed through the growth of peer review in further-higher education by the QAA in contrast to the top down inspection regime of FE. While it could be argued that the growth of NPM, managerialism and the increasing reliance of targets and performance indicators to mimic the workings of the price mechanism in the market was an example of mimetic pressures. The transfer of private business sector practices to what had once been a public sector setting could arguably be said to be another. Chapter Nine explores the changes associated with NPM in further-higher education and the introduction of private sector business practices.

Douglas' grid-group model helps contextualise the reforms justified by those arguing for a shift to NPM and managerialism and discussed under the heading of new institutional economics in chapter Five.

Adopting grid-group analysis provides an analytical device and heuristic that can aid the identification of the trends and trajectories of institutionalisation and changes of organisational forms in further-higher education that resulted. Given the institutional duality of further-higher education these transitions created their own tensions and contradictions that simple dichotomy of FE and HE would be unable to capture.

Therefore in grid-group's emphasis on focusing on the relationship between modes of organisation as an aspect of group and on the external and internalised patterns of regulation based upon the grid dimension a useful heuristic device has been constructed for analysing the regulatory shifts and changes in inter and intra organisational structures and processes at the further-higher education interface. Both further-higher providers and HE were subject to radical pressures to restructure their modes of organising across the interface as the further-higher education organisational field matured and the funding and quality bodies exerted pressures on them through constructing preferences and incentive structures that reflected these policy shifts. Underpinning these was increasing pressures towards the marketisation, massification and corporatisation of further-higher education.

These post incorporation shifts, reforms and the restructuring of the emergent further-higher organisational field were policy initiatives that were filtered through social relations that pre-existed them and their legacies remained influential despite the reconfiguration of the interface. Consequently there was a process of de-institutionalisation and disembedding of pre existing organisational relations.

Douglas' grid-group dimensions help capture these as processes rather than as static snapshots at one point in time.

This division into grid and group allows conceptualisation of the shifts in grid, which tracks changes in the implementation of the rules, roles and classifications that typified further-higher education; while the group dimension captures the membership criteria for group inclusion, the strength, permeability and embeddedness of group boundaries and the boundary setting mechanisms at work.

The two dimensions of grid and group are analytical categories and conceptually act as a heuristic device that helps trace the iterative tensions, paradoxes, anomalies and complementary characteristics that accompanied policy change in further-higher education. They help construct a framework and conceptual vocabulary for understanding how the further-higher interface is configured and how it has changed. They also offer a means of conceptualising the institutional environment in which the preferences and incentive structures of organisational actors in the further-higher organisational field can be understood as iterative processes that are negotiated rather than imposed.

The grid-group model potentially allows the tracing of tensions, complementary and congruent behaviour as well as patterns of compliance and resistance among organisational actors in the further-higher organisational field. Thus processes and contested behaviour rooted in different institutional logics can be combined with structures and rule following behaviour and incorporated in an analysis of strategic

behaviours that help explain the emergence of the further-higher organisational field and the preferences and incentive structures that guided the action of key players.

The model helps pose the question of how do constituent groups, social structures and the social relations through which social relations become embedded as institutionalised practices within the further-higher organisational field influence the perceptions of key organisational actors? At the further-higher interface the question is fundamentally concerned with how modes of organising and regulating the further-higher interface become directed through the institutional systems of classification that categorise and channel them and how are those processes perceived? Perception influences organisational behaviour and the preferences and incentive structures that are captured by the grid dimension shifted fundamentally as the further-higher organisational field matured.

To apply the insights of Douglas' model further it is necessary to unpack the concepts of grid and group and address the relationship between the two. The next stage of this analysis is then to show how the heuristic can be applied to understanding the further-higher organisational field and shifts in its internal structure and external relations. Then it is important to explain what this helps us understand in terms of shifts in institutional structures and organisational fields within further-higher education.

Douglas developed the grid dimension as a means to understand the extent to which social actors are constrained by roles, rules, categories and classifications:

the grid dimension. These perceptions or preferences, referred to as 'cultural bias', are said to reflect the existing social structure and patterns of social relations. They are the impersonal rules that guide conduct and they may be either formal or informal. In the context that her approach has been applied here, grid is used to map an organisational actor's perceptions and incentive structures to the extent they reflect policy shifts that have reshaped the institutional infrastructure and social relations or modes of organising in further-higher education. In terms of grid these constitute the external formal regulatory structure and internalised processes of regulation that direct and influence the perceptions of organisational actors.

In further-higher education there is often a lack of clarity about who is responsible for what and role ambiguity in the perception of the roles of various providers. This is in part a path dependent consequence of differences in organisational history, culture and pedagogy between HE providers and further-higher education.

Boundaries and Transgressions

The boundary organisations that straddled the further-higher interface and oversaw funding, planning and quality functions were not always clear in their roles and functions especially during the turbulent period of 'low policy'. The group dimension captures these processes of boundary work, boundary formation and identity. The grid dimension captures shifts in the 'rules of the game' and their application to further-higher education.

Grid is about moral regulation, as a Durkheimian would put it, with rule following behaviour that can either be explicit, formal and encapsulated in written legislation and formal regulations or tacit and informal. The latter is usually internalised through socialisation mechanisms and habituated behaviour structured through institutions and embedded in the organisations interpretation of the 'rules of the game'. As North (1990) has argued, institutions constitute the 'rules of the game' and organisations the players. The organisational field sets the scene and context for the playing of the game.

Examples of shifts in the grid dimension at the further-higher education interface are the formal changes in legal status represented by incorporation and more informally the interplay of different occupational cultures and professional associations and organisations who are the players in the further-higher organisational field. An instance of this would be the coexistence of a collegiate form of decision making with a managerialist one within a further-higher education provider or instances of conflicting cultures and modus operandi between collaborating FECs and HE partners. Thus grid encapsulates values and norms as well as the legal notion of contract. It also helps capture the processes whereby organisational preferences and incentive structures are channelled through key organisational decision makers and the potential conflicts between different incentive structures and perceptions of these within organisations that sometimes result. It also addresses the question of who has the power to impose their version of the dominant procedural, regulatory and professional models of further-higher practice. In effect this is often the result of a mix of coercive, normative and

mimetic isomorphic dynamics and of the institutional duality of further-higher education.

Douglas with the help of Hampton (1982) further sub divided the grid dimension into four parts: insulation, control, autonomy and competition. This version of grid has been modified below to aid application in modelling the further-higher organisational field.

Insulation is a measure of the strength of grid and the significant categories and classifications governing and regulating organisational behaviour: these consist of formal regulations, legal requirements and informal norms of behaviour. In the organisational settings analysed here these might be based upon seniority, authority or position in the organisational field. Where insulation is strong then alternative perceptions are few. Strongly insulated further-higher education provision may well segregate its FE and HE provision into separate physical locations or through the use of separate institutional identities.

Autonomy refers to the extent that organisational actors have the freedom to dispose of their time and resources. HE providers tend to have greater resources and are able to award their own degrees whereas further-higher education providers are not. Furthermore curriculum in development in HE tends to be done by academics who also deliver courses. In FE curriculum is often pre-packaged and validated by external validating bodies or franchised. Further-higher education are also arguably more managerialist in their organisational structures and highly diverse in their range of post compulsory provision.

Control indicates the degree to which an organisation can control others in the same organisational field. This can be as a consequence of organisational leaders who others follow because of their perceived success or status. HE providers tend to have more influence than further-higher education in the past as they are bigger and have the power to award degrees. The tension between autonomy and control is a function of the bilaterally dependent nature of inert-organisational collaborations in further-higher education and its asset specificity.

Finally competition refers to the extent to which an organisation can have high levels of autonomy or control from and over others while competing among themselves. In the context of a further-higher organisational field this often takes the form of an internal and external status hierarchy. In effect further-higher education constitutes a sub-ordinate component of a super-ordinate HE organisational field.

The second dimension used, that of group, refers to the extent to which organisations are integrated into a wider group and hence influenced by other group pressures, identities, sanctions and boundary setting processes. The stronger the group dimension, the less permeable the groups boundaries and the more effective the mechanisms of social closure and outsider exclusion. Group members will spend more time interacting with other members than non members. The extent to which these interactions exclude others and enforce the commitment of members will be an indicator of group.

In further-higher education boundary setting and boundary work is a particularly important indicator of group. Inter-organisational collaboration across sector boundaries and organisational boundaries are everyday processes. The theoretical significance of this boundary work and the role and functions of boundary organisations that straddle the further-higher interface will be explored in a later chapter.

Mars (1982) developing Douglas' ideas proposed four tests for group strength: frequency, degree of mutuality and scope of interpersonal interactions and the group's boundary tightness (inclusion/exclusion). This version will be used here.

Frequency of interaction is a relatively straight forward measure. The more frequently members interact the more likely they are to share common understandings of the purposes of the interactions. Where frequency is a measure of inter organisational interaction in an organisational field the longevity of the interactions and the establishment of a common purpose for the interaction is likely to influence whether they become embedded as practice and institutionalised.

The dimension of mutuality, Mars' second sub set of the group dimension, is more difficult to capture. Nevertheless, it can be translated as a commitment to or shared tacit understanding of appropriate group behaviour. In an organisational setting mutuality is likely to be strongest where collaborating organisations share similar professional, occupational and personal values and respond to similar incentive structures. Again this is an aspect of a maturing organisational field in which a common meaning system develops. However, an important feature of further-

higher education is that not all commentators accept that it is a legitimate form of HE provision (Parry et al, 2008).

Scope indicates the extent to which an organisation's activities overlap with other areas of activity outside of a specific organisation. For example, the formation of research networks or of communities of practice or the extent to which genuine staff development opportunities take place between partners would be an example.

The final aspect boundary definition relates to the processes of boundary work. In further-higher education group boundaries are both formal and informal. The different legal statuses of the traditional universities, the new universities and the FECs delivering HE mark the more visible boundaries. However, informal status orders based upon reputation are deeply entrenched in the coalitions and alliance that have formed such as the Russell Group and the MEG.

By combining the grid and group dimensions a heuristic is produced consisting of a four part frame through which various combinations or permutations of grid and group can be captured analytically. If there is strong grid and strong group this results in a hierarchical outlook. Roles are clear cut are usually highly differentiated, status hierarchies collectively understood and the rules, procedures and classifications and categorisation of rule following behaviour is unambiguous. Members belong to status groups within the hierarchy and identify with and are bounded by the group's impact on behaviour through peer pressures. This is typical of a bureaucratic form of organisation. This mode of organising and

regulation would typically be found in the top right hand quadrant of the grid group matrix.

If group is strong but grid is weak then boundaries are clear cut, mutually exclusive, boundary maintenance mechanisms are strong and group identity has a powerful influence on behaviour through reputational mechanisms and implied sanctions. The group is divided into insiders and outsiders and operates mechanisms of inclusion and exclusion that can be economic, social or cultural. However, weak grid means that within the boundaries of the group there is little internal differentiation, with few status distinctions demarcating appropriate behaviour. Those rules that do exist are tacit as well as formal based upon shared understandings and preferences for distinct sets of values.

This type of social organisation is typical of what Douglas refers to as an egalitarian system or sometimes as sect or enclave in her original versions. In further-higher education it refers to a collegial mode of organisation rather than a hierarchal or managerialist one with strong professional, occupational or network based sources of identity that transcend individual organisations.

When grid is weak and group is weak there are few rules. Roles are fluid and negotiable and social actors exercise considerable choice. There are few clearly demarcated groups or if there are boundaries of groups are fluid and permeable. This type of social organisation is associated with individualistic forms of social organisation typically found in entrepreneurial, competitive and market based economies. The general direction of policy change in further-higher education has

according to many been towards this lower left hand quadrant represented by the entrepreneurial organisation operating in an increasingly marketised institutional environment.

The fatalist or isolate way of organising is strong grid and weak group. Roles are clear cut, highly differentiated and insulated from others and rules are unambiguous with little room for discretion in behaviour. As group is weak and group identity either unimportant or highly fluid it carries little impact on its ability to organise around issues or group interests. It occupies what Weber would call a weak market situation. There is little capacity for organisation in this way of organising beyond the minimum. Unlike the other quadrants which represent active modes of organising this is a passive quadrant. However incumbents of this quadrant either in the form of organisational or individual actors are important for understanding the isomorphic pressures towards conforming to external policy transformations inasmuch as interpreting policy may involve reinterpreting it to produce perverse incentives or patterns of resistance or strategic inactivity. Moreover, the power of different organisational actors to oppose or align with policy change has to be understood relationally to include those actors who are relatively powerless.

Sometimes a fifth type of grid group combination is identified, the hermit. This stands outside of the other forms of social organising and is a kind of form of retreatism or dropping out. This type is not considered in this analysis.

Thus the grid group matrix can be divided into the four main quadrants shown above. These refer to preferences for or orientation to a particular mode of organising rather than any strict deterministic linkage between grid and group. They also all coexist in a state of tension, complementariness, or conflict at any one time. One may dominate but shifts between quadrants may occur with policy change or other events.

These links between the 'cultural biases' as Douglas calls them that typify the grid dimension and the concrete patterns of social relations or modes of organising linking organisational actors in an organisational field consist of both formal and informal aspects. These links can also be either functional or dysfunctional.

For a mode of organisation to be viable it must be perceived as being viable. That means grid must be in some form of reciprocal or mutually reinforcing functional relationship with group. If the two dimensions are compatible in this sense then they are said to constitute viable 'ways of life'. On the other hand if they are incompatible then they are liable to become unstable or generate conflict or tensions. They will not be viable 'ways of life'. This explanation can equally cope with the generation of dysfunctional behaviour as well as functional.

In the instance of the individualist quadrant the transactions are based upon the market, contract and the price mechanism in its pure form. Empirically at the further-higher education interface what operates are quasi-markets rather than pure markets. However, perceptions of market behaviour and competitive individualism and entrepreneurial strategising within the quadrant are real if they

are perceived as real. Hence the incentive structures, preferences or 'cultural biases' associated with market behaviour will be reflected in the acts of transacting exchanges among member groups. One dysfunctional aspect of introducing market mechanisms it has been argued is that it can generate a low trust environment that undermines partnership.

The diagonally opposite hierarchical quadrant is more recognisable as a bureaucratic form of organisation. Here clearly demarcated roles arranged in a status hierarchy with clear lines of authority and reporting structures will be the norm. Rules and procedures are followed by the book and there is little ambiguity surrounding their application. This was typical of many of the structures associated with the old public administration of public sector organisations. A dysfunctional aspect of this quadrant is it is rigid and cannot cope with change or be effective where innovation is necessary.

The egalitarian or enclave quadrant is more typical of network based, collaborative or partnership forms of organising. Typically voluntary organisations, community based ones or other forms of intermediate or third sector organisations would occupy this quadrant. Egalitarianism and lateral authority structures based upon reputation or common goals or communities of practice may exist. The boundaries of the member organisations are likely to be strong but they may join with other discrete organisations to pursue common goals. This could arguably be referred to as an example of 'joined up' government. A dysfunctional aspect of this quadrant is that decision making processes are slow and there is a tendency towards schism.

The fatalist quadrant is often functional for the other quadrants as a possible source of new recruits or as a repository for expelled or non compliant groups. It is dysfunctional in the sense that it lacks a coherent ability to organise genuine protest or express a voice.

Collaboration between HE and further-higher providers may produce hybrid organisational forms that have a foot in more than one quadrant. Rather than a pure form of cooperation it is as likely that co-opetition (Brandenburger and Nalebuff, 1996) is the norm here with organisations sometimes collaborating and sometimes competing (e.g., a mixture of individualism and egalitarianism among partnerships). This was certainly the case in the early days of franchising when FECs and the new universities might both find themselves with a tradition of delivering HNC's and HND's sometimes in direct competition while collaborating in providing degree provision. Competition could also exist within sectors while collaboration took place across sectors.

The intersection of the grid and group matrix constitutes a locus of control and coordination that helps us understand who has control over the disposition of resources and over whom in the further-higher education organisational field holistically and relationally at a systems level. The organisational providers of further-higher education in this field are legally autonomous and independent corporations that are in a semi-compulsory inter-organisational collaboration that is defined by a bilateral dependency and high to medium levels of asset specificity. However, these have to be contextualised as processes unfolding against a context.

Whichever mechanisms operate, and more than one is likely to be operating at any one time, there is no one explanation of how control over the allocation of resource and the connections between control and coordination mechanisms is totally dominated by any one way of organising. This is the central argument made by Hood (1998) in his analysis of public administration using the cultural theory approach evolved from Douglas.

Hood's point was that there is no one best way of organising in public life. Plural rationalities or 'cultural biases' exist that reflect the prevailing social relations in which they are reciprocally embedded. For each of these rationalities, which he equates with Douglas' quadrants of individualism, hierarchy, egalitarianism or enclave and fatalism or isolation, there are a corresponding preferred structure of control and coordination. If applied to further-higher education similar complex mixtures complementing or conflicting with each other are liable to exist in tension within the organisational field.

In the individualistic, entrepreneurial quadrant of weak grid and weak group it is control through competition and coordination through the market. In the hierarchy quadrant of strong grid and strong group it is control through oversight and coordination through formal rule following. In the egalitarian or enclave quadrant control is exercised through mutuality and coordination through reciprocal obligations. And in the fatalist or isolate quadrant it is control via contrived randomness and coordination by default.

Coexisting plural rationalities and preferences for ways of organising and controlling the public sector may complement or undermine each other. Thus these different forms of governance are mutually interdependent and often coexist in tension. The shift from one dominant mode of organising to another tends to be cyclical as the functional and dysfunctional aspects of different modes of organising emerge over time. If any one mode of organising becomes too dominant then there will tend to be instability for the viability of any one way of organising is dependent upon others for its success.

Hood's application of Douglas' grid group model associates particular ways of organising and regulating public life with complementary control structures (see table 6.1). The hierarchal quadrant typical of a bureaucratic form of organising is best regulated through what he calls bossism or control by oversight. The egalitarian or enclave quadrant of the bottom right quadrant he refers to as control through groupism or mutuality. The bottom left quadrant of the individualist control through choiceism or competition. The top left fatalist quadrant he labels as control through chanceism or contrived randomness.

CHOICEISM	BOSSISM
CONTRIVED RANDOMNESS	OVERSIGHT
CHOICEISM	GROUPISM
COMPETITION	MUTUALITY

Table 6.1

Bossism or control by oversight is associated with hierarchy and would typically include systems of inspection or audit. In reality proto-hierarchy would be a better term for these are rarely direct structures of hierarchal oversight and are more commonly indirect forms of control are associated with NPM type reforms. In further-higher education oversight is through indirect means through audit and quality assurance procedures.

Choiceism refers to control through market mechanisms. Mechanisms such as league tables, performance indicators and targets are the preferred means whereby these mechanisms operate. They are meant to prioritise competition and utilise market mechanisms as a means of directing organisational behaviour and structuring the incentives and preferences that typify a neo-liberal market economy. As mentioned earlier the further-higher organisational field constitutes a balkanised sector with its own internal status hierarchy that reflects the nature of the 'product' as a positional good.

Groupism and control through mutuality exposes organisations to peer group pressure and reputation mechanisms that can generate isomorphic pressures to conform to sector norms. In further-higher education a mix of collegiality, peer review and managerialism tend to coexist. Never the less in further-higher education a major shift has occurred away from the more competitive practices associated with the early days of franchising during the era of 'low policy' towards a collaborative or co-opetition based set of practices that regulate through complex and embedded mutually dependent networks of organisations in the further-higher organisational field.

Fatalism is associated with contrived randomness. The fatalist organisation does not actively engage at the core of the organisational field but tends to be found at the margins and is consequently relatively powerless to influence policy. They react to policy transformation rather than engage in shaping it.

Thus coordination mechanisms based upon the market, hierarchy and egalitarian governance structures will comprise the three active quadrants while the passive fatalist or isolate quadrant is distinct because of its inability to organise.

Nevertheless the other quadrants rely on this passive quadrant both as a source of potential recruits and as a compliant inversion of the active quadrants. This is a relational model and all quadrants coexist at anyone time; hence they cannot be dealt with in isolation except for analytical purposes.

Hood argues that these different ways of organising and controlling and coordinating always coexist in tension and indeed the complement each other and need each other as a balance to the potential excesses and dysfunctions that would result from any one becoming too dominant. The viability of any one way of organising is thus dependent on all the others.

If this approach were to be applied to further-higher education the phase of 'low policy' can be understood as one that coexisted with the introduction of NPM techniques which led to the dominance of one particular way of organising particularly in FECs. This was a neo-taylorist version of either hard or soft

managerialism (Trowler, 1998) that combined elements of hierarchy with individualism.

This tension between the individualism and hierarchy diagonal appears contradictory. The decentralising tendencies of the individualistic quadrant and the centralising and standardising tendencies of the hierarchical quadrant would appear to generate countervailing forces and tensions. Yet this diagonal accurately represents the paradoxes and anomalies that typified further-higher education delivery with the shift to marketisation and devolution of decision making and the concurrent implementation of managerialism that represented centralisation and standardisation.

In this sense this managerialist shift was based upon the right to manage and the restructuring of further-higher education along private sector lines and a the move towards private sector incentives based upon the market or quasi-markets with the central imposition of standardised targets and performance indicators by government through agencies or quangos. The blurring of the public private sector division marked a move down group but up grid in this context (in other words towards weaker group but stronger grid). It was associated with reforms linked to the implementation of NPM and managerialism in further-higher education.

The blurring of FE and HE boundaries also marked a weakening of group inasmuch as the different organisational cultures, institutional logics professional histories and different organisational structures were to come under pressures to reposition themselves across the further-higher education divide.

With the era of 'high policy' post Dearing and the introduction of direct funding, consortium arrangements and a more structured and strategic approach to other forms of collaboration the question of whether the pressure would be to follow FE models of provisioning or HE models or some further-higher education hybrid of the two became more pressing. The strong sector loyalties and continuing influence of sector identities among further-higher education providers (Parry, 2008, Smith, 2008) was to retain considerable influence on decision making in further-higher education .

The mix of different ways of organising and different preferences and incentive structures founded upon different 'cultural biases' to which participating organisation were subject increased and complicated coordination problems. While plural authority structures coexisted in a system of institutional duality at the end of the day the power lay with the HE provider in whose name the qualification was granted.

Pressures based upon a mix of coercive isomorphism and normative therefore dominated the transition to 'high policy'. Mimetic pressure are more likely to operate in situations where FECs revert to what they know in the face of increased uncertainty originating in learning the 'rules of the game' of HE delivery and responding to new funding and quality assurance masters.

There is a danger that excessive reliance on an FE model or on an HE model may become dysfunctional. The synergies and advantages of further-higher education

delivery may be compromised if one control system dominates over the others. As Hood argues there may be no one best way of organising. Applying this to the further-higher education interface managing the better of two 'cultural biases' in FE and HE and avoiding the worst may be the way forward. An overly compliant FE sector operating a hard managerialist ethos is likely to stifle creativity and innovation. Yet the creation of an HE environment on the model of an HE provider is not possible in further-higher education given the irreversible shifts towards massification of HE and the different resourcing issues and terms and conditions under which FE staff work.

This is not just a cliché of FE as an example of a fordist mass production model of educational delivery versus a collegiate and professionalized post fordist HE model. The reality is far more complex with hybrids of both coexisting. Paradoxically the smaller groups and more teaching focused FE model generates a further-higher education ethos that is student centred and personalised with high levels of support but tends to operate through organisational structures that are managerialist and fordist.

It is the hybrid nature of further-higher education that makes it distinctive. These are examples of 'clumsy institutions' (Verweij, 2006) that can accommodate the institutional duality of further-higher education through accommodating plural modes of operation within one hybrid organisational form. Countervailing pressures towards isomorphism as predicted by new institutionalism coexist with divergent processes towards a model of further-higher education delivery whose features are not yet clear. This is complicated by the institutional duality of further-higher

education. It is at and across the boundaries of further-higher education that policy transformation is mutating. The grid-group model alert an analysis towards these coexisting and competing plural FE and HE rationalities and the tensions and anomalies they can generate.

Table 6.2 is an attempt to represent a set of processes and is not a static model. It is designed to capture the processes whereby shifts in grid and group can be triangulated to move beyond simple dichotomies and to ensure a more in depth understanding of institutional and organisational changes that have taken place at the further-higher interface. The use of grid group as a heuristic device maps the potential trajectories of change in systems of regulation through the grid dimension and the configuration of boundaries in further-higher education.

The categorisation and classification of the organisational field that constitutes both further-higher education and HE within one system also allows the capturing of anomalies and ambiguity at those interstitial points where 'matter out of place' can be found. These are weak points in the structural arrangements of the further-higher organisational field and designate the fault lines at which the tensions at the further-higher education interface are most likely to be found.

By utilising the grid-group heuristic a system of classification such as is found in further-higher education and HE can be considered holistically and in terms of anomalies and ambiguities in the system that reflect deeper structural factors and weaknesses and strengths. Such a holistic approach indicates a more deep rooted issue.

This chapter has attempted to construct a theoretical account of policy transformation in further-higher education through the use of Douglas' grid group model. This has functioned as a heuristic device to trace the gradual shifts, transformations and institutional and organisational reconfigurations that characterised this period. It supplies a conceptual framework through which the decisions, strategies, preferences and positioning strategies of organisational actors in the further-higher organisational field can be explored and its institutional duality investigated.

Y(+)

<p>Fatalism</p> <p>(isolated atomism)</p> <p>Apathy Ritualism Isolation Peripheral</p> <p>RISK/UNCERTAINTY</p> <p>Risk as a random lottery</p>	<p>Hierarchy</p> <p>(bureaucracy and hierarchical organisational structures)</p> <p>Rule following Standardisation Status orders (Positionality) Centralisation and formalisation</p> <p>RISK/UNCERTAINTY</p> <p>Risk averse</p>
<p>Individualism</p> <p>(negotiation, bargaining, dealers at the stock exchange)</p> <p>Markets Entrepreneurship Discovery processes Structural holes</p> <p>RISK/UNCERTAINTY</p> <p>Risk as opportunity to exploit</p>	<p>Egalitarianism</p> <p>(community of practices, research networks, disciplinary cultures)</p> <p>Mutuality Networks Clans Enclaves</p> <p>RISK/UNCERTAINTY</p> <p>Pooling risk as an insurance policy</p>

Y(-)
X (-)

X(+)

Table 6.2

The grid-group heuristic has been used as an analytical device for tracking both the trajectories of institutional and organisational change at the further-higher education interface over twenty years and a means of identifying the role of anomaly and ambiguity in systems of classification and the emergence of hybrid organisational forms that are internalising the institutional duality of further-higher education.

CHAPTER SEVEN: EXCHANGES AT THE ENGLISH

FURTHER-HIGHER INTERFACE

The last chapter used the grid-group matrix as a heuristic device for conceptualising the direction of institutional and organisational change in further-higher education. At the same time it helped identify some of the anomalies, tensions and ambiguities that were found in further-higher education as consequence of its inherent institutional duality. These transitions have been conceptualised as processes situated in a context of sometimes turbulent and persistent change. In this chapter the shifting configurations of transactions and exchanges across sector and inter-organisational boundaries are analysed in terms of how they become institutionalised as practice.

In further-higher education transactions and exchanges at the further-higher interface are subject to different institutional logics and sector legacies. This chapter therefore explores different models of how transactions and exchanges can be understood, contextualised and conceptualised as the outcome of processes that reflect the institutional duality of further-higher education. It draws largely on a modified version of transaction cost economics drawn from new institutionalist economics that incorporates an analysis of transactions that contextualises them in the wider political economy in which they are embedded.

The structural characteristics of exchanges at the further-higher interface and how they are actually aligned to the institutional arrangements that oversee them are therefore considered both as context and as process. These are explored within a framework that builds upon the grid-group heuristic that was introduced in the previous chapter as a heuristic device for setting the context for understanding how transactions are regulated. Of specific interest are the boundaries and interfaces found at the site of disjunctures of practice between further-higher education and HE providers and the boundary work that takes place there.

Transactions and exchanges at the further-higher interface and exchanges within the organisational field are both horizontal and vertical being subject to different institutional pressures at any one point in time. The grid dimension has captured the vertical elements of these exchanges while the group dimension has captured the horizontal. Through combining them in various mixes of modes of organising and coordination the grid-group matrix can be used as a device for encapsulating this process of hybridisation. The context through which these transactions are configured across sector and inter-organisational boundaries will be considered here in terms of the structural attributes of transactions and specifically through the concept of asset specificity and how they can be understood in the context of the institutional arrangements that oversee and regulate exchanges.

All transactions in further-higher education are aligned through institutional arrangements or specific governance structures that are framed by the macro institutional environment of further-higher education that determines the 'rules of the game'. The macro level of the institutional environment is in turn mediated at

the meso level by the further-higher organisational field which in aggregate constitutes the outcome of a process of institutionalisation of the sum of transactions and exchanges and that have collectively and in aggregate become embedded as practices in the field.

Indeed an organisational field only exists to the extent that it is institutionalised. The micro level of organisational preference formation and incentive structures and positioning of organisational decision makers in further-higher education is then contextualised against the backdrop of a contest over resource deployment and of assets within further-higher education and across sector boundaries.

In combination this iteration of macro, meso and micro level processes constitutes the broad context in which the institutional duality of further-higher education is mediated and filtered and the further-higher interface configured through the institutionalisation and embedding of transactions and exchanges within the organisational field.

Three key analytical questions are posed in this chapter. Firstly, what are the core structural attributes of transactions and exchanges that are embedded at the further-higher interface? Secondly, what are the relationships of transactions across the further-higher interface considered as embedded relational processes to the institutional and organisational contexts in which they are embedded? Finally, what is the relationship between the transactions, the institutional environment, institutional arrangements or governance structures and the hybrid

organisational forms found in further-higher education and how can they be contextualised and conceptualised?

Cases and Transactions

Following Yin (1989) it was argued in chapter three that the case study method is best suited to exploring a unique case (in this example further-higher education transactions across the further-higher interface) against the actual natural setting in which it takes place. Here the transaction has been identified as the unit of analysis and the period between 1988 and 2008 delimits the parameters of the 'case'.

Transactions and exchanges at the further-higher interface are explored here as processes against their institutional and organisational contexts during a period of continual and turbulent change.

While the previous chapter attempted to trace and contextualise the trajectories of institutional and organisational change through the heuristic device of grid and group this chapter locates further-higher education transactions against a conceptual framework that investigates those hybrid organisational forms and institutional arrangements that constitute the boundary configurations of further-higher education. Then transactions and exchanges are considered in terms of a wider political economy. The boundary work that takes place at the further-higher interface, and the role and function of the boundary organisations that are situated there, are then investigated in the following chapter.

The Further-Higher Interface

Transactions at the further-higher interface are characterised by a number of distinct structural features and attributes. Essentially, these structural attributes consist of bilaterally dependent transactions and exchanges in which transactions are embedded in specific social, political, cultural and ideological contexts. These combine to institutionalise and hence channel the behaviour and preferences of organisations and organisational decision makers across sector and inter-organisational boundaries. Before analysing the core theoretical attributes and characteristics of these exchanges some key aspects of transactions within further-higher education are first introduced.

Firstly the transaction takes place across organisational boundaries and different sub-sectors of the further-higher organisational field and this is inherently a collaborative, relational and reciprocal exchange. Consequently the institutional framework that regulates further-higher education and the organisations that are embedded in it cannot be understood in isolation. Transactions take place within a context and not in isolation and are processual and not static phenomenon. They are part of an instituted process through which they become embedded as practices and institutionalised in concrete organisational forms and settings

Within these further-higher transactional configurations are the various organisational forms including but not exclusively: franchising, consortiums, validation arrangements, licensing arrangements, networks and joint planning

arrangements. Some of these are directly funded and some are indirectly funded. The boundaries of these organisational forms are inherently problematic in theoretical terms due to the relational nature of organisational collaborations. Boundary maintenance, boundary setting and boundary spanning functions and the growing importance of external linkages between organisations and other agencies in further-higher education all require adequate conceptualisation. These are dealt with in more detail in chapter Eight.

The point about these diverse collaborative relations is that the inter-organisational transaction that defines them is subject to a process of hybridisation and consists of a bundle of transactional attributes that transcend the boundaries of individual organisations. Oversight, control and coordination of the transaction takes place through institutional mechanisms that have been imposed to varying degrees by the central state through its agencies that act as intermediaries or boundary organisations at the further-higher interface. Understanding the dynamics of these institutional forces requires a longitudinal approach that captures the processes whereby organisations become infused with values but have to cope with the tensions created as a consequence of the institutional duality of further-higher education.

Transactions as Instituted Processes

The institutional and organisational contexts in which further-higher education transactions are embedded are analysed in this section using neo-institutional theory and specifically its sociological variant as a conceptual framework for

organising an understanding of the attributes of transactions and exchanges found in further-higher education. The role of institutions and institutionalisation for understanding further-higher exchanges at the interface is placed at the centre of this framework. In particular the impact of institutional duality on these processes is then considered.

As indicated in a previous chapter and following North's definition (1990) institutions constitute the 'rules of the game' and organisations are the 'players' of the game. Institutions consist of the formal and informal rules that structure human interaction and provide stability and reduce uncertainty through the reproduction of recurrent patterns of predictable behaviour.

The Conceptual Framework

The conceptual framework used in this section is drawn from a mix of neo-institutional theory and in particular sociological institutionalism, new institutionalist economics and a political economy approach that links the economic, social, cultural and political dimensions of transactions and exchanges at the further-higher interface across macro, meso and micro levels.

Neo-institutionalism in the guise of sociological institutionalism emphasises that transactions are embedded in social relations and cognitive frameworks that impose meaning on exchanges. The use of the grid-group heuristic complemented this approach through matching organisational preference formation to patterns of

economic and social organisation in further-higher education and the wider social structure.

The strength of new institutionalist economics lies in its focus upon the relationship between the transactions that govern particular economic interactions and the preferences and incentive structures of organisations, actors and agencies who are party to the transaction. Principal agent theory considers the problem of how to align preferences and what happens if the incentives of principals and agents are incongruent. As both the further-higher transactions and the incentives that shape the interface are structured through institutions and organisations that has changed radically.

However, the weakness of new institutionalist economics lies in its a-social concept of economic man and in the lack of context it provides for understanding the economic behaviour that is embedded in broader institutional contexts and social relations. It lacks a concept of the embeddedness of economic behaviour or its historical antecedents. In combination with a political economy approach the contextual, situational and macro structural impact of marketisation and massification of HE and its impact on further-higher education needs to be considered to provide a rounded analysis of its ecology.

As it is the transaction that is the theoretical unit of analysis, the new institutional economic legacy is first explored before developing an alternative and complementary theoretical and conceptual framework that investigates the institutional and organisational processes whereby transactions become

embedded as concrete social relations and result in organisations positioning themselves in the organisational field. This approach then contextualises the dynamics of the transaction against the social, political, cultural, structural, historical and ideological contexts in which the transaction is embedded

This analytic strategy owes a great deal to the work of Granovetter (1985) on the embeddedness of economic action in social relations and the work of economic anthropologists and economic sociologists (Swedberg, 2005). Their work on the relationship between the economic and social embeddedness of economic behaviour in non market economies has been extremely fruitful in analysing the further-higher interface. This analysis of the iteration of economic, social and political dimensions of further-higher education through a sociological lens argues that understanding economic behaviour needs to be premised on an understanding of the institutional and social contexts through which it this behaviour is filtered.

Embedded transactions and exchanges across the interface and the organisations that populate the further-higher organisational field are typified by the possession of and production and reproduction of asymmetrical relations of power and dependency at a number of analytical levels. In this process the differences in the various traditions, cultures, organisational structures and access to resources by collaborating partners and organisations can lead to tensions. There are also issues around the difficulties of measurement, monitoring and coordinating complex structured collaborative arrangements such as these.

This makes a pure market model of transactional behaviour in which commodities are traded and priced through the market as problematic, as it is in many public sector areas of service delivery. No real price mechanism operates in further-higher education as in a pure market model. The existence of quasi-markets (Le Grand and Bartlett, 1993) in further-higher education, or managed markets (Ranson, 1994), in which the price mechanism is missing, compounds these complex problems of control and coordination. These issues are explored in more depth when the analytical purchase of the model developed in part two will be demonstrated through illustrations of significant events in the evolution and maturation of the organisational field in which further-higher education is embedded.

For policy makers the degree to which further-higher provision is defined as a public good, a merit good¹ rather than a private one that contributes to national economic well being means that the central state is highly directive in its policy making. Further-higher education thus represents part of a stock of the nation's human capital. The further-higher transaction, therefore, is subject to many institutional pressures from external regulators, funding bodies and other stakeholders that generate a complex dynamic within the organisational field. The need for public accountability is one of the most important aspects of this. Many of these pressures can conflict and the role of the sector in building up the nation's human capital and responding to the changing needs of work employers and the public purse strings makes it subject to paradox, ambiguity and tensions.

¹ A merit good is something that is considered desirable by policy makers and in order to ensure its provision a suspension of the price mechanism may be necessary. Education is often considered to be an example of a merit good because it benefits its recipients but they are not necessarily knowledgeable about those benefits. A public good is something that everyone benefits from such as a park or clean air. The term merit good was initially introduced by Musgrave (1959).

Transaction Cost Economics

Transaction cost economics argues that there are various costs incurred in any economic transaction and the coordination of these exchanges through specific institutional arrangements or governance structures functions to reduce these costs. The reduction of transaction costs therefore can be achieved through the adoption of the most appropriate institutional arrangements that match the attributes of the transaction. Although somewhat of a functionalist argument and an example of a paradigm based upon a fundamental methodological individualism transaction cost economics, when combined with a more sociological approach that incorporates an understanding of the economy as an instituted process and political economy, is a useful starting point for investigating transactions and inter-organisational collaboration at the further-higher interface.

Williamson (1975, 1981 1985), one of the seminal thinkers in the transaction cost economics tradition, effectively uses a comparative framework that compares the transaction costs of operating under one governance structure, usually the market compared to alternative modes usually incorporating hierarchy, networks, various hybrids or mixes of these alternatives. The preferred governance structure according to Williamson will be the one that most adequately matches the transactional attributes of the exchange to the associated governance structure or institutional arrangements. The most efficient match will in turn minimise transaction costs.

Applied to further-higher education, transaction cost economics would consider the most 'efficient' organisational form for achieving these goals. The existence of hybrid organisational forms in further-higher education poses an interesting question. What is their role and function in widening participation and access to HE: and what can an analysis of those transactions typically found embedded at the further-higher interface tell us about further-higher education as a sub component of a super-ordinate system of traditional HE? Do they reduce or increase transaction costs and how can hybrid transactions be conceptualised?

In order to try to address some of these issues the transactions and exchanges configured at the further-higher interface are explored through a modified variant of transaction cost economics that places transactions in a wider context and explores the process of embeddedness whereby they become institutionalised as practice often through a process of hybridisation.

Transaction cost economics usually identifies four core components of transactions: asset specificity, frequency, uncertainty and small numbers bargaining and makes a number of behavioural assumptions about the economic agents engaged in transacting that include the assumption that decision makers are subject to bounded rationality and opportunism or self seeking with guile.

Asset specificity

The concept of asset specificity is generally considered to be the key transactional attribute in transaction costs theory. Asset specificity refers to durable relationship-

specific investments that are tied in some way to the transacting parties through a bilaterally dependent relation. In the further-higher education organisational field all transactions exhibit relatively high degrees of asset specificity because they are by definition collaborative arrangements that tie each organisation or agency into some form of mutual dependency. Further-higher education is premised upon a bilateral dependent and semi-compulsory inter-organisational collaborative organisational form that is embedded in specific institutional environments. The link between autonomy and control in further-higher education collaboration is never a simple or straightforward one but will vary with a range of factors.

Further-higher education partnerships exhibit medium to high levels of asset specificity while the process whereby further-higher education is delivered provides a service that is often tacit and difficult to measure and monitor. Typically further-higher education is understood to offer high levels of pastoral support, smaller group sizes and a more supportive ethos that favours non traditional HE students. These are not easily transferable to the differing context of traditional HE.

According to Williamson (1985) there are a number of components or dimensions of asset specificity that are significant in transaction cost economics. Some of the more significant of these include site asset specificity, dedicated asset specificity, physical asset specificity, brand name capital, temporal asset specificity and human asset specificity. This is not an exhaustive list and others could be meaningful depending on context. In further-higher education some of the more theoretically significant are linked to site asset specificity, human asset specificity,

brand name capital and temporal asset specificity. These are outlined in the table below.

Dimensions of Asset Specificity
Human Asset Specificity
Extent of qualifications, ethos, pedagogic style and pastoral support available.
Site Asset Specificity
Linked to location and ease of access. Local access prioritised.
Brand Name Capital
Power to validate HE awards. Reputation and status of brand.
Dedicated Asset Specificity
Jointly designed and resourced facilities.
Physical Asset Specificity
Provision of IT or library facilities available to FHE students.
Temporal Asset Specificity
Transfer function of FHE. 'Cooling out' or 'warming up' function.

Table 7.0

Site asset specificity is tied up with location and geography. To the extent that a transaction is site specific it is obviously difficult to deliver it elsewhere. Many further-higher education collaborations are site specific. Yet a more intangible aspect than the issue of physical proximity and the local access orientation of further-higher education is the pedagogic and pastoral strengths of further-higher education and the claims it provides a highly supportive pastoral setting. This reduces the cultural and psychological distance some non traditional students perceive to exist in alternative forms of provision. For example many mature and non traditional students may find the ethos and smaller scale of delivery in further-

higher education preferable to a larger traditional partner university. Parry et al (2002, 2004) in trying to identify what is distinctive to further-higher education argues it is its ethos, scale and pedagogy as much as its structures that make it distinctive. Students' personal and domestic ties and in the case of part timers work commitments may re-enforce this aspect of site specificity.

Dedicated asset specificity is similar to physical asset specificity and refers to plant or fixed facilities that are associated with delivery. Physical asset specificity refers to something that is distinct to an organisation. Dedicated asset specificity refers to something that is produced jointly and specifically for further-higher education provision and crosses sector boundaries. Either may include library or IT facilities and many collaborative structures have complex arrangements about sharing of resources. These joint arrangements are a frequent source of confusion for students studying further-higher education when they are studying for the same qualification of those in the partner HE organisation but with restricted access to its resources. Often these can be for legal and copyright reasons such as in the sharing of library facilities.

Human asset specificity is of crucial importance in a labour intensive labour process such as that of further-higher education. The level of qualification of staff, the staff development facilities available and the distinct ethos, scale and pedagogical styles typical of further-higher education make it difficult to deploy these assets to alternative usage.

The further-higher education labour process is highly distinctive in this sense. The advantages of further-higher education provision in terms of the smaller class sizes and reported levels of student support have to be balanced against the higher teaching loads of further-higher education staff and the extent to which there is genuine and reciprocal staff development taking place across inter-organisational boundaries. Pragmatic issues such as time, distance and alternative demands may preclude this happening. Moreover, there is limited evidence of further-higher education resourcing the development of a research function or when they do that this is considered a marginal part of the role of further-higher education. The teaching based focus of further-higher education, however, is not restricted to further-higher education. Increasingly other HE providers in the university sector may specialise in teaching rather than research as funding is concentrated in greater amounts among fewer providers and mainly in the research intensive Russell Group.

Brand name capital is another feature of asset specificity in further-higher education. The HE brand and access to it is a major reason for further-higher education working collaboratively with an HE provider. While the HE provider is ultimately responsible for the reputation of its brand through various quality assurance mechanisms recent legislative changes passed in 2008 have given further-higher education the power to seek foundation degree awarding powers. Although at the time of writing none had been granted these powers it is likely that this marks a significant symbolic and technical shift in access to brand name capital and that will impact on the asset specificity of further-higher education. The role and function of the QAA as a boundary organisation that legitimates the HE

brand has become more significant especially during the transition to 'high policy' post Dearing.

Another dimension of asset specificity is temporal asset specificity. The role and function of further-higher education as a provider of new entrants for HE has a long established history. This transfer function appears to be more complex than at first appears. Recent research from the FurtherHigher project suggests that not all students who study in a further-higher education setting progress within the same provider or necessarily move to a higher qualification and that the transfer function and a decision to move is mediated through a range of other factors related to the institutional and organisational habitus of both the further-higher education and university HE provider (Parry et al, 2008). Foundation degrees in particular offer a terminal qualification. Moreover, further-higher education can take the form of a 'waiting room' experience whereby students may be 'warmed up' or 'cooled out' to use Clark's (1960) phrase and their aspirations modified in transit.

Asset Specificity as Hybridisation

The usefulness of the concept of asset specificity is that it offers a more refined tool than dualistic conceptualisations of FE and HE and helps captures the nuances whereby the further-higher interface is configured. It is the mix or combinations of asset specificity contextualised in concrete settings and configurations at the further-higher interface that matters. These vary according to context, situation and setting. However, what most further-higher organisational forms have in common with respect to their provision is that mixes of asset

specificity take place across sector and inter-organisational boundaries that create a hybridised type of further-higher education provision. Franchising is one such hybrid form mixing elements of FE and HE within one organisational setting.

These hybrid organisational forms can therefore offer a more flexible type of provision able to cross inter-organisational boundaries while maintaining organisational autonomy and identity at the same time. Thus boundaries can be both permeable and permissible but also persist and are re-enforced at the further-higher interface through strong sector identities and loyalties.

Uncertainty

Together these components of asset specificity are considered to be the crucial attribute of the transaction. However, the degree of uncertainty under which a transaction takes place is also important. In further-higher education the concept is complicated by virtue of the duality of the institutional environment and arrangements found in further-higher education. This can create anomalies and ambiguities in the operations and transactions and exchanges that take place across the further-higher interface. At this point it is important to make a technical distinction between uncertainty and risk, terms that are often used interchangeably. In the economics literature risk can generally be assigned a value or rather a probability and to some extent can be measured. This, for example, is how actuaries operate in the insurance business. On the other hand uncertainty cannot be measured: it is a qualitative condition and perception. Transaction cost economics uses the term uncertainty to capture this ambiguity. Risk is calculable

and can be assigned a probability at least in theory. Throughout this thesis the terms are used interchangeably at times. That usage has been retained for the sake of clarity.

As uncertainty cannot be easily measured an organisation's perceptions, preferences and incentive structures are best understood as socially and culturally constructed. It is the iteration between the social construction of preferences and incentive structures that Douglas' grid-group heuristic has been used to capture. It is the function of institutions to reduce uncertainty and enhance predictability; hence the grid group heuristic developed in an earlier chapter is utilised to conceptualise these institutional processes and their impact on organisational strategies and how the categorisation of further-higher education as a system of classification becomes institutionalised.

Bearing the technical distinction between risk and uncertainty in mind, organisations that are described as 'risk averse' may be better described as uncertainty avoiding. However, using the conventional term 'risk averse' further-higher education deliverers may spread risk or delegate it through a collaborative arrangement such as franchising. Indeed, in some cases this is what happened in the early post incorporation days of further-higher education franchising when a small number of universities withdrew from franchise agreements at short notice in order to respond to a changing and volatile policy environment in a typically short term reactive response. Diversification as a response may be a form of risk aversion while uncertainty avoidance may be dealt with by establishing long term

relational contracts with trusted partners. Effective collaborative arrangements cannot be built up overnight.

Frequency

The third structural attribute of transactions and exchanges at the further-higher interface is the frequencies with which transactions take place. The frequency of transactions is a key factor that transaction cost economics suggest need to be taken into account in engaging in inter-organisational collaboration. The longer lasting the collaboration the more likely that types of relational contracting and a common understanding is likely to evolve across inter-organisational boundaries. Transactions are likely to become more solidaristic and embedded the more frequent and habitual a transaction or exchange is. This is because an evidence base and trust based upon reputational factors will be more accessible than would be the case in the early days of collaborative arrangements in which partners are relatively unknown quantities.

A more frequent transaction is more likely to become embedded in recurrent and institutionalised practices which results in a reduction of uncertainty, enhances predictability and leads to shared understanding and meaning systems among the incumbents of the further-higher organisational field. Joint staff development events, regular academic joint committees, exam boards or boards of study can all perform this function. Embedding such boundary work in practice is more likely to ensure effective collaborative working.

As an organisational field matures, according to the neo-institutionalist analysis of DiMaggio and Powell (1983, 1991) increased frequency of interaction and an increase in the information load circulating among members of a field are likely to enhance the possibility of a common meaning system evolving across the further-higher divide.

Small numbers bargaining

Williamson also refers to the small bargaining problem by which he means that in situations where high levels of asset specificity exists between two or a small number of transacting partners there is a greater risk of one or more of the transacting parties acting opportunistically. Competitive mechanisms are not effective in such situations and where asset specificity is high.

One strategy adopted by some further-higher education deliverers was to operate with multiple partners. This raises the transaction costs of coordination and monitoring but reduce uncertainty by spreading 'risk'. The Dearing report recommended that this should not be the typical arrangement. Some further-higher education deliverers went down this route despite this recommendation to enhance their bargaining power and many further-higher education providers have multiple partners as do HE.

Behavioural Assumptions: Shaping Organisational Preferences

The a-priori behavioural assumptions transaction cost economics makes include those of bounded rationality, opportunism and self seeking with guile. Bounded rationality has evolved from the work of Simon (1957) and involves an assumption that no economic agent possesses perfect information or is able to accurately process such information as is possessed totally efficiently. Cognitive limitations on the human mind to process very large amounts of information inevitably result in compromises and the use of rule of thumb to aid decision making. Bounded rational behaviour is based upon asymmetrical information in other words. There are other similarities to the concepts developed in principal agent theory in transaction cost economics, too, including the concepts of moral hazard and adverse selection.

Opportunism and moral hazard are very similar concepts. Typically moral hazard is associated with principal agent theory while opportunism with transaction cost economics. Both are based upon a situation in which uncertainty and asymmetrical information exists between transacting agents in organisational fields. In principal agent theory asymmetrical information can generate situations in which the agent knows more than the principal. This is likely to be the case in the transmission of high status knowledge that requires lengthy periods of training and professional socialisation. In such a situation how can the principal monitor the agent's behaviour or measure the outputs generated? The nature of the further-higher education task complicates this because the task is difficult to measure and hence model. Principal agent theory assumes deductively that moral hazard exists. A

further complication relates to the status of further-higher education as a 'wicked problem'. Identifying who is the principal and who is the agent is extremely complex and cannot make sense except through contextualising these economic relations against a wider social, cultural and political economy.

Principal Agent Theory

The deliberate alignment of preferences and incentive structures under conditions of asymmetrical information in which one of the transacting partners, usually the agent, knows more than the other, the principal, presents an agency problem. It may well be difficult to observe or monitor or measure the actions of the agent under these conditions hence incentive structures need to be created that encourage the agent to act in the interest of the principal. This process of preference alignment is complicated in a complex institutional environment such as in further-higher education. When multiple stakeholders and competing interests coexist as they do in the further-higher organisational field tensions often arise. Principal agent theory deals with this problem by assuming that it can be reduced to a set of contractually based principal agent problems.

Thus principal agent theory has evolved within new institutional economics to address this agency problem. The relationship between the principal and agent is effectively a formal contract. Multiple principal agent relations are conceptualised as a series of individual contracts in which the conditions of the contract are expected to be explicitly and formally codified. This rather one dimensional analysis tends to ignore the contexts in which agency problems emerge and

ignores the embeddedness of principal agent relations in institutional and organisational structures. Moreover, non market transaction costs and the informal dimension of economic organisation are rarely the focus of study in new institutional economics.

Agency problems need to be understood situationally and relationally and are not necessarily formal and when more than one organisation is involved they are even more complex. Often they are based upon relational contracting that evolves with time and agents cannot specify all possible outcomes as would be the case in a formal contract. Hence incomplete contracting poses problems for principal agent theory because the conditions of successful contract completion cannot be determined in advance. Moreover, the assumptions of agency theorists that are common to transaction cost theory are associated with a-priori behavioural assumptions about rationality and opportunism, or in the language of principal agent theory moral hazard and adverse selection. These are theoretical givens and not investigated inductively or empirically to establish their truth value.

In particular there is potential for opportunism and moral hazard under conditions of asymmetrical information. Goal incongruence and organisational dissonance results when principal and agent do not share the same preferences or respond to the same incentive structures. Dysfunctional behaviour can result when this occurs or perverse incentives can be generated that distort the behaviour of agents. After all, the principal agent problem is effectively one of preference alignment. This may then result in increased transaction costs. The efficiency argument of transaction cost economics again is limited because its foundational assumption of rationality

and maximising, albeit relaxed through the introduction of the concept of bounded rationality, do not in reality situate decision making in its structural context and in terms of a wider political economy.

Principal agent theory along with transaction cost theory and public choice theory have been influential in providing a theoretical basis for neo-liberal reforms instigated in the public sector (see chapter eight). Both transaction costs and agency problems are significant factors in understanding theoretically the potential success of these institutional and organisational reforms.

Neo-classical principal agent theory has, of course, addressed this agency problem in terms of a set of explicit contracts in which the potential for opportunism, moral hazard and self seeking with guile is prominent. The weakness of principal agent theory is that it lacks context and tends towards methodological individualism. This is equally true of transaction cost economics which although it relaxes the rationality postulate of neo-classical economic theory still retains its neo-classical edifice. As a purely economic model the social relations and the institutional and organisational configurations in which the agency problem arises tend to be missing or lack emphasis in these paradigms.

Principal agent theory does not incorporate a dynamic and diachronic element into its analytical framework or examine the processual elements of the institutionalisation process. What is more, in common with principal agent theory, transaction cost economics tends to ignore history and power and to prioritise one kind of technical rationality –and additionally emphasises cost containment and

reducing transaction costs as the main theoretical vehicle for explaining the existence of certain organisational structures and processes.

Emergent Organisational Forms

The question of how institutional forces shape organisational fields and generate hybrid organisational forms in further-higher education has been dealt with above through considering the matching of transactional attributes to governance structures or concrete institutional arrangements. In the transaction cost model an organisational form exists to reduce transaction costs and provides the most technically efficient mechanism of coordination. Although this somewhat deterministic and methodologically individualistic approach is also functionalist in its stress on the technical economic efficiency with which transactions are aligned with governance structures, it does recognise that institutions can reduce or increase transaction costs and places them centre stage.

However, incorporating neo-institutional theory to accentuate the argument that an organisation may not just seek technical efficiency but also institutional legitimacy is a necessary adjunct to transaction cost economics. Neo-institutionalist theory recognises that technical and institutional facets of organisational behaviour can become decoupled in the performance of the further-higher education task. In further-higher education institutional duality can create multiple demands at the further-higher interface rooted in different institutional logics, sector legacies and preference structures. These preferences need to be historically situated and

contextualised against a political economy approach to understanding further-higher education.

Additionally, what Powell and DiMaggio (1983) term institutional isomorphism is generally considered to be a significant factor in generating institutional pressures that push organisations in similar organisational fields towards coercive, normative and mimetic isomorphism. This is particularly common in public sector organisations in which the state sets policy goals and sets up the mechanisms to achieve them because the demands of multiple stakeholders must be accommodated and responses seen to be legitimate and accountable. Again in further-higher education these isomorphic pressures may originate in the different traditions, culture, organisation and levels of task delivery of further-higher education and their HE partners. Then the problem of institutional duality clouds this issue, too. This may create divergence rather than convergence of organisational forms. If so, the question is which model if any dominates or will diverse hybrid organisational forms emerge as a permanent feature?

More broadly, and to return to the global trends impacting on HE, one common strategy to achieve the separation of policy from its implementation adopted by the state is to follow the reinventing government paradigm pioneered in the USA by Gaebler and Osbourne, (1992).

Thus the role of the central state in legitimating organisational behaviour is not only prominent in the further-higher organisational field through the regulatory structures it devises to oversee quality assurance and funding regimes set against

government goals and targets but in its separation of policy from operational delivery. The quasi-markets or managed markets that characterise further-higher education do not operate through the price mechanism but through a set of state sponsored surrogates and targets that oversee the institutional and organisational contexts in which this takes place. These are mediated by intermediaries or boundary organisations that straddle the further-higher interface. The role and function of these boundary organisations are discussed in the next chapter.

Hybrid Organisational Forms: Franchising

Among the various arrangements that exist at the further-higher interface few exist as forms of provision that are independent of linkages with external bodies. Boundary setting and boundary spanning are thus important and constitute functions and processes that are useful for understanding these linkages. This section concentrates on franchising in further-higher education as an example of a model adopted from private sector business format franchising. This hybrid organisational form is briefly investigated here and the significance of franchising using the above conceptual framework is then explored for its theoretical significance and analytical utility for understanding further-higher education. A separate chapter examines it in greater depth and with a more applied focus in part three of the thesis.

The inter-organisational transaction typical of franchising is explored using theoretical insights that were designed to understand the business format franchise typical of the private sector. Following the approach of new institutional economics

a business format franchise model is understood as a mechanism for solving the problems of coordinating economic activity that is difficult to monitor and that can potentially generate agency problems. The example of franchising is dealt with in a more extended discussion in part three where it is illustrated with reference to the period of 'low policy' designated elsewhere in this thesis as the 'franchise experiment'.

However, the research problem and the exploratory theoretical case study methodology followed in this thesis is focussed upon how to conceptualise inter-organisational transactions that cross organisational boundaries and that are essentially relational, reciprocal and mutually subject to external regulation. The cultural-cognitive, normative and regulative institutional pressures identified by neo-institutionalist theory fleshes out to some extent these processes and exchanges. Franchising offers a theoretical case against which these institutional forces can be investigated conceptually and these transactions and boundaries explored.

Private sector business format franchising thus offers a number of insights that may be useful for understanding further-higher education collaboration. Combining these with the insights of new institutional economics and other studies of inter-organisational collaboration from organisational theory allows us to develop these ideas further.

The concept of asset specificity, for example, indicates the reciprocal and relational dependence of these bilaterally dependent organisations and requires that the

transaction needs to be put in context in terms of its embeddedness in a wider set of socio-political, economic and cultural exchanges. Whether this is the site specificity that is a function of geographical proximity or distance, the human asset specificity that is linked to the pedagogic distinctiveness of further-higher education delivery compared to traditional HE, or whether it is the dedicated specificity of non re-deployable resources, a franchise is a mutually interdependent organisational form. The transaction is not then confined to organisational boundaries but extends across them.

It is not a symmetrical relationship because the franchisor retains overall control of some desired resource that the franchisee cannot provide alone. In this case it is a monopoly over the power to award HE qualifications or validate those provided by the franchisee. The role of power is central to this conceptual understanding of franchising as an organisational form. It is a dependent relationship. However, multiple franchise arrangements to some extent can negate this imbalance as can the implied threat of being able to switch partners.

The brand (brand name capital) that the franchisor allows the franchisee to deliver is controlled and quality assured by the former. The income received for delivering the brand is shared out by both organisations. Franchising is therefore a form of indirect funding. In contrast to directly funded further-higher education provision the power is highly centralised in the hands of the parent HE partner. Although that still remains the case with direct funding it is a less starkly asymmetrical relation because the FEC delivering further-higher education has greater control over its funds.

Conceptually and theoretically franchising is a hybrid organisational form that exists because it is able to raise the motivation of legally separate organisations to collaborate, diversify risk (or uncertainty) and hence deal with possible problems of opportunism or moral hazard and thus help deal with potential principal agent problems through coordinating a mutually dependent (although unequal) collaborative inter-organisational relationship.

It is superior to the market in aligning the incentives and preferences of agents to those of principals because of its embedded reciprocal nature. It is more flexible than hierarchy for similar reasons while it reduces direct monitoring and control costs to external or other agencies. It may also raise the incentives of FECs to diversify into other forms of provision beyond their core FE delivery or to realign the proportion of HE delivered to FE internally.

Effectively and as a hybrid the franchise is best conceptualised as a transaction, at least within a further-higher education context, that consists of a bundle of attributes that cross organisational boundaries. Some of these raise transaction costs and others reduce them. Others are better at accommodating, predicting or offering solutions to principal agent problems, including opportunism and moral hazard. These transactions are conceptualised as having a number of dimensions of asset specificity that are mixed in different permutations and combinations. This provides a degree of adaptability and flexibility that suggests that there is no one best way of organising at the further-higher interface.

Together transaction cost economics and principal agent theory would predict that the franchise transaction is a compromise. This is exactly what the grid group matrix would indicate. A franchise would be neither purely in the individualist, market quadrant nor the hierarchical quadrant. It would only appear in the egalitarian (or sect) quadrant as a transitional organisational form that might be used to set up a preliminary new institutional or organisational configuration. Moreover, dependent on where in the grid-group matrix a decision maker was located, then their perceptions of the transaction costs of a particular course of action may differ. In further-higher education, managers who have limited experience of HE but are largely FE focussed would perceive transaction costs differently from HE staff who have to deliver it. Managers who are familiar with HE would also perceive transaction costs differently from FE managers.

In reality further-higher education constitutes a mix of rationalities, preferences and incentives and sets of institutionalised constraints embodied in the contractual nature of the franchise itself. The franchisee's autonomy would be largely illusory as asset specificity both ties and binds it to a more powerful franchisor. The role of the state in shifting this relation of dependency therefore becomes highly significant. For example the recent announcement that further-higher education providers could apply for foundation degree awarding powers will inevitably shift this imbalance of power in some circumstances.

Managing and coordinating complex inter-organisational relations such as the franchise at the system level is difficult. To varying extents each of the distinct organisational forms populating the further-higher organisational field generates a

different set of problems and different set of solutions as a consequence of operating dual regimes and plural control and authority structures.

The lessons that can be learnt from this cursory analysis of private sector business franchising for further-higher education inter-organisational collaborations relate to the managing of the tensions between organisational autonomy and dependency and the power relations embedded in similar inter-organisational collaborations where one partner has a near monopoly on the brand name capital of a product or service. The hybridity of private sector practices are useful solutions for dealing with incentive problems, spreading risk and uncertainty and accessing new markets. However, there are also limitations as to what can be learned. Further-higher education provision is something that in itself is developing and moving beyond the franchise stage of its development.

Conceptualising the Further-Higher Interface.

This section addresses the issue of what lessons can be learned from this attempt to theorise and conceptualise the dynamics of the further-higher interface and how transactions and exchanges that are configured in further-higher education can be contextualised?

The grid group matrix, used in the previous chapter as a heuristic device to capture the social and cultural construction of organisational preferences and the incentive structures or 'cultural biases' of organisational decision making, is useful for linking context to process and for highlighting the relationship between the structural

attributes of transactions and exchanges and the governance structures or institutional arrangements that oversee them.

Organisational preferences and incentives do not exist in a vacuum and are steered at a system level through direct and indirect levers that dispense funds, oversee the requirements for quality of provision and planning in further-higher education. The institutional duality of further-higher education complicates this.

The first lesson is that the transactions are embedded in concrete social relations that are channelled through institutional arrangements configured in organisational fields and that they must be understood as part of a wider political economy.

The second lesson is that conceptualising the further-higher interface requires the development of an analytical model that goes beyond mere description in order to understand the complexities and dynamics of institutional and organisational change in further-higher education and the emergence of new organisational forms in its organisational field.

The final lesson is to recognise that the use of new institutional economics approaches such as transaction cost economics needs to be contextualised in terms of the cultural-cognitive, normative, regulative and coercive institutional pressures in order to move beyond a one dimensional economic analysis to incorporate a sociologically aware analytical framework for understanding the further-higher education interface. That is the economic co-ordination of further-

higher education is embedded in wider social, economic, cultural and political processes.

By adopting this conceptual approach it allows the exploration of the theoretical attributes of concrete further-higher education transactions in context.

Consequently the transaction, as the core unit of analysis in this case study, is understood as a bilaterally dependent inter-organisational relationship embedded in specific social relations, organisations, organisational fields and institutional environments that configure the settings and context in which organisational actors position themselves at the further-higher interface.

There are a number of implications in adopting this theoretical framework. Firstly rational economic behaviour, as is assumed to exist in the neo-classical paradigm and in the relaxed variant of neo-classical economics that is associated with new institutional economics cannot be assumed a-priori. A mechanism needs to be identified whereby preferences and organisational incentive structures, whether 'rational' or 'non rational,' are socially constructed and filtered through specific institutional environments and institutional arrangements that configure an organisational field.

Moreover, the impact of institutional pressures and organisational structures which operate across organisational boundaries and influence the social construction of these preferences and organisational decisions need to be explored further. For further-higher education providers and their HE partners these are an empirical question. What has hitherto been lacking is a theoretical framework to pose the

question of how the construction of organisational preferences and incentives in further-higher education can be linked to a wider understanding of the role and function of further-higher education in widening participation and access to HE.

This chapter has constructed an analytical framework for understanding how transactions and exchanges are configured at the further-higher interface. The socio-political, economic, historical, cultural-cognitive and ideological contexts in which further-higher education transactions are embedded have then been contextualised. Through a combination of analysing the structural aspects of the transactions and exchanges at the further-higher interface with the institutional arrangements that oversee them the mix of process to context can be considered iteratively and in historical context.

The socio-political, economic, historical, cultural-cognitive and ideological contexts in which these further-higher education transactions are embedded have been contextualised through combining a neo-institutionalist version of sociological institutionalism and political economy with new institutional economics and a transaction cost approach to understanding transactions and exchanges at the further-higher interface.

Hybrid organisational forms in further-higher education were then conceptualised as permutations of asset specificity in order to move away from a dualistic interpretation and to produce a relational, contextual and holistic understanding of boundary work in further-higher education. In particular, the issue of the costs of transacting using one organisational form rather than another or of using one

governance structure than another was addressed. In a similar vein the drawing of boundaries in inter-organisational bilaterally dependent relations premised on medium to high levels of asset specificity was considered.

The next chapter considers the nature of boundaries and boundary work in further-higher education and the role and function of hybrid organisational forms in internalising the institutional duality of the further-higher interface.

CHAPTER EIGHT

BOUNDARY WORK IN FURTHER-HIGHER EDUCATION

This chapter investigates the boundary work that takes place at the further-higher interface. It considers the role and function of boundary institutions, boundary organisations and boundary objects in mediating exchanges there. Boundary work is contextualised as part of a process of hybridisation at the interface. How boundaries are categorised and classified, and the exchanges that take place across the interface are analysed, is a constant process of organising and disorganising that is fluid and interactive. Boundaries are neither stable nor objective constructs that can be understood as simple dualities or in isolation. They are permeable and meaningful only within a model that is holistic and relational providing a contextual framework for their analysis. Here the focus is on how boundary work and hybridisation in further-higher education can be conceptualised. Hybridisation and the blurring of boundaries at the further-higher interface are investigated as adaptive responses to the institutional contradictions, conflicts and tensions that are generated as a consequence of the institutional duality of further-higher education

How the further-higher interface is institutionalised, configured and classified and how boundary work maintains and mediates sector and inter-organisational boundaries is the main focus of this chapter. A number of conceptual distinctions

that are made in the process of analysing this boundary work to facilitate are clarified.

First the concept of hybridisation is unpicked. Secondly distinctions are made between boundary work, boundary organisations and boundary objects. Thirdly boundary work is considered and contextualised in terms of the role and function of boundary organisations as mediators of the separate funding, quality and planning functions that have characterised the FE and HE sectors over a twenty year time frame.

In order to investigate the boundary work taking place at the further-higher interface and within its organisational field an assessment of the relation of process to context and the role and function of intermediaries and mechanisms whereby boundary work is conducted is undertaken. These processes, contexts and dynamics are accessed through a theoretical case study that does not distinguish between phenomenon and context but analyses their iteration in detail holistically and relationally.

Boundary Work

In an early development of the concept of boundary work Gieryn (1983, p.782), in the context of work done in the social studies of science and technology, defines boundary-work as:

‘... the attribution of certain characteristics to the institution of science (for example: to its practitioners, methods, store of knowledge, values

and organisation of labour) for the purpose of constructing a social boundary that differentiates some intellectual activities as being “non-science”.

Gieryn’s (1983) initial conceptualisation of boundary work can also be applied to the demarcation of the boundaries between and within organisational fields. The role and function of boundary organisations and boundary objects that are commonly found in structured partnerships of inter-organisational collaboration in further-higher education is analogous to that of those he investigated at the policy-science nexus. If one replaces science with HE and non science with FE, using Gieryn’s model, then organising at the further-higher interface effectively links two distinct institutional logics and organisational modes of operation. Both of the latter originate in the separate sector identities and legacies of FE and HE sectors. Separate cultures, structures, practices and values originally informed these sector legacies and the impact of these legacies on contemporary configurations at the further-higher interface remains influential.

This boundary work and cross sector collaboration also take place at the same time as boundaries are being maintained or re-enforced. FE and HE partners remain autonomous and legally distinct entities. These processes are not best captured through dichotomies but represent polarities of interaction at the further-higher interface. They need to be understood relationally and holistically.

Such processes become more important in those situations when independent and autonomous organisations operate collaboratively to pursue a common goal as in this case of widening participation and access to HE. The institutional duality of

further-higher education compounds these processes through the operation of plural authority and control structures. These are the 'wicked problems' of further-higher education referred to earlier in the thesis which are rooted in the potential tension and conflicts created when multiple principal-agent relations, ambiguous goals and competing values play out in a diverse and fragmented organisational field.

To the extent that boundary work creates divisions between FE and HE and boundary maintenance mechanisms apply, there may be tensions that impede the crossing of boundaries. These may often be subtle, tacit and informal and rooted in the different past practices, conventions, institutional logics and cultural traditions that originate in the separate sector histories of FE and HE. Equally permeable boundaries may enhance inter-sector and inter-organisational collaboration.

Thus boundary work is also simultaneously a process of demarcation and deconstruction of existing boundaries through the reproduction and reconstitution of old boundaries and the reconfiguration or institutionalisation of new ones at the further-higher interface. This is a constant, cyclical and dynamic process through which the interface is constantly being reproduced and reconfigured. For this reason static dualities are of limited use in understanding boundary distinctions and reify existing boundary work.

The boundaries between FE and HE have blurred with a number of significant shifts in their categorisation and classification especially after incorporation and then following the Dearing Report of 1997. In terms of the grid-group heuristic

there has been a blurring of group, for example of the public and private divide and of distinctions between FE and HE, and a strengthening of grid in terms of an increased emphasis on audit and inspection by external agencies.

These shifts ushered in changes in institutionalised classification that demarcated the roles, rules and systems of classification of further-higher education. The push towards more structured forms of collaborative provision was one of the most significant of these placing an emphasis on intermediary organisations and institutional frameworks that spanned FE and HE. These transitions need to be analysed at a systems level and as an integrated system of classification reflecting the economic and social organisation of further-higher education. In the following section the organisational field is conceptualised as the context in which boundary work and boundary organisations operate at a meso level. It is the organisational field which mediates the macro institutional environment and the micro decision making processes and positioning strategies of further-higher education providers and their boundary work.

Boundary Institutions

A boundary institution is a macro level concept that generically configures the institutional framework in which institutional arrangements operate across sector boundaries and organisational fields. The 'rules of the game' that oversee the institutionalisation of specific cross sector institutional arrangements and the structuration of the further-higher organisational field are constituted through

legislation and formal and informal conventions and routines that cross sector and field divides.

Boundary institutions are rooted in the legislative and political processes that determine policy and direct and configure institutional arrangements and boundary organisations in an organisational field. They mediate different domains of activity within the social structure of a national economy while maintaining a degree of closure from other fields.

Specific institutional arrangements that facilitate structured coordination across sector boundaries are configured through the boundary institutions situated in the institutional environment. Boundary institutions thus configure interfaces and delimit field boundaries.

Boundary Organisations

A boundary organisation is usually an agency or consists of more or less permanent group of communities of interest that straddles an interface, in this case the further-higher interface, whose role and function is to mediate bridge or buffer the interface and facilitate communication across sector and inter-organisational boundaries. They function to translate, communicate and mediate inter-sector divides that are often grounded in different organisational assumptions or differences in fundamental premises about what further-higher education is. Boundary organisations operate in the context of institutional duality in further-higher education bridging sector and inter-organisational divides.

Boundary organisations mediate inter-organisational collaboration through the interpretation, translation and implementation of the 'rules of the game' that link and regulate further-higher education in the organisational field and the implementation of the institutional arrangements through which they are delivered. As occupiers of synapses or nodes in an organisational field boundary organisations also intermediate cross sector working at the further-higher education interface. Boundary work refers to the servicing of inter-boundary and inter-sector divides that are found at the intersection of two institutional logics, social worlds and sectors.

These organisations may be weakly or strongly embedded or institutionalised in the institutional landscape of further-higher education either functioning at the margins of a field if weakly embedded in practice or at the centre if strongly embedded. Funding and quality agencies tend to be strongly embedded in practice and influence not least because of their ability to apply mechanism of coercive isomorphism. The implications for non compliance with these regulatory boundary organisations can be severe.

Therefore boundary organisations mediate the discontinuities in practice between existing prevailing institutional logics, different domains of practice and ways of organising and 'cultural biases' that are found in the different traditions and historical legacies in FE and HE. They act as bridges to provide a common vocabulary and a common set of meanings that can cross inter-organisational boundaries.

Boundary organisations are thus embedded in organisational fields that are the consequence of a successful process of institutionalisation through which preferred forms of organising become embedded and embodied in a further-higher education organisations practice. Within fields, boundary organisations and boundary objects mediate the discontinuities in practice between the incumbents of the field.

Boundaries demarcate liminal zones, the sites of a constant process of organising and reconfiguration in never ending incremental cycles of change and stabilisation. The idea of liminality implies an in between state of affairs in the transition from one structural state to another. Unlike dualism or dichotomies which tend towards the static the liminal nature of boundaries as a state of becoming and organising focuses analysis on these processual mechanisms. The liminal represents an intermediate stage and an ambiguous 'middle' and transitional point between two social structurally stable states. Such boundary work is the stuff of everyday practice in further-higher education, a volatile and constant process of configuration and reconfiguration at the further-higher interface. It is this structural liminality that makes further-higher education anomalous even in the context of a shift to a mass system of HE (Scott, 2009).

Structured further-higher education partnerships will be at different stages of development and maturation at any one point in time. What will often be common to a successful collaboration is that boundary organisations facilitate links across organisational boundaries. These disjunctures of practice are set in contexts and practices that cannot be understood in isolation. Boundary organisations help

integrate pluralism, different institutional logics and other differences, across sector and organisational divides. They also produce boundary objects as the medium through which inter-organisational and inter sector collaboration takes place.

Boundary Objects

The idea of a boundary object as a mediator of practice is derived from a term originally coined by Star and Griesemer (1989). A boundary object occupies an interstitial zone of translation between divergent interests groups that meet in some form of inter organisational collaborative enterprise through which they share, at least in part, a common purpose and common understandings. Boundary objects are:

“objects which both inhabit several intersecting social worlds and satisfy the informational requirements of each of them. Boundary objects are objects which are plastic enough to adapt to local needs and the constraints of the several parties employing them, yet robust enough to maintain a common identity across sites. They are weakly structured in common use, and become strongly structured in individual use. These objects may be abstract or concrete. They have different meanings in different social worlds but their structure is common enough to more than one world to make them recognizable, a means of translation. The creation and management of boundary objects is a key process in developing and maintaining coherence across intersecting social worlds.” (Star and Griesemer, 1989, p 393).

Boundary objects link ‘communities of practice’ (Lave and Wenger, 1991) or provide mechanisms of intermediation that broker the construction of shared

meanings across the FE and HE divide and the boundaries between autonomous and independent organisations each of which has its own distinct separate identity. As its name implies a boundary object can be an object or an artefact; but it can equally be a process, a role, an event, an encounter or even a document.

Boundary objects connect practices across different organisations which are simultaneously engaged in a structured collaboration mediating organisational boundaries. In further-higher education they link two once separate sectors following different institutional logics and act as points of translation, boundary permeability and boundary crossing. They mediate the emergence of shared meanings among partners at the FE and HE interface who may be initially unfamiliar with each others working practices and may lack a common vocabulary for understanding these practices and the modus operandi of partners. At the further-higher interface they occupy a liminal space betwixt and between the FE and HE sectors.

While the concept of boundary implies separation, distinction, exclusion and inclusion, the idea of a boundary object helps facilitate communication and exchange between organisations. It alerts analysis to the common frameworks of meaning that, although nevertheless partial and often marginal to the core activities of organisations in FE and HE, are necessarily shared.

In further-higher education there is rarely a balance of power between FE and HE because for many further-higher education providers HE is a marginal activity and access to power and resources is asymmetrical. In situations where a more

significant volume of further-higher education is delivered pressures to conform to a uniform set of processes and procedures that originate in another sector can create problems. Even in the MEG where HE is a significant proportion of further-higher providers activity there are asymmetrical relations between organisations in terms of resources and their ability to define which 'rules of the game', either FE or HE, will apply.

However, boundary objects act also as mechanism for transacting, coordinating and aligning organisational preferences, dispositions and interests between the two distinct world views operating on the distinct institutional logics of different collaborating groups and organisations. Boundary objects are multi functional serving multiple constituencies. They consist of complex principal-agent relations, dual authority and control structures and sometimes contested rationalities. They can also help manage local uncertainties and risk in partnerships and guard against opportunism to help solidify the legitimacy and trust involved for the effective operation of inter-organisational collaboration.

Thus the role and function of boundary objects is to mediate collaborative processes through providing a mechanism for aligning a common and flexible framework for connecting organisational practices between these bilaterally dependent collaborating organisations. These allow actors from the different organisations to orient themselves to a common framework or set of 'rules of the game'. At the same time collaborating groups or organisations retain their own distinct identities. Thus boundary objects are a means whereby relations between diverse groups are mediated and negotiated through shared use.

Boundary objects can also constitute elements of the organisational memory in cases in which collaborations have been long standing and trust and reputation has become embedded in practice and as a medium for aligning them.

There are clear differences in working practices, cultures and traditions in FE and HE. This structural differentiation may potentially cause tensions at the further-higher interface. Boundary organisations and boundary spanners function to translate and communicate across these disjunctures of practice and sector and organisational divides. The institutional duality of further-higher education is a consequence of a dynamic that originates in its institutional environment and is mediated via the institutional arrangements overseeing further-higher provision becoming internalised in its operating practices. The internalisation of the external duality of further-higher education has led to a complex and diverse range of organisational forms and structures.

The consequence is that the dispositions, preferences and incentive structures of different groups in further-higher education and the construction of common ground and meaning systems are often contested. Indeed this is the essence of the 'wicked problem' of further-higher education. Managing these tensions, paradoxes and anomalies at the further-higher interface and embedding their resolution in stable forms of organising in a highly fluid and uncertain environment is the goal of successful collaboration. Legitimising inter-sector and inter-organisational boundary work is equally important given the different premises from which HE sector boundary organisations and further-higher providers start

from. These are rooted in the different sector legacies and identities that predate the incorporation of FECs and HE providers.

Connecting Boundaries

Taken together the concepts of boundary objects, boundary organisations and boundary institutions allow the exploration of boundary work at the further-higher interface and the processes that mediate further-higher provision. The dynamic nature of boundary work as a constant process of organising and disorganising, configuration and re-configuration of the interface and boundaries of further-higher education and the institutionalisation of boundary work in further-higher education under conditions of institutional duality suggests that the further-higher interface can not be understood as a simple duality.

Understanding the dynamics, tensions and processes of organising at the further-higher interface in the contexts and situations or circumstances in which they are embedded is essential for understanding what contributes to successful further-higher education partnerships and the widening participation and access agenda. In moving away from static concepts of dualistic and dichotomised analysis in which FE is contrasted to HE, a holistic, relational, situational and historical approach to identifying the hybridisation of further-higher education provision across sectors can be established. The positioning strategies of organisations within the further-higher organisational field can then be contextualised against this setting. Moreover the relation of further-higher education as non university provision and HE as university provision must be understood relationally in order to

unpack the roles and functions of further-higher education for HE and visa versa in widening participation.

The conceptualisation of further-higher education as an instituted process in which the economic is embedded in social, cultural and political relations that reflect a wider political economy is central to the argument of this thesis. For this reason conceptualising the process of hybridisation taking place at the further-higher interface, which is an ongoing and constantly evolving process, can only be understood contextually.

The grid-group heuristic has been used to conceptualise and to capture these linkages as relational constructs that consist of alternative and contested modes of organising in further-higher education. Hence individualism is contrasted to hierarchy, egalitarianism to fatalism and fatalism as a passive quadrant to the other three active quadrants of individualism, hierarchy and egalitarian enclaves. In reality they will all coexist at any one time and each has its weaknesses and strengths. The process of hybridisation constantly configures and reconfigures mixes and combinations of these 'ways of life' and distinct institutional logics in new organisational forms that cross sector and institutional boundaries.

'Clumsy Institutions' and Hybridisation

The term 'clumsy institution' at first seems to be a counter intuitive description of what is in effect a flexible and adaptive organisational form. It was initially used to

describe hybrid organisational forms that could accommodate the contested modes of organising identified in the grid-group heuristic.

Further-higher education as a 'wicked problem' is too diverse and complex to have one simple solution to the problem of widening participation to HE while aligning equity and social justice with marketisation and the increasing disparities in resources, status and reputation within the organisational field of which it is a subordinate component advocacy group. Moreover, given the local access orientation of further-higher education and the specifics of links with local labour markets and regional variations between types of provision, there is unlikely to be one solution for delivering further-higher education.

Thompson (1993) and Verweij et al (2006) have used the term 'clumsy institutions' to conceptualise the contested nature of different modes of organising, identified through the grid-group matrix. The constant contestation of modes of organising based on individualism, on hierarchical coordination, through egalitarianism or networks and fatalism have been conceptualised as constants in any form of economic or social coordination and system of classification. They all coexist to some extent although in different mixes with usually one dominant.

Indeed, that is the point. Unless there is a balance of different modes of organising and 'ways of life' that reflect the different experiences, expectations, preferences and incentives of individuals, groups and organisations then 'solutions' to 'wicked problems' will tend to be ineffective. For this reason 'clumsy institutions' are needed.

'Clumsy institutions' produce clumsy solutions that do not involve choosing one solution and rejecting all the rest but incorporate plural rationalities and multiple voices. At the further-higher education interface these plural rationalities represent different voices, experiences, traditions and conventions rooted in the past history of what were once separate sectors.

The anomalies, tensions and paradoxes that are found at the fault lines of the further-higher organisational field are the consequence of institutional duality and it is these that are internalised in the working practices of the hybrid organisations that are found at the further-higher interface.

An anomaly or tension at the further-higher interface is not necessarily a bad thing as long as its contestability is recognised and debated and its source understood. However, it needs to be managed and recognised for what it is. Boundary work in further-higher education is frequently faced with paradoxes and tensions that emerge as a consequence of the institutional duality of further-higher education. 'Clumsy institutions' provide the flexibility and adaptability to combine various components and permutations of assets specificity that tie inter-organisational collaboration in a bilaterally dependent situation of co-dependence within the context of an organisational field

The move away from dualistic analysis is significant as it allow the mixes of asset specificity originating in transaction cost economics to be incorporated in a neo-institutionalist framework derived from Douglas' grid-group heuristic. Clumsiness

facilitates the diversification of options and the use of plural rationalities and frameworks of problem definition in order to deal with institutional duality and results in a hybridisation of further-higher education. Plurality and flexibility are the order of the day while transactions and exchanges at the further-higher interface are contextualised in their appropriate cultural mode or way of life and the mixes and permutations that result.

Clumsy institutions are multi dimensional institutions. They accommodate all of the four modes of organising identified in the grid-group heuristic. 'Wicked problem' may require 'clumsy solutions' because there is no one model fits all solution.

'Wicked Problems and 'Clumsy Institutions'

The 'wicked problem' of further-higher education is not only how to align equity issues with the drive to marketisation and massification but also revolves around how to manage the tensions between organisational dependence and autonomy at the boundaries of bilaterally dependent inter-organisational collaboration and under conditions of institutional duality. The medium to high levels of asset specificity found in further-higher provision that connects providers in bilaterally dependent inter-organisational collaboration define the inevitability of hybrid solutions because no one organisation is likely to be able to impose its own practices on another without some degree of modification. The independence or autonomy of participant organisations in collaborative settings is always a potential site of tension. The bilateral dependence of further-higher education and the structural asset specificity

of its collaborative arrangements have already been outlined and contextualised via the grid-group heuristic in preceding chapters.

There the grid-group heuristic helped conceptualise the essential contested nature of different modes of organising in further-higher education based upon different organisational preferences and frameworks of meaning that correlate to the four quadrants of the grid-group matrix. It has set the scene for understanding the configuration of the boundary infrastructure of the further-higher organisational field and tracks the fault lines along which resources are contested and boundaries negotiated and spanned.

Further-higher education is also a 'wicked problem' which often exists in conditions of system complexity, diversity, ambiguity and institutional, environmental turbulence and uncertainty when multiple organisational interests and different value systems co-exist in any one particular setting. Indeed it is unlikely that one solution exists for 'wicked problems' and that a plurality of solutions and diversity of responses is more likely to be effective.

The consequence can be a set of systemic tensions that have to be managed but may not have a solution. The role and function of boundary work and the mechanisms and agencies of boundary management is vital for understanding the complexity of the tensions that result as a consequence of the institutional duality of further-higher education.

Boundary Properties

The strength of a group boundary and the rules and roles that classify and channel the behaviour of its members has been captured through the grid-group heuristic in chapter Six. Boundary work, however, is a process and has to be understood relationally, contextually and holistically as well as in terms of how the boundary infrastructure is configured and demarcated. This section focuses on the minutiae of boundary work as a process against the context through which it is played out and as a constant cyclical process of organising and disorganising at the further-higher interface. It analyses the shifting roles and functions of boundary organisations and boundary objects in mediating inter-organisational boundary work and in configuring the further-higher interface.

Boundary Crossing

Carlile (2002) offers a useful analysis for analysing the properties of boundaries and the role of boundary objects and boundary crossing practices in inter-organisational collaboration that can aid an understanding of boundary work in further-higher education. He refers to the **differences** between collaborating organisations; the degree of **dependency** between partners, and a feature he terms **novelty** as an outcome of inter-organisational links.

The extent of **difference** between collaborating organisations and the similarities and differences of cultures, traditions, processes and practices between them is a key factor in establishing the potential permeability of boundaries and the success

of boundary crossing practices. This is because the more different two collaborating organisations are then the greater the transaction costs in creating common understanding and frameworks of meaning will be. In further-higher education the degree of organisational proximity of organisational practices and cultures will make it easier for collaboration to occur through the shared frameworks of meaning possessed by each engaged at the further-higher interface and across inter-organisational boundaries which in turn can reduce transaction costs.

The extent to which the collaborating groups are **dependent** on each other is one factor. High levels of interdependence that mean shared assets cannot easily be deployed elsewhere increase dependency as does the lack of alternative partners to collaborate with: in other words there are medium to high levels of asset specificity operating.

In further-higher education the core analytical distinction is that further-higher provision is based on the bilateral dependency and medium to high levels of asset specificity and that the collaborating organisations are both interdependent and autonomous. This is not conceptualised as a duality but as a constant tension between autonomy and dependence embedded in processes of organising at the further-higher interface and across organisational boundaries. This is a process that can only be understood against the context in which it takes place.

The third factor is the extent to which collaboration incorporates **novelty** into inter-organisational partnerships as a means of generating synergies and new ways of

working and for dealing with uncertainty and risk in further-higher education. Here the concept of bricolage is useful. Bricolage in further-higher education refers to making do with whatever already exists and is at hand, either material, symbolic or social resources, and mediates existing tensions embedded in the institutional environment and institutional arrangements of further-higher education. Bricolage results in the reconfiguration or recombination of existing elements in new permutations, mixes or hybrid organisational forms.

The phase of 'low policy' in the development of further-higher education was typically characterised by this process of bricolage and an associated lack of strategic planning. Policy makers had limited knowledge of the scale and scope of further-higher provision as the evidence base was thin and responses to changing situations in further-higher education tended to be ad hoc and reactive.

Carlile (2002) also refers to boundary properties in terms of what he refers to as the **syntactic**, aspect of boundary work, or sharing of a common language or system of classification; the **semantic** or the cognitive dimension whereby the social construction of collective meaning between collaborating organisation takes place; and the **pragmatic** or the realm of strategy and positioning of organisations within an organisational field. Applying these insights to further-higher education there is potential that these analytical constructs can facilitate an in depth understanding of the processes of boundary work at the further-higher interface as an iteration of context and process.

Further-higher education collaborating organisations are still in the stage of developing a common language, syntax and semantics but sector legacies continue to be influential at an informal level and are deeply rooted in the internal stratification of systems of classification and stratification of further-higher education. The syntactic dimension of boundary properties is thus in flux but the trend is towards a degree of shared understanding which began in a significant way when the HEFCE and QAA took on responsibility for the oversight of further-higher education post Dearing.

The semantic dimension goes to the heart of the contested nature of further-higher education and its meaning and the struggle over the claims to legitimacy that these entail. It is here that HE providers and further-higher providers most often argue from different premises and axioms as to what further-higher education is or should be. As Parry (2008) argues further-higher education has not yet been accepted as a legitimate part of traditional HE and there is disagreement as to what it should legitimately become.

The pragmatic dimension refers to the political aspect of boundary work in further-higher education and the positioning of providers within the further-higher organisational field. Dual systems of control and authority exist at the further-higher interface. Providers may switch between these as is considered prudent. Binary and dual types of organisational structures may be adopted that either integrate or separate an further-higher provision. These are political decisions and part of the pragmatics of further-higher education. Hybrid organisational forms also exist

within further-higher education that are neither FE nor are they HE but a combination of both.

Boundary objects and boundary organisations occupy the interstitial liminal spaces at which these influences are played out, facilitating synergy between collaborating organisations within a field through the construction of common frames of meaning, while at the same time organisations in the field maintain their distinct identities and spheres of autonomy in the midst of increasing diversity.

There are inevitably explicit and implicit tensions and ambiguities as a consequence of this institutional duality while boundary objects and boundary organisations mediate contradictions that reflect these tensions and ambiguities in further-higher education. In this betwixt and between world of transitions and translations boundary objects are a locus of coordination and institutionalisation and a site of constant and recycled inter-organisational practice.

Within an analytical framework that consists of the four generic modes of organising identified through the grid-group heuristic these modes of organising within further-higher education are constantly reconfiguring themselves in varying mixes, proportions and permutations of asset specificity. Cycles of increasing hierarchy are therefore ameliorated through increasing marketisation; increasing competition with cooperation (or co-opetition); collegiality with managerialism; and claims of increasing professional accountability with the debilitation of trust and the growth of the 'audit society' (Power, 1997). These complex dynamics are part of the 'wicked problem' of further-higher education.

Throughout these cyclical shifts and phases the blurring further-higher interface and organisational boundaries mark a disjuncture of practice re-enforced by symbolic, cognitive, cultural as well as legal dimensions. These boundaries and interfaces are not static but are fluid and in a constant process of change and at the intersection of the four generic modes of organising: individualism, hierarchy, egalitarian or enclave modes of organising and fatalism. How boundary work becomes institutionalised as practice in this process of constant organising and disorganising has been the subject of this chapter.

The boundary objects that are likely to be effective in crossing sector and inter-organisational divides will vary. A hierarchical boundary object is not always likely to be effective in an egalitarian context although it could be. Similarly an egalitarian boundary object in the form of consultation will only be effective to the point that is perceived as possessing legitimacy. Otherwise boundary objects can become exercises in performativity or of mock bureaucracy (Gouldner, 1954).

While boundaries in further-higher education are drawn at the margins or disjuncture of practice they are largely delimited by the central state which is the dominant player overseeing and steering the institutional environment of further-higher education through boundary institutions. This generates an overall climate of institutional duality in further-higher education. The tension between organisational autonomy and centralised state control is further mediated by intermediary boundary organisations such as the HEFCE and QAA. Such boundary organisations mark a broad shift in the grid and group dimension that reflect a

broader trend from government to governance, and towards steering not rowing, associated with NPM reforms in the public sector (see chapter Nine).

Transaction cost economics would claim that boundaries in inter-organisational collaboration and the most efficient institutional environment and institutional arrangements that oversee them will be drawn at the point at which transaction costs are reduced to such an extent that they are less costly and more efficient than alternative ways of organising. However, this efficiency argument tends to ignore power, the political dimensions of transaction costs and the subjective dimension of perceiving and accurately assessing costs. It also ignores the contested nature of further-higher education and the plural rationalities that operate within further-higher education and persistent sector legacies and identities (Smith, 2008).

One key function of a hybrid organisation is that it crosses organisational boundaries and that organisational learning is a joint process in which synergies are generated through collaboration and potential innovation through the emergence of new organisational forms. It is therefore unlikely that innovative practices could be costed in the way that transaction costs theory presumes. Hybrids are 'clumsy institutions' in this sense.

Consequently, and especially given the pace of institutional and organisational change in further-higher education over the last twenty years, prior knowledge of the relative efficiency of alternative governance structures based on hybrid structures of control, coordination and authority, cannot plausibly be assumed in

advance. Indeed, the reforms witnessed seemed very much an experiment and a discovery process and in an even stronger sense unplanned and chaotic: especially during the phase of 'low policy' and bricolage (see chapter Ten).

In that context hybrid organisations are instances of proto-institutionalisation that may or may not lead to stable organisational forms in the future and the question that remains is whether they will become fully institutionalised as practice. Hybrids operate in multifunctional domains and prior knowledge of each domain cannot be assumed on the part of organisational agents. Consequently the efficiency argument of transaction cost economics has its limitations.

Even more importantly the sudden shift from an institutional configuration and set of 'rules of the game' determined through boundary institutions that emphasised competition and marketisation as the means to widening participation to one that stressed structured collaboration could not take place overnight. The shift from a competitive culture to a collaborative culture or ethos would take time to become embedded as practice.

What was possibly an advantage of the hybrid organisational forms and governance structures post Dearing, however, was the ability of hybrids to act as a buffer and to reduce opportunistic behaviour in the longer term which may have been encouraged in the market driven culture of 'low policy' when rapid expansion of HE was encouraged followed by rapid capping of numbers.

This is because as a hybrid the defining characteristic of further-higher education inter-organisational collaboration is its bilateral dependence between organisations and the sharing of assets and resources while retaining a separate legal identity and degree of autonomy from each other. This can only be understood in a relational framework that stresses context against process. Hybridisation is both a process of learning and a discovery process at times of rapid change and in conditions of institutional duality and a means of coping with paradox and anomaly.

Boundary Work and Organisational Fields

This section considers the boundary work that takes place at the margins of the further-higher organisational field, and especially between further-higher provision that is conceptualised as a sub-ordinate sub component of a super-ordinate HE organisational field. These cannot be understood separately and are functionally integrated within one system and one field dynamic although there are many tensions and ambiguities where further-higher education and HE meet for the common purpose of widening participation and access to HE.

The demarcation of an organisational field is an iterative and a dialectical process mediated collectively and in aggregate through the medium of boundary objects and boundary organisations and through the boundary work that contributes to its structuration. Overall the maturation of an organisational field is predicted to go through a number of phases or iterations as identified by DiMaggio and Powell (1983).

Firstly, there is the construction of a common meaning system and the formation of coalitions and alliances characterise a maturing field. These processes are enabled through boundary objects and boundary organisations within and at the margins of a field. Secondly, there is increasing frequency of interaction between incumbents of an emergent organisational field and an increase in the information load circulating in the field.

In further-higher education boundary objects and boundary organisations act as conduits to align the interest of collaborating further-higher partners and to mediate the countervailing pressures of isomorphism in tension with the divergence of organisational forms within further-higher education. Boundary objects and organisations occupy liminal and interstitial spaces, the transitional points in social structural 'space' at which practice either will become institutionalised and embedded as legitimate practice, routine or convention, or it will fail to take root.

Internally and in relation to HE, further-higher education has the characteristic of a positional good (Marginson, 1997, 2006) and organisations within it position themselves and orientate their strategic behaviours towards that of other members of the field through status and reputational orders. The stratification of HE and further-higher education role and function in the process is part of the 'wicked problem' of aligning equity issues with marketisation.

The massification and marketisation of HE of which further-higher education is an integral and increasingly important part is leading to a divergence of organisational

forms as well as a convergence generating 'wicked problems' in coordinating and steering an increasingly complex further-higher education system.

Dual or parallel funding, planning and quality systems in further-higher education, institutional duality and hybrid organisational forms coexist in a mix of countervailing pressures, tensions, contradictions and synergies at the further-higher education interface. Historically the categorisation and classification of the interface has also shifted as further-higher education has been reconfigured and redefined in relation to wider HE.

Utilising the concepts of boundary work and boundary objects and contextualising them through the use of the grid-group heuristic has facilitated the analysis of this constant process of formal and informal organising in the further-higher organisational field and the shifting relation of further-higher education to HE within one organisational field.

At the boundaries of further-higher education there is a dynamic and turbulent process at work. Rather than conceptualising this in terms of a stable and reified boundary that is defined dualistically or as a dichotomy and objectified as a set of formal classifications and categories, the anomalies, paradoxes and contradictions that take place when 'matter is out of place' as in Douglas' analysis of anomaly in classification systems, needs to be taken into account. Asymmetries of power, status and reputation, not to mention the historical longevity of traditional HE when compared to further-higher education, mean that the boundary work that takes

place at the further-higher interface inevitably reproduces existing structures of inequality.

Contextualisation and de-contextualisation of the boundaries of the further-higher interface are constant features of the construction of an organisational field. The constant iterative processes of organising, configuration and reconfiguration at the boundaries of further-higher education do not make sense except as a relation understood in a context. That is why dichotomies are of limited use in analysing the boundary work taking place within and at the margins of an organisational field.

Boundaries are not stable but are constantly shifting, forming and reforming; and the further-higher interface is constantly being reconfigured and reclassified. That is not to say that there is an infinite numbers of ways of organising as the processes of institutionalisation result in the sedimentation of practice as embedded organisational forms and their institutionalisation. As the grid-group heuristic implies there are four generic modes of organising that are constantly being recycled in various combinations and mixes. Dualisms and dichotomies are unable to capture the relational dimensions and contexts that frame these processes.

These tensions will always exist in an organisational field and different preferences for different patterns of organising further-higher education will coexist and will characterise the very duality and hybridity of further-higher education. The grid group heuristic has been used to explore that duality and the processes of hybridisation found in further-higher education, the genesis of tensions at its

boundaries and the role of boundary work, boundary objects and boundary organisations in managing them.

This mapping of the contours of the institutional and organisational landscape of further-higher education outlines the different premises from which HE and FE perceive further-higher education and their different discourses. At the end of the day it may well be that in further-higher education there are those who are arguing from different premises and will never agree. The lesson for further-higher education policy implementation is that this is an inevitable consequence of the cyclical phases of organising that is a feature of tertiary education and the plural rationalities and contexts of legitimation that coexist there.

This chapter has defined the concepts of boundary work, boundary institutions and boundary organisations and explored the use of boundary objects at the further-higher interface as a process and against the context in which they operate and in which they are institutionalised. The properties of boundaries at the further-higher interface and the boundary paradoxes of operating under conditions of institutional duality have been examined. This has been explored as a process against the context of institutional and organisational changes in further-higher education and a wider political economy.

The hybrid organisational forms that are found in further-higher education reflect and internalise its institutional duality. This chapter has explored these process of institutionalising duality and hybridisation at the further-higher interface and boundary work that takes place there as a dynamic process. The 'clumsy

institutions' that are found in further-higher education are in effect adaptable and flexible to the extent they can accommodate plural rationalities and deal with the tensions generated as a consequence of institutional duality operate within and between different authority and control structures and distinct institutional logics.

Part three of the thesis illustrates the theoretical and conceptual frameworks developed in part two through examples of the general trends that have been features of the configuration and institutionalisation of the further-higher interface over the last twenty years.

**CONCEPTUALISING THE INTERFACE
BETWEEN ENGLISH FURTHER AND HIGHER
EDUCATION
Volume Two**

William Gourley

**A thesis submitted in fulfillment of the requirements for
the award of the degree of Doctor of Philosophy**

Department of Educational Studies

October 2009

PART THREE

CHAPTER NINE: NEW PUBLIC MANAGEMENT AND THE FURTHER-HIGHER EDUCATION INTERFACE

While part two of this thesis has provided an analytical overview of the institutional and organisational changes that have taken place in further-higher education this chapter will illustrate these changes against a backdrop of wider reforms that were taking place in the public sector. It explores the dynamics of the further-higher interface and the boundary work that takes place at its interface in the context of a wider political economy. The spread of NPM and managerialism in the public sector and their influence on further-higher education are investigated and their significance for understanding changes at the further-higher interface considered.

These changes have reflected a shift in the institutional logics that were found in further-higher education as it has moved from a public sector or municipal form of HE provision to one based upon a market led private sector business model. In common with other changes that were taking place in the public sector at this time these were associated with a neo-liberal emphasis on reducing the role of the state and the introduction of competition and market forces. This chapter sets that broader context in place for understanding the two significant shifts that would then follow in further-higher education. These were the shift from 'low policy' to 'high policy' and a move from the rhetoric of marketisation during 'low policy' to one of structured collaboration and partnership during 'high policy'. Respectively these two phases are dealt with in greater detail in chapters Ten and Eleven.

The chapter complements the framework developed in part two and grounds it in a context set against a broader ideological shift to neo-liberalism and a political economy against which further-higher provision can be compared and illustrated. Its core purpose is to illustrate the analytical purchase of the conceptual framework developed in part two for understanding further-higher education its interface and the boundary work that takes place there.

Through selective illustrations of the processes and contexts in which boundary work takes place in further-higher education, it demonstrates the utility of the model developed in part two for understanding mechanisms of institutional and organisational changes there. The transition from an administrative logic subsumed under the oversight of local authorities and municipal HE during the pre incorporation phase of further-higher education development to a market logic based upon a private corporate model of delivery are then explored. Shifts in incentives, preference structures and the choices faced by further-higher education providers can then be contextualised within a setting that allows the exploration and iteration of context and process in English further-higher education.

The marketisation, massification and corporatisation that took place over the last twenty years were part of a wider movement of reform in the public sector that was at once ideological, reformist and contested. This movement is generally referred to under the umbrella term of NPM and is associated with the introduction of marketisation and managerialism in the public sector.

In terms of understanding the increasing diversity and differentiation of organisational forms in further-higher education and how that has impacted on its ability to contribute to widening participation these changes need to be contextualised more extensively against global shifts in how public sector services were being delivered. This chapter considers the rise of NPM in the public sector and the impact of these shifts and changes in how the management and coordination of further-higher provision and its interface was influenced by these trends. While NPM was a very broad movement its introduction to further-higher education was complex and it was introduced at different speeds and intensity in the old and new universities and in further-higher providers.

The reform of further-higher education had led to fragmentation, diversity of provision and increasing complexity in the delivery of further-higher provision with the emergence of diverse organisational forms. Moreover there were fundamental contradictions at work in delivering these reforms as there were elsewhere in the public sector because of countervailing pressures towards the simultaneous centralisation and delegation of delivery.

While the rhetoric of further-higher provision was to delegate decision making to the lowest levels, in reality further-higher education had become increasingly centralised through targets and performance indicators and other output measures associated with the rise of NPM and managerialism. This marked in the terminology of grid-group a general shift up grid.

The institutional duality of further-higher education and coexistence of different

institutional logics originating in the separate sector legacies of FE and HE complicated these transitions further. Parallel systems of funding, planning and quality assurance arrangements made the alignment of different sector goals, institutional logics, incentives and organisational preferences in further-higher education problematic. With further-higher education delivered in one sector, the FE sector, it was largely shaped by the institutional environment and institutional arrangements of the HE sector. In effect policy making was dominated by HE and its associated boundary organisations.

The transformations and transitions explored and illustrated here were influenced by the legacies of the separate sector identities, organisational cultures and operating practices that had existed in FE and HE previously. These contributed to the 'wicked problem' of further-higher education, that of aligning different interests and values of diverse FE and HE providers within further-higher provision.

Mapping the general trends of the transition to NPM in further-higher education and how the further-higher interface was reconfigured as a consequence of the introduction of the reforms was conceptualised in an earlier chapter through the use of the grid-group heuristic. The heuristic captured how further-higher education has been categorised and classified in the past and how the institutionalisation of such a system of classification could be understood.

Secondly, how can the configurations of transactions and exchanges that are embedded at the further-higher interface conceptualised in part two be illustrated

through situating these exchanges in a wider political economy of further-higher education?

Thirdly how can boundary work and the changing roles and functions of boundary organisations and boundary objects that mediated the further-higher interface during 'low policy' be understood and illustrated?

Finally, what is the role and function of further-higher education for widening participation and access to HE and just how can the 'wicked problem' of aligning equity and social justice issues with the drive to marketisation and massification be understood as part of the 'wicked problem' of further-higher education?

The transition from 'low policy' to 'high policy' in further-higher education is contextualised against a backdrop of these reforms and the fundamental ideological shifts that marked the transition from oversight of further-higher education by the municipal or public sector of HE (the old polytechnics and FECs) to a private corporate model. During this transition the boundaries of FE and HE blurred as the 'rules of the game' that oversaw them were modified.

In other words both dimensions of grid and group shifted. There was a shift up grid that followed an increase in external accountability in further-higher education leading to a convergence through quality assurance, a shift to an audit society based upon a modified HE model and an increased focus upon the student as consumer requiring standardised forms of information on quality of further-higher provision in various codified forms. Secondly there was a blurring of group as old

sector and inter-organisational divides blurred or were subject to a process of hybridisation. The institutional logics that characterised the pre incorporation institutional environment changed were gradually reshaped as these reforms took root.

These institutional and organisational transitions cannot just be understood as dichotomies or as points on a continuum between hierarchy and market. A contextual and relational approach is needed that can capture the iteration of context and process and the simultaneous operation of plural organisational forms and structures of accountability, control and authority in further-higher education.

The organisational field in which further-higher education is embedded was undergoing a fundamental transformation. The blurring of the group boundaries between the public and private sectors and shifts in the institutionalisation of the 'rules of the game' reflected wider changes. However, the resilience of prior institutional arrangements, classifications and categorisation of further-higher education was to retain an influence long after the further-higher sector was initially reconfigured.

The role of further-higher education in these transitions cannot be understood in isolation from the broader shifts in the HE sector that was also being reconfigured and reclassified. In other words further-higher education can only be understood as a part of a wider HE organisational field of which it is a sub component and subordinate part. Further-higher education and university based HE are intrinsically linked in a functionally significant relation of inter-dependency and mutual

symbiosis within one field of practice. The disjunctures of practice found there mark the structural fault lines of further-higher education in relation to its links with university sector of HE.

A Neo-Liberal Hegemony?

The institutional and organisational changes that were taking place in further-higher education were a reflection of a more complex set of wider reforms, interest and broader macro shifts in the institutional environment of further-higher education that mirrored those occurring in the public sector. These marked a dis-embedding of further-higher education from its local authority roots and its municipal origins and the rise of the market, marketisation and competition in further-higher education and HE. At the same time a shift in the incentive structures, preferences and organisational dispositions of further-higher education providers was undergoing a fundamental transformation.

In further-higher provision these changes had begun with incorporation although these changes had been proposed by the Jarratt Report (1985) on pre incorporation HE and the audit commission's investigations (Holloway, 1998) on FE. One of the consequences of these reports was changes in the institutionalised 'rules of the game' that would result in a reconfiguration of the ecology and institutional landscape and contours of further-higher education. Both reports recommended that the delivery of HE and FE could be more business like and that reforms were necessary to make them more efficient and provide better value for money. These were the basis of the NPM reforms that would follow.

The transfer of public assets to the new 'private' corporations redefined at a stroke the further-higher interface via incorporation in 1988 and 1992 and how these public assets were effectively reclassified as private under the control of the newly independent FE and HE corporations. The spread of private sector business practices including business format franchising in the delivery of further-higher education was one instance of these broader trends as was the shift to introduce market forces and competition into further-higher education. These underpinned the drive to massification of further-higher education especially during the pre Dearing phase of 'low policy'.

Thus the marketisation and massification of further-higher education and of HE more generally has been an ongoing process. The abolition of student grants and the introduction of student loans and tuition fees in the late 1990's and the introduction of variable fees in the early 2000's accelerated these trends. However, while marketisation was targeted at a new consumerist culture among further-higher providers there was little sign of sector legacies or the influence of disciplinary cultures disappearing completely.

As students began to bear more of the costs of their education and students were reclassified as customers or consumers, the role of the market in widening participation and access took on a more significant role. At the same time the establishment of the Office of Fair Access (OFFA) in 2004 was meant to ensure that poorer students would not suffer, through overseeing provider's strategies for making bursaries available. This created its own tensions in further-higher

education. This was a symptom of the 'wicked problem' of further-higher education of how to align equity and justice issues with the marketisation and massification of HE while increasing student numbers.

The difficulties of aligning market forces with equity and justice issues and the problem of how to coordinate and steer an increasingly diverse set of organisational forms in a fragmented system were inevitably creating transaction costs.

The common goal of widening participation that united all providers was basically subsumed in tensions between competitive and collaborative institutional pressures that had ebbed and flowed at different points in the development of the field. During the era of 'low policy' the market had been encouraged. Following the transition to 'high policy' post the Dearing Report collaboration and semi structured partnerships were encouraged. Such shifts in the 'rules of the game' could not happen over night.

'Wicked Problems' and New Public Management

One of the outcomes of the spread of NPM reforms was an increase in system complexity and a shift in the roles and functions of intermediary boundary organisations that sat at the further-higher interface. The problems of coordination across sector and inter-organisational boundaries and the aligning of multiple interests across these divides generated issues typical of 'wicked problems'. The existence of ambiguity, contested values between FE and HE rooted in separate

histories and legacies and vested interests contributed to and reinforced the institutional duality of further-higher education.

The term 'wicked problem' was introduced in earlier chapters and was used to help conceptualise the increasing complexity and volatility of the system of further-higher education provision, the ambiguity and contestability of its values and the ambiguity of policy making especially during the phase of 'low policy'. The impact of institutional duality on the operation of the further-higher interface and the difficulties in managing the tensions generated at the interface and across inter-organisational boundaries created this 'wicked problem' of how to align autonomous and independent organisations that were also inter-dependent through a semi-compulsory bilateral dependency characterised by medium to high levels of asset specificity.

Further-higher education and HE faced a fundamental tension of how to satisfy equity issues in getting more non traditional students into HE, while at the same time, to broaden access and increase participation rates as the provision of HE became more diverse and subject to increasing differentiation and marketisation. Did these processes reproduce relative inequality and status and reputation orders within the further-higher organisational field or alternatively widen and broaden access to non traditional groups? The argument behind NPM reforms was that the market would enhance the economy, effectiveness and efficiency of public services. But would the market work in where further-higher education issues of public interest, accountability and fairness were highly significant and debated heatedly?

Other tensions originated in the different institutional logics underpinning the mix of competition and coordination at the further-higher interface. Examples included how to align those FE and HE providers who deliver similar qualifications and in effect could be in competition with each other when being exhorted to collaborate (in the past HNC's, for example might be delivered either in a further-higher education provider or in HE).

Reforming Municipal and Public Sector HE

Prior to 1988 most further-higher education was delivered through partnerships between the polytechnics and further-higher education providers with relatively little being delivered through the chartered universities that predated the creation of the polytechnics. The local education authorities had oversight of the planning, funding and quality assurance of this type of further-higher education. It was effectively the agency that oversaw that part of the municipal or public sector of HE delivery. The chartered universities were outside of their remit and had considerable autonomy for designing and delivering HE.

As mentioned above the role of the Jarratt Report (1985) on HE and the audit commission's work on FE (Audit Commission, 1985, Holloway, 1998) prepared the way to adopt a more 'business like' approach to delivering HE and by default further-higher education. These reports set the context and prepared the way for incorporation and marketisation that would be features of the late 1980's onwards.

Further-higher education could be considered as either a private good or a merit good. Students gain private benefits from receiving HE and the argument was that they would have to pay more for this. At the same time HE could be described as a merit good with considerable evidence suggesting that a highly educated workforce is more economically productive and likely to fuel economic growth and prosperity.

Moreover, not all traditional HE providers accepted that further-higher education was or should be a legitimate form of HE (Parry, 2008). This is an important point to emphasise. Further-higher education was considered in many quarters to be an example of 'matter out of place', an anomalous form of provision that was neither FE nor HE in some situations challenged the existing status quo.

After the incorporation of the polytechnics and FECs the role and function of the local authorities would change as the assets, resources and staffing responsibilities hitherto under their control were transferred to the newly independent and autonomous corporations. This marked the beginnings of an acceleration of NPM reforms in further-higher education, prepared as mentioned earlier via the Jarratt and audit commission reports. With these reforms the spread of private sector business practices and managerialism into further-higher education became more comprehensive.

Marketisation and 'Low Policy'

The marketisation of further-higher education via the sub contracting of courses normally delivered in HE that were usually referred to as franchising, was a prominent feature of the post 1988 institutional environment and another instance of the wider reforms taking place in the public sector. They were not uncontroversial. Like much that was changing in the broader public sector these reforms, inasmuch as they affected further-higher education, resulted in the reconfiguration of the incentives and preferences structures of organisational decision makers in further-higher education through the introduction of competition and market like mechanisms. This attempt to incentivise provision along market driven lines was prominent in the early phase of 'low policy' identified by Parry and Thompson (2002). In 1996 the HEFCE (1996) reiterated its commitment to market forces and competition as the key mechanism for coordination delivering further-higher education.

This initiative required both structural changes but also a cultural change and a reconfiguration of the organisational preferences, incentives and structures under which further-higher education was delivered. It was this reconfiguration of preferences and incentives in further-higher education that the grid-group heuristic that was developed in chapter Six investigated. It aimed to illustrate the connection between a wider political economy and social structure and modes of organising at the further-higher interface and the positioning strategies of further-higher education providers.

Throughout the twenty year period of this case study the one constant in a period of frequent and often turbulent institutional and organisational change was that these fundamental tensions between competition and collaboration persisted whether during the phase of 'low policy' or 'high policy'. Sector loyalties and different organisational identities were constant features of these transformations and further influenced the positioning strategies of further-higher education providers (Smith, 2008).

The institutional duality of further-higher education therefore left its legacies in as much as whatever the structural changes taking place, the identities and preferences of organisational decision makers at the further-higher interface and within the further-higher education organisational field were strongly influenced by past histories and sector identities that still had a powerful impact. In further-higher education loyalties were often to a sector rather than a type of provision (Parry, 2008).

The Education Reform Act (1988) had begun a trend that would lead to the reconfiguration of the further-higher interface and a reclassification and categorisation of further-higher education. This reform shifted responsibilities from the local education authorities for the oversight of FECs and polytechnics culminating in the incorporation of polytechnics in 1988 and of FECs in 1992 and the transfer of funding, planning and quality assurance functions across the FE and HE sector. It was reinforced by other reforms that consolidated these transitions but during the phase of 'low policy' prior to Dearing these were remarkable mainly for the lack of clarity as to who had roles and responsibilities at the boundaries of

FE and HE for co-ordinating the further-higher interface. During this phase there was little strategic planning of further-higher education and policy making was largely reactive.

As mentioned earlier the de-institutionalisation of this public or municipal sector of FE and HE as it then existed and its reconfiguration and reclassification along market and business like lines marked a shift down group, as the municipal sector was dis-embedded, and up grid as there were increasing amounts of external scrutiny through audit of provision.

In effect a pure form of marketisation was a shift from the hierarchical and egalitarian quadrants of the grid-group matrix to the individualist quadrant. However, what reigned in further-higher education and HE were quasi-markets or managed markets which were more akin to an alliance of individualism and hierarchy with the latter being imposed indirectly through performance indicators and targets. Thus the institutional environment of further-higher education produced a set of institutional arrangements that in terms of grid-group could be described as a coalition of individualism and hierarchy.

The contradictions that were evident in these arrangements reflected the wider contradictions of the NPM reforms outlined in the previous chapter. The tension between centralisation and delegation, organisational autonomy and control and inter-organisational collaboration and competition in an increasingly complex and fragmented organisational field were played out at the further-higher interface.

This first phase of this de-institutionalisation of the existing institutional environment of further-higher education involved the 'creative destruction' of the institutional frameworks that had previously set the agenda for FE and HE ever since the expansion that followed the Robbins report that had led to the creation of polytechnics in the 1960's. That transition began with the move from elite to mass HE education as identified by Trow (1973) which he defined as a move from a system in which approximately 15% enter HE into a mass system in which about 50% do. This transition had been most rapid between 1988 and 1994 with most of it centred on further-higher education the old polytechnics, slightly less in the old universities but still more than in where the pace of expansion was slowest.

In reality, the Robbins model reflected a shift from an elite model that predated the creation of the polytechnics and by the time that the binary divide was abolished a transition to a mass HE system was well underway. The role of further-higher provision in this transition was poorly understood in terms of its scale, scope, role and function. This was an era of 'low policy', a phase of ad hoc bricolage in further-higher education. The following chapter explores this phase in more detail.

Most notably HE was no longer to be seen purely as a 'detached' autonomous sector immune from external influences but would be subject to market forces and accountability mechanisms designed to enhance its economic function in servicing the economy and broader economic interests. These would gradually become more transparent through the rise of the audit society (Power, 1997) and an increasingly prominent role for the boundary organisations that would act as mediators between FE and HE especially following Dearing.

These initial NPM reforms were underpinned by neo-liberal hegemony and an agenda that claimed it would drive up the efficiency of the public sector. These claims were legitimised in academic circles by the influence of ideas associated with transaction cost economics, public choice theory and principal agent theory discussed in chapters four and six in part Two of the thesis.

These were basically neo-classical economic theories that prioritised economic self interest and a more limited role for the state and conceptualised decision making processes largely through the lens of a methodological individualism. They lacked a focus on context and tended to argue for an under socialised concept of economic behaviour and not to focus on the embeddedness of economic action in social relations. Although they recognised in the guise of new institutional economics the role of institutions in reducing transaction costs and in overseeing transactions and exchanges they nevertheless tended to remove any analysis from their actual setting and lacked a relational and holistic as well as a historical approach to understanding the dynamics of human behaviour. Moreover, they offered no vehicle for analysing the social and cultural and cognitive construction of preferences such as the one offered by the grid-group heuristic.

The axiomatic claim of this neo-liberal shift was that rational (or boundedly rational) economic agents should be allowed to pursue self interest in a market economy. In further-higher education this was operationalised through the use of quasi-markets and the use of funding mechanisms that were demand led and aligned with government policy. Despite the fact that no pure markets ever operated in further-

higher education, the ideological claims of the supporters of the market were prominent and hegemonic at this stage in the development of public sector reform and at the further-higher interface. Randle and Brady (1997, 1997a) among others have written about these reforms in FE and Deem (1998) in HE. A more extensive review of these works was given in the literature review in chapter two.

Quasi-markets or managed markets constituted the institutional arrangements, or governance structures, through which the central steer of government was implemented and the targets and performance indicators that were used as mediums for the indirect steering of further-higher education for the purpose of widening participation and access.

During the phase 'low policy', however, the policy steer of central government was relatively limited, an example of a weak grid institutional environment. Policy was ambiguous with the roles and functions of boundary organisations operating at the further-higher interface unclear.

Stop go policies that had expanded HE and then implemented a cap on student numbers in HE in 1994, following the expansion of student numbers that had characterised the previous five or six years, was implemented at the same time as the FE sector was being encouraged to expand rapidly and this clouded the picture further. It was not until after Dearing and the rise of 'high policy' that a more interventionist steer was to provide a greater degree of funding stability for further-higher education providers and ameliorate some of the opportunism and short termism that had been a feature of the 'franchise experiment'. It is a plausible claim

that the evidence base that existed at this time on the scale and scope of further-higher education was limited and that policy makers did not play a active or proactive strategic role during this phase of 'low policy'. This was an era of ad hoc making do and bricolage.

Incorporation was followed by reforms to the employment contract for staff in FE who had been previously employed by the local authorities and many of which would be involved in delivering further-higher education which then led to a prolonged industrial dispute in the FE sector (Mather et al, 2007). The differences in terms and conditions under which staff in the non university sector of further-higher education were employed included longer contact hours and this in combination with a lack of any significant research presence marks a clear difference in terms and conditions of FE staff delivering further-higher education in comparison with staff in the university sector. These differences remain significant for higher level work today and the delivery model of further-higher education and the capacity of further-higher education providers to provide an equivalent HE experience.

NPM is not a unified body of practices (Pollitt, 1993, 2000) nor has it been applied uniformly (Hood, 1991). Some claim that in the case of FE it has not become internalised as a dominant value system (Hanaggan, 2007). Indeed in the instance of further-higher education the impact of NPM remains not only contested territory but institutional duality of further-higher education makes the dynamics of reform even more complex. Although there have been separate studies of the impact of

NPM and managerialism in FE and HE as separate sectors, there are none that appear to deal with their impact on further-higher education.

However, there are a number of common themes in NPM that are significant.

Firstly it stresses the decentralisation of decision making and a focus on product rather than process: an initiative which has led to the emergence of targets and performance indicators as measures of performance. Secondly it argues for the introduction of competitive mechanisms in the public sector as a means of restructuring the incentives and preferences of public servants and to incentivise them to use private sector practices. Thirdly, it is associated with managerialism and the claim that managers should have the autonomy to manage and be given discretion and autonomy in doing so. Fourthly it argues for a reduction in the role of the state or a 'hollowing out' of the state. Finally, it stresses technical accountability and the increasing use of audit to ensure accountability. While this list is not exhaustive and other variations of NPM could reasonably be included it was generally associated with privatisation in the public sector and with a shift to a neo-liberal economic argument frequently but not always associated with a commitment to individualism and rational pursuit of self interest.

These reforms were occurring across the public sector and were part of a broader reconfiguration of the role of the state vis-à-vis public service providers (Ferlie et al., 1996; Clarke and Newman, 1997; Pollitt and Bouckaert, 2000). Ferlie (2008) argues that in the case of HE the reforms reflected broader societal trends and although HE constitutes a strongly institutionalised field that had in the past operated with considerable autonomy there were fundamental shifts taking place

that would limit that autonomy. As it applied to further-higher education NPM had a mixed response.

Elsewhere, the distinction between FE and HE and further-higher education as a hybrid form of provision has been conceptualised in terms of Bourdieu's concept of field. Maton (2008) compared the old polytechnics and traditional universities as fields with differing degrees of autonomy from external influences and demonstrated how the polytechnics were more subject to external influences that reduced their autonomy. This gave greater power to vocational and business interests who had been relatively weak in terms of their influence in the traditional universities. The point being that it was easier to implement change under these circumstances when provisional interests were relatively weak. Given that NPM reform had extensively been introduced in other areas of the public sector, and that its reception had been mixed, the introduction of NPM and managerialism in the old polytechnic sector and in FECs was likely to produce a hybrid rather than simply a total transformation of how they were run. However, the reforms were introduced more rapidly in the old municipal or public sector of HE which were used to external and central regulation of their provision that it would in the old universities who had always enjoyed greater levels of autonomy.

If transposed to an analysis of further-higher education providers an investigation of the introduction of NPM and managerialist reforms would undoubtedly reveal that further-higher education was subject to even greater external influences than the old polytechnic or new universities and as a field operated under conditions of restricted autonomy in comparison to the traditional HE sector. Not only had they

always been dependent on external bodies to award their qualifications, as they were for an HE partner for awarding their HE qualifications or 'brand', but they were more familiar with centralised direction and audit based upon an inspection model rather than the peer model that was typical of the post incorporated HE sector.

The corporatisation of FE and HE marks a shift in group in terms of the identities of further-higher education providers as organisations but also in terms of the blurring of categorical distinction between the public and private sectors. The transfer of assets and resources from the public sector to the private sector following incorporation was a clear example of this.

The literature on NPM and managerialism throws some light on the process of reform that has been taking place at the further-higher interface over the last twenty years. In common with reforms in the wider public sector the public-private boundary has blurred and a shift to an audit society is evident representing a strengthening of the oversight of the state albeit by indirect measures and means. This has incurred costs, duplication and fundamental shifts in power in further-higher education. At the same time it has contributed to a rapid expansion in participation rates in HE.

There was also a blurring of grid as the 'rules of the game' changed and the configuration of the institutional arrangements or governance structures of further-higher education hybridised and mutated. Further-higher education was becoming

neither FE nor HE but exhibited elements of both. And dichotomies were too crude a device to capture this process of hybridisation.

The pace of change in the introduction of NPM has differed in FE and in HE but both have been affected. At the further-higher interface responses to a realignment of the 'rules of the game' have taken place in the form of the hybridisation of further-higher education and the organisational forms found at the further-higher interface. The configuration and re-configuration of transactions and exchanges at the further-higher interface at different stages of development of its organisational field, the institutionalisation and internalisation of institutional duality in further-higher education and the emergence of hybrid organisational forms during a phase of marketisation underpinned by the neo-liberal hegemony of NPM reforms were quickly followed by a counter trend towards structured collaboration and semi-compulsory inter-organisational collaboration.

Chapter Seven dealt with the configuration of transactions and exchanges at the further-higher interface and explore them in terms of the structural attributes of transactions and in particular the dimensions of asset specificity and the structural context of a political economy of further-higher education that also focused on the social, political, cognitive and cultural dimensions of economic coordination in further-higher education.

One of the more significant findings of that chapter was that the dimension of asset specificity known as brand name capital had been radically reconfigured as further-higher education was given a higher profile in delivering higher level work post

Dearing. In particular the introduction of the foundation degree in 2001 was an important turning point. This intermediate level HE qualification was to become the special mission of further-higher education with its emphasis on part time, vocational and its employer led nature.

In 2008 further-higher providers were given the powers to seek degree awarding powers for foundation degree for the first time. At the time of writing no further-higher provider had been awarded these but there were now mechanisms in place to apply. This was potentially a fundamental shift in the asset specific character of further-higher provision.

Neo-liberalism was a politically imposed discourse (Olsen and Peters, 2005) and in the context of how it influenced the configuration of the further-higher interface it has contributed to the redefinition and re-categorisation and classification of the existing sector and organisational configurations found at the further-higher education as market driven during the phase of 'low policy'. Chapter Six explored the classification of the further-higher interface through the grid-group heuristic. Here it will be pointed out that further-higher education remained somewhat anomalous and ambiguous in the broader classification of HE and in Douglas' terms represented 'matter out of place'.

The dis-embedding of pre existing institutional and organisational contexts through incorporation from 1988 onwards via marketisation had witnessed a radical restructuring of the social relations and inter-organisational collaborations taking place in further-higher education. This was then followed by a re-embedding of the

role of the central state through an emphasis on structured collaboration in further-higher education post Dearing and an emphasis on semi-compulsory inter-organisational partnerships within the further-higher organisational field. This meant that the role and function of boundary institutions and boundary organisations in overseeing this took on an even greater significance.

Chapter Eight has discussed the role of boundary organisations and boundary objects in this process. Chapters Ten and Eleven will illustrate these further through an investigation of the boundary work that took place during 'low policy' and how that differed after the shift to 'high policy'. The following section briefly sets the scene for this transition in further-higher education.

From 'Low Policy' to 'High Policy': Legacies of Institutional Duality

The reforms mentioned above would gradually evolve over time and disseminate across HE: including the internalisation of the tensions that emerged as a consequence of the institutional duality and convergent and divergent institutional pressures operating in the further-higher organisational field. To return to the neo-institutional analysis of part two institutional pressures within the further-higher organisational field towards isomorphism and the coercive, normative and mimetic isomorphism that pushed further-higher providers to similar organisational forms that co-existed with divergent pressures towards differentiation and complexity of organisational forms as well as hybridisation.

Coercive isomorphism emanating from the vertical pressures generated from the centre, especially funding and quality related pressures, coexisted with horizontal pressures that represented the normative and mimetic isomorphic pressures of new institutionalism. These were not necessarily aligned and indeed there was a general feeling that the rise of the audit society had reduced the autonomy of at least some providers through a strengthening of grid through the means of audit.

At one and the same time the consequence of institutional duality would be that convergent isomorphic institutional pressures would operate simultaneously with divergent institutional pressures which were in part the result of the increasing complexity of the system would operate in contradiction to these. For example the tensions between competition and the use of market mechanisms and the stress on managed markets and centralised interventionism were obvious. This was a fundamental tension in NPM where the stress on delegation and centralisation sat with increasing centralisation through indirect controls such as targets and performance indicators.

During 'low policy' as FE was encouraged to expand its student numbers and FE work, HE student numbers were then suddenly capped. This created conflicting messages for further-higher providers while short term annual funding cycles also made the phase somewhat unstable. The volatility of further-higher education sat uneasily with claims that there would be a convergence of organisational practices and identities.

Further-higher education also constituted the politically weakest link in the delivery of an extended mass system of HE inasmuch as it had not been as well organised in terms of mobilising its interests collectively as HE had. Throughout the time frame covered in this thesis and especially in the early phase of 'low policy' it was HE that largely set the agenda and determined policy for further-higher education. A constant feature of further-higher education is that it was delivered in the FE sector in was under the oversight of another sector of HE. Thus transactions and exchanges across the further-higher interface were asymmetrical in terms of resources and disparities in power, status and reputation while these disparities were re-enforced in the transition to a mass system of HE and even as further-higher education matured.

During the phase of 'low policy' the market and the introduction of competition was encouraged while after the shift to 'high policy' structured collaboration and a redefinition of the role and functions of boundary organisations was implemented. The shifting role of boundary organisations, boundary objects and changes in the configuration of the further-higher interface and the transactions and exchanges that took place as this transition took place are considered in the next two chapters. Boundary work at the further-higher interface is illustrated against the background of a shift in the institutional environment from 'low policy' to 'high policy'.

Hybrids and Hybridisation

The organisational forms that were found in further-higher education were based upon franchising, consortia, validation or accreditation and various mixes of direct and indirect funding. These were primarily commercial transactions built upon the contractualism associated with marketisation. Yet each was also a hybrid or a mix of different modes of organising that included mixes of market, hierarchy and egalitarian or sect forms of mutuality.

Thus conceptualising them as dualities of market and non market categories can only lead so far. For this reason the four generic modes of organising identified through the grid-group heuristic and the various mixes of asset specificity that was examined in chapter Seven are better able to capture the nuances and processes of hybridity at the further-higher interface.

It is argued that further-higher education is a hybrid and that dualistic concepts are unable to capture the complexities, tensions and paradoxes that are a consequence of the institutional duality of further-higher education. The internalisation of external institutional duality through hybrid organisational forms is a 'clumsy solution' to these tensions.

Elsewhere references to 'clumsy institutions' and hybrid organisational forms in further-higher education have been made (see chapter Eight). In that context, transactional forms were conceptualised as being embedded in specific configurations of social relations and social organisation at the further-higher

interface and in particular modes of cognition and organisational preference formation that has also been conceptualised through the grid-group heuristic.

However, 'clumsy institutions' are in reality flexible and adaptable. What makes them so is that they are able to accommodate institutional duality and plural rationalities operating across the FE and HE sector and at the further-higher interface at the same time. Indeed, they are at least in part adaptations to the complexity and ambiguities and anomalies typically found in 'wicked problems' such as further-higher education.

They are difficult to pigeon hole or compartmentalise because they are constantly adapting, mutating and organising at the margins and boundaries positioning of further-higher education. These adaptive strategies and organisational in the further-higher organisational field can only be understood relationally and in context as a process matched against constantly shifting contexts. This has been attempted through the device of a longitudinal theoretical case study in this thesis.

As further-higher education has moved towards more structured and semi-compulsory forms of collaborative partnerships, the classification of further-higher education became more problematic. One of the most significant of these problems was the increasing redundancy of existing conventions that distinguished divisions between the public and private and other based upon a division into sectors. Indeed, further-higher education was neither FE nor HE, nor public or private, nor further or higher but a hybrid. There was a problem in how to classify

hybrids that did not fit anywhere in an existing system. This was exacerbated by the NPM reforms and shift to managerialism mentioned earlier.

The policy trends that were underpinning this blurring of public and private in further-higher education and reconfiguring the interface had largely emerged as a reactive rather than a pro active act of policy formation in further-higher education. Not only was the statistical data available problematic but making comparison across sectors and transitions between FE and HE but the scale and scope of further-higher provision was poorly evidenced prior to Dearing.

Therefore institutional duality took a variety of forms that meant different things in each sector. Different terminologies and systems for classifying further-higher education and separate conventions and methods for gathering statistical data across FE and HE created problems in mapping the scale and scope of and further-higher education the extent to which students transferred across sector boundaries. Consequently different terminologies and conventions were applied in FE and HE to different things.

With the grid dimension encapsulating the roles, rules and systems of classification that oversaw the operation of further-higher education and the group dimension capturing the dynamics of boundary work at the further-higher interface the grid-group heuristic captures the vertical and horizontal differentiation of the organisational field of which further-higher education is a sub-component part. It thus maps the institutional ecology and organisational landscape of further-higher provision. It outlines conceptually all possible institutional and organisational

structural spaces within which organisational decision makers strategise and position themselves in practice and the niches and interstices across which boundary spanning practices take place. It also helps identify possible points of tension or ambiguity that are a result of the institutional duality of further-higher education where anomalies are likely to be found in the classification and categorisation of its provision.

It is at the boundaries or at the interface of the quadrants that anomaly and ambiguity is likely and here that boundary work takes place to mediate and translate the separate identities, structures and cultures of FE and HE and the hybrid of these that is further-higher education is most significant. The persistence of strong sector legacies premised upon the different histories and traditions of FE and HE have been illustrated by Parry et al (2008)

As further-higher providers are in effect legally distinct and autonomous organisations each with their own *modus operandi*, the tension between organisational autonomy and dependence is ever present. The result is an inevitable degree of tension, the outcome of a dialectical institutional duality through which vertical and horizontal institutional and organisational pressures within the organisational field are played out in further-higher education.

In essence further-higher education is a hybrid and the outcome of the interplay of the vertical and the horizontal axis outlined in the original grid-group heuristic was ultimately a mix of different permutations of asset specificity and configurations at the further-higher interface. The interrelationship of further-higher education

providers to regulatory agencies and boundary organisations can only be understood as a process conceptualised against the specific institutional contexts in which boundary work takes place.

Chapter Seven considered the relationship between the structural attributes of transactions and exchanges found in further-higher education and how they were configured at the further-higher interface against the context of the institutional arrangements that oversaw them and regulated them. In terms of NPM reforms the transactional nature of these exchanges was implied to be coterminous with market transactions and contractualism. Theoretical contributions from economic sociology, organisational theorists and the sociology of science and technology studies have been shown to throw doubt on this. Economic transactions and exchanges at the further-higher interface are embedded in institutional contexts and configurations of social relations, inter-sector and inter-organisational collaboration and practices that predate the contemporary landscape of further-higher education. The influence of the sector legacies, identities and systems of funding, quality and planning that predate the reconfiguration of the FE and HE sectors in 1988 and 1992 remain pervasive.

Transaction cost economics argued that the matching of the transactional attributes of exchanges at the further-higher education interface with the institutional arrangements that oversaw them would be decided on efficiency grounds. This economic argument tends to ignore the wider political economy of further-higher education and to ignore the social, cultural and cognitive and political

dimensions and contexts through which the transactions flow. Moreover, the significance of the historical legacies of FE and HE sectors is largely ignored.

In reality further-higher education has rarely followed a rational top down planning model with the phase of 'low policy' in particular being characterised by an ad hoc form of reactive planning and bricolage. The usefulness of the model developed in this thesis is that it has identified analytically the plural frames of reference at work at any one time in the further-higher organisational field.

During 'low policy' when markets were prioritised there was some element of truth in the claim that further-higher education was subject to competitive pressures; although these markets mechanisms represented managed markets rather than pure markets. With the transition to 'high policy' and semi-compulsory structured collaboration this was less easy to sustain as a claim as a more interventionist policy was adopted that prioritised collaboration. The transition from an institutional logic based on competition to a one based on collaboration would take time to bed in and influence the decision making and organisational preferences of further-higher providers.

Nevertheless transactions and exchanges at the further-higher interface are configured in complex ways and the impact of the institutional duality of further-higher education in ways that are significant in influencing the emergence of diverse organisational forms. Hybridisation is arguably a response to the tensions created through the institutional duality of further-higher education.

The twenty year period that delimits this theoretical case study saw profound institutional shifts and at times turbulent changes. Throughout the thesis these changes have been explored conceptually and analytically. This chapter has illustrated the broad analytical framework through which these changes have been conceptualised against the background of NPM reforms and the introduction of managerialism in further-higher education.

It has used the institutional turning points at which the further-higher interface was reconfigured and reclassified as historical contexts to investigate shifting processes and trends at the interface. This is in line with the overall direction of the thesis to use a conceptually informed longitudinal case study to explore the iteration of context and process at the further-higher interface.

The changing role of boundary organisations, boundary objects and fundamental shifts in the configuration of transactions and exchanges at the further-higher interface and its classification have been illustrated through a contextualisation of the phase of 'low policy' and the franchise experiment followed by the era of 'high policy' and the move to structured collaboration and a more interventionist and proactive strategy for further-higher education.

The following two chapters illustrate some of these conceptual and theoretical insights through separate coverage of the phase of 'low policy' followed by coverage of the phase of 'high policy'.

CHAPTER TEN

'LOW POLICY'

In the ten years or so that followed the incorporation of the polytechnics an era of marketisation and 'low policy' typified the institutional environment of further-higher education. In this low grid and low group institutional context the boundary organisations that straddled the further-higher interface had an ambiguous role in mediating sector divides. FE and HE sector bodies were largely insulated from each other only occasionally working together in a systematic way with further-higher delivery somewhat marginal to their main responsibilities. They operated under parallel systems of funding, planning and quality assurance operating according to different 'rules of the game'. Neither the FE nor the HE bodies established by the Further and Higher education Act of 1992 act had further-higher education at the centre of their priorities.

Consequently boundary organisations such as the FEFC and HEFCE that straddled the sector interface during this phase of 'low policy' operated in an ambiguous policy environment with respect to further-higher delivery. Their main responsibilities were to a particular sector. Although almost one in nine students in HE were studying at an further-higher education provider for much of this phase in

the development of further-higher education it was notable for its lack of influence in setting the policy agenda which was dominated by HE bodies.

In this phase of 'low policy', moreover, there was a slim evidence base on the scale and scope of further-higher provision in England to construct policy from. Moreover, there was little that was written that was theoretical or conceptual in tone that discussed emerging organisational forms or hybrid provision found in further-higher education. Indeed, few accounts of further-higher education had considered any fundamental rationale for dividing FE and HE into two different sectors or in what ways that FE and HE were fundamentally different. Most accounts dealt with administrative differences but rarely addressed philosophical issues.

This chapter explores the organisational landscape and dynamics of this phase of 'low policy' and the characteristics of franchising as a hybrid organisational form. It illustrates the role of franchising in coping with and internalising the institutional duality of further-higher education. In so doing it connects franchising to the wider political economy of further-higher education and contextualises it in its broader analytical framework. It illustrates the dynamics of boundary work at the further-higher interface during the phase of 'low policy' and explores the role and function of boundary organisations in regulating it.

The chapter will explore this phase of 'low policy' and the role of marketisation in further-higher education by drawing on the analytical framework developed in part Two. It considers the relationship of the institutional environment to institutional

arrangements in further-higher education during a phase that will be termed here as the 'franchise experiment'. The contribution of theory to policy implementation will be highlighted throughout.

The lessons learned from analysing franchising and the relevance of private sector business franchise models for understanding further-higher education is assessed for the insights that they might provide in helping conceptualise the dynamics of inter-organisational joint working in further-higher education.

The process of hybridisation in further-higher education, boundary work and the role and function of boundary organisations and boundary objects during 'low policy' are illustrated. The hybrid organisation forms that result are considered as responses to the turbulent and often unstable institutional environment that typified this phase of marketisation and experimentation. In the process of hybridisation it is argued that institutional duality is internalised in the organisational practices of further-higher providers and that coping mechanisms evolve to deal with the tensions that emerge at the further-higher interface.

Bricolage at Work: The Franchise Experiment

Franchising was a common organisational form to be found in further-higher education. As a hybrid mode of delivery franchising has a number of lessons that might be applied to understanding the dynamics of further-higher education. As an illustration of how further-higher education was evolving, franchising is highlighted. During the early phase of policy development in further-higher education,

designated elsewhere as an era of 'low policy' or no policy (Parry et al, 2002), franchising was a means providing a means to expand higher education provision and provide some extra flexibility for the system. Due to the relatively unplanned and ad hoc nature of this early phase in the evolution of further-higher education, reminiscent of bricolage rather than planning, this phase will be designated as the era of the 'franchise experiment'.

This phase of the 'franchise experiment' is investigated and used to illustrate some of the problems and issues under conditions of institutional duality. The institutional contradictions that were consequence of operating under a dual institutional environment within one organisational field were focussed on the emergence of intermediate and hybrid modes of delivery at the further-higher interface. Arguably these could be considered as adaptive responses to institutional duality.

Franchising was a hybrid organisational form that consists of a mix of market mechanism and hierarchy and centralised and delegated control. As a terminology applied to further-higher education during the phase of 'low policy' franchising was not always used consistently to refer to the same organisational forms. It would more accurately be described as the sub contracting of an HE brand to be delivered off the shelf by a further-higher education provider at its own site. In reality franchising was somewhat of a flexible concept loosely used as an umbrella term to cover a range of organisational arrangements. It largely went unregulated and was not well understood in terms of its scale, scope or dynamics during this era of 'low policy'.

Hybridisation in the form of franchising can be considered an adaptive response to the tensions that originated with the institutional duality of further-higher education. These hybrid organisational forms effectively internalised the external institutional duality of further-higher education by incorporating the tensions, paradoxes and anomalies that are generated as a consequence. They were a source of flexibility in an institutional environment that was generating contradictory institutional pressures and forces on providers.

There was thus a functional relationship between further-higher education and the university sector HE based upon the dominance of HE advocacy in shaping policy making in further-higher education. The flexibility and adaptability that further-higher education provided for HE to expand or contract its own provision by displacing risk onto further-higher education was another aspect of this interdependent but unequal relationship between the two sectors. The power of HE providers to award their own degrees, something further-higher education did not possess, and the ability to determine in a relatively unregulated way how much to charge a further-higher education provider for the services an HE provider offered in a franchise arrangement meant that further-higher education also a dependent rather than an equal partner. Some of these dependencies and transactional asymmetries are illustrated below.

Franchising, some economist argue, is a hybrid mode of coordination that mixes elements of markets with hierarchy (Menard, 2004). In further-higher education it was the category used to describe the organisational form that was typically used as a mechanism for expanding HE numbers in the late 1980's and early 1990's.

This took place largely through sub-contracting and offering spare student numbers to further-higher providers at a time of rapid expansion of student numbers between 1988 and 1994 and during a concerted shift towards marketisation and massification in HE.

Delivering part of this expanded provision through further-higher education meant that among other things there was no extra cost for the HE partner in building any new facilities and that HE could be delivered via an further-higher education partner on the latter's own premises. This gave HE access to local markets of often non tradition local students who were typically tied to the area for domestic reasons or work commitments or whom were more familiar with the ethos and environment of an FEC through prior experience and preference.

But franchising was a somewhat experimental form of economic coordination in the context and circumstances of expanding HE in English further-higher education, too. Incorporating it into further-higher provision as a means of achieving a drive to widen participation and access to HE was in itself a discovery process. This was largely because as the term is used in the policy literature it is conceptually ambiguous and actually refers to a range of organisational forms and institutional arrangements that were analytically quite different.

Yet an investigation of any analysis of private business franchising in the economic and business literature would reveal that there may well be some currency in comparing private sector franchising with the inter-organisational collaborations that were typical of this phase of 'low policy'. This is because private sector

franchising is a hybrid in which organisational autonomy and independence coexist with plural authority and control structures and an uneasy mix of organisational autonomy and dependence. This inevitably poses problems for coordinating, managing and steering franchise systems at the meso and macro level of the organisational field and institutional environment. These problems are part of the 'wicked problem' of further-higher education where the coordination of multiple interests, different values, disciplinary and organisational cultures, institutional logics and complex causal links has to be navigated.

Moreover, as already mentioned as an adaptive and 'clumsy institution' it also spreads the risk of delivery among more than one provider while combining the resources of collaborating organisations for a common purpose. At a time of 'low policy', when the institutional environment of HE and further-higher education was turbulent and sometimes unstable, this helped smooth out the degree of uncertainty providers operated under. What is more, and following the rapid expansion of HE numbers mentioned in previous chapters when a cap was placed on more expansion of these student numbers because of funding constraints in 1994, franchising acted as a buffer between the core HE delivered in the university sector of HE and the more peripheral further-higher education sector that is the focus of this thesis.

This era of the 'franchise experiment' was an ad hoc response to the policy shifts and high levels of environmental uncertainty and turbulence that some would argue was a consequence of a lack of a clear policy steer. Franchising was also an integral component of the general trend towards the marketisation of HE and

further-higher education after incorporation because it was one of the first attempts to release both FE and HE providers from the control of local authorities and to let loose the market and competitive mechanisms as a mechanism for expanding participation rates. This created both opportunities and problems in regulation during this phase of 'low policy'.

In this section the 'franchise experiment' as a hybrid organisational form is illustrated. Its role in widening participation to HE for non traditional students is outlined and its position in the ecology of further-higher education provision highlighted and used as a way of demonstrating the analytical purchase of the conceptual framework developed in part Two.

The contribution of franchising to understanding the political economy of further-higher education lies in the lessons it can provide for understanding the tensions between organisational control and autonomy and the institutional contradictions that can result from a condition of institutional duality on hybrid organisations that are a mix of both FE and HE. Private sector business franchising operates under conditions in which dual authority and control structures coincide in one organisational form and as such shows similarities to the conditions under which further-higher education is delivered.

Similar circumstances exist in further-higher education where the institutional environment and institutional arrangements found there result in the generation of plural control and authority structures. Understanding the dynamics of the boundary work that takes place in these inter-organisational collaborations is

important for managing the potential tensions that result and the strategies of further-higher providers who may strategically shift from one set of institutional logics to another according to situation or circumstance. Positioning strategies within an organisational field need to be contextualised against this framework of institutional duality and the distinct identities of further-higher providers who are neither FE nor HE but a hybrid of both.

Franchising also demonstrates similarities to other organisational forms such as strategic alliances, joint ventures, consortiums and partnerships and other hybrids that constitute inter-organisational collaborations that are premised upon a bilateral dependency and moderate to high degrees of asset specificity that lock them into a relations of mutual dependency. Again this is a key characteristic of the organisational forms found in further-higher education across the last twenty years. Asset specificity and bilateral dependency figure prominently in the makeup of both 'low policy' and 'high policy'. What has changed is the degree and intensity with which the central state has intervened to steer further-higher education. The following chapter explores the transitions that took place during 'high policy'.

There is inevitably a tension between autonomy and dependence in such collaborative arrangements although these will inevitably shift and evolve over the life cycle of the franchise. The transition from 'low policy' to 'high policy' was just such a shift as further-higher education moved from an institutional environment premised on marketisation to one based on semi-compulsory forms of structured collaboration.

In part Two the exchanges taking place at the further-higher interface were conceptualised through the application of a modified version of transaction cost economic theory that recognised the relational and contextual embeddedness of transactions in configurations of pre-existing social relations. In combination with other theoretical contributions that explored the nature of boundary work and the role and function of boundary organisations in mediating exchanges at the further-higher interface, an analytical framework was developed that emphasised the importance of asset specificity for inter-organisational and inter-sector collaboration.

Asset specificity is in reality a form of relational embeddedness. Contrary to the model of asset specificity first developed by Williamson (1985) and transaction cost theory the analytical model used here incorporates asset specificity into a relational and contextually embedded institutional context that is conceptualised holistically in terms of a wider political economy. The insights of economic sociologists, organisational theorists and sociologists of science and technology were drawn upon to investigate this aspect of the institutionalisation of exchanges at the further-higher interface. Their studies of, boundary work, boundary organisations and the use of boundary objects in other policy domains are arguably transferable to the separate FE and HE domains.

Indeed asset specificity is by definition a structural relationship that can make no sense except as a relationship between two independent autonomous but bilaterally dependent organisations. Contextualising asset specificity during the phase of 'low policy' through the example of franchising, therefore, involves the

incorporation of a political economy of further-higher education that can encapsulate the dynamics of power and asset and resource deployment historically as well as in contemporary terms. The socio-political and cultural context in which exchanges take place are intrinsic to understanding exchanges and boundary work at the further-higher interface. The embeddedness of exchanges in institutional environments and organisations fields and practices needs to be factored in to any analysis. Critics of transaction cost economics argue that insufficient attention is paid to the embeddedness of the economic in the social.

The institutional and contextual embeddedness of further-higher education is a consequence of the continued influence of sector legacies and identities and the extent to which the FE and HE institutional environments that were established by the Further and Higher Education Act of 1992 are congruent or display institutional distance. The different 'rules of the game' that operate in the FE and HE sectors have in the past created problems for further-higher provision. The additional workload that is the consequence of operating two systems was time consuming and could lead to duplication. This was certainly the case during 'low policy' during which parallel systems operated.

During the 'franchise experiment' while the delivery of HE was sub-contracted to further-higher providers by HE partners, it was the HE partner that was accountable and had responsibility for quality assurance. The different cultures and modus operandi of organisations involved in this type of franchising were as often as not barriers to smooth operation. While this was inevitable to a degree the

boundary work that took place at the interface was rarely integrated into the systems of both partners in systematic or coordinated manner. Much good practice relied on individuals or boundary spanners.

Prior to incorporation franchising as a mode of coordination existed mainly as a relation between the old polytechnic sector and FECs. These were both under the oversight of the local authorities at the time and were essentially situated in the municipal or public sector of HE. Asset specificity was therefore largely determined by the local state who controlled funding and which mediated the central state to plan, fund and quality assure further-higher education provision.

With incorporation these assets were transferred to the newly incorporated FE and HE sectors whose formal status was reaffirmed with the Further and Higher Education Act of 1992 as two separate sectors. FE and HE were classified as different categories and the further-higher interface was a largely unregulated zone that sat between these two sectors. Further-higher education was somewhat anomalous in this new configuration and example of 'matter out of place'.

In terms of asset specificity the deployment of resources across sector and inter-organisational boundaries did not change overnight. What did change was a shift in the 'rules of the game' and the degree of autonomy that providers now had to plan their alliances. Both FE and HE providers took advantage of new found freedom to establish a diverse range of collaborative arrangements the most common of which was generally described as franchising.

The institutional arrangements or governance structures that existed under 'low policy' witnessed the FEFC overseeing FE and the HEFCE and HEQC overseeing HE. Occasionally they worked together but this was not systematic or sustained during this phase of 'low policy'. Funding, planning and quality assurance functions were to all extents and purposes the property of two structural distinct sectors. Further-higher education sat somewhat anomalously in between, an ambiguous liminal zone betwixt and between.

Further-higher education was a sub-ordinate part of a larger system of higher education provision rooted in the old polytechnics and traditional university sub-sectors. Its role and function within an evolving organisational field still remained marginal and peripheral both in terms of policy engagement and practice. The relationship of further-higher education to the 'new universities' and the traditional universities would remain a functional one. This was because while further-higher education provided a number of advantages to HE providers as a source of flexibility during a volatile era of 'low policy' or no policy' the residues of that relationship remained intact under 'high policy'.

Turning to asset specificity and the analytical model developed in part Two, the asset specificity of these bilaterally dependent arrangements were typical characteristics of the organisational forms found during the 'franchise experiment'.

The key dimensions of asset specificity during the 'franchise experiment' related to the dimensions of brand name capital, site asset specificity and human asset specificity. Table 10.0 summarises the six dimensions of asset specificity as

initially identified in chapter Seven and then applies them to the period of 'low policy'.

Asset Specificity
Human Asset Specificity
Qualifications, staff development, ethos/pedagogic style.
Site Asset Specificity
Linked to location and ease of access. Psychological and cultural distance between Further-Higher and HE provision
Brand Name Capital
Power to validate awards. Reputation and status of brand. Franchising expands and regulated through HE partner
Dedicated Asset Specificity
Resources invested single partnership rather than multiple partnerships.
Physical Asset Specificity
Pre-existed set up of collaboration. Buildings or specialist equipment or infrastructural expertise.
Temporal Asset Specificity
Transfer function of Further-Higher Education as contrasted to Further-Higher education as a terminal qualification.

Table 10.0

The main shifts in terms of asset specificity during 'low policy' were reflected in the dominance of franchising as an organisational form. Given the caveats mentioned earlier in the chapter 'franchising' was a term that was often used ambiguously, flexibly and sometimes technically inaccurately. Nevertheless, it was a mode of organising that was distinct from the deployment of resources and the characteristic forms of assets specificity that were common during the pre-incorporation phase in which the municipal or public sector delivered HE. The role and function of the local authorities was no longer prominent and there was greater freedom for newly incorporated FE and HE providers to pursue their own strategies in a lightly regulated and low grid institutional environment.

Thus incorporation introduced a corporate model of delivery that was divorced from the control of the local authorities and invested resource deployment in individual

and autonomous corporations that were responsible for their own human resources, funding and physical plant. Yet these were still dominantly funded and resourced by the central state and hence the major shift in institutional logic was not in reality a form of privatisation but a shift in the redefinition and reclassification of further-higher education as a more business-like model of delivery that was premised upon shifting organisational incentives.

Assets were certainly redeployed within further-higher education but they were still invested with a public interest that meant that the role of the central state would remain dominant. The asset specificity and bilateral dependency of the hybrid organisational forms found in the emerging organisational field and loosely termed franchising shifted in degree but not substantially in kind.

Franchising was basically about the sub-contracting of a brand through indirect funding that placed the HE partner in a dominant position. Brand name capital as an example of asset specificity was reconfigured during 'low policy' not in substance but in its operational delivery under newly incorporated FE and HE partner organisation. The HE brand was what FECs sought and for HE they sought access to local markets and a ready source of future students.

Nor was site asset specificity, dedicated asset specificity or physical asset specificity radically different from the pre-incorporation phase of further-higher education maturation apart from the transfer of physical assets from the local authority to the now incorporated and autonomous FE and HE bodies. What was different was that human asset specificity was being fundamentally reconfigured

because the terms and conditions under which further-higher education staff worked were considerably inferior to those of their HE partners and that the screening of qualifications and experience of FE staff delivering HE was unsystematic and ad hoc. Indeed there were no systems in place to ensure that staff delivering further-higher education had the necessary skills or experience to deliver further-higher education. Arguably further-higher education was a cheaper way of expanding HE and one which would provoke less resistance in trying to implement new models of learning and student support which were more common in FE than in traditional HE.

Although the distinct ethos, pedagogies and more intimate scale of further-higher education delivery were recognised as major advantages in further-higher education playing a more prominent role in targeting non traditional students and to aiding widening participation and access there was nevertheless less confidence that all staff in further-higher education were suitably qualified. To put it bluntly the cart was being put in front of the horse.

Asset specificity in further-higher education during 'low policy was about the redeployment of existing resources in new configurations and constrained by resource constraints and cuts consistent with a move to NPM, the reduction or hollowing out of the role of the state as outlined in the previous chapter.

This was an era in which there was a high degree of uncertainty for further-higher providers under a low grid institutional environment. Funding agreements based on franchising were largely unregulated and would vary considerably with some

complaints of top slicing by some FE partners. It was official policy to encourage the operation of the market and marketisation (HEFCE, 1995, 1996) while the stop go policy of expansion followed by a capping of HE numbers in 1994 led to some HE partners withdrawing from franchising at short notice. Funding cycles were annual and the costing of further-higher education was under developed. It would not be until the shift to 'high policy' that concerted efforts would be made to investigate the actual costs of delivering further-higher education.

The frequency dimension of transaction cost economics relates to how often a transaction takes place and its duration. Under 'low policy' the archetypical model of franchising was at an early stage of development in its life cycle. Instances of short termism and opportunism could take place as a result of the uncertainty of funding and the stop-go policies of government in expanding and then capping HE numbers from 1994 as outlined earlier.

Where franchised arrangements were longer standing reputational mechanisms and the development of inter-organisational trust that moved beyond trust in individuals may have evolved. The complexities of collaboration and the transaction costs of initially setting up and maintaining inter-organisational franchising were high. Returns would be long term rather than immediate although that did not preclude short termism during this period of 'low policy' and bricolage. The lack of a clear policy steer or of systematic strategic planning of inter-organisational collaborations meant that further-higher education could be a volatile mix at this stage of its development.

There was no control over the number of partners a franchisee or franchisor might have at this stage and some concerns would be expressed about the capacity of further-higher education to deal with multiple partners. Dearing would later raise this issue. However, for further-higher education the ability to switch partners was a source of bargaining strength when few other opportunities were available.

Asset Specificity and the 'Franchise Experiment'

Taken together these dimension of asset specificity, uncertainty, frequency and small numbers bargaining give an insight into the approach of transaction cost economics as outlined in chapters Four and Six. The behavioural assumption of transaction cost economics, which assumes that opportunism and 'self seeking with guile' need to be controlled through appropriate monitoring mechanisms, would arguably fit this era of 'low policy' during which there were isolated incidents of opportunistic behaviour. In particular, the sudden withdrawal from franchising agreements by an HE partner as their operating environment tightened was witnessed on more than one occasion. Under a weakly regulated and low grid institutional environment the institutional arrangements that were put in place immediately after incorporation arguably lacked sufficiently mature checks and balances such as those that had evolved over time in the pre incorporated world of public HE. It would take time for them to do so, as new 'rules of the game' would become embedded in practice during the transition to 'high policy'.

The 'Franchise Experiment' as a Discovery Process

The role and function of franchising at the further-higher interface in this period of 'low policy' and the 'franchise experiment' was a discovery process because the turbulence of the further-higher institutional environment, the environmental uncertainty that franchising was routinely subject to and the institutional duality of further-higher education inevitably created tensions that were not easily resolvable. The different traditions, institutional logics, sector legacies, cultures and distinct modus operandi of HE and FE partners collaborating through franchising complicated this situation further. Adapting to these pressures was a learning process and one that could rely neither on adopting a pure FE nor a pure HE model as a means of dealing with the situation.

The insights drawn from an analysis of franchising for understanding the political economy of further-higher education are fundamentally linked to an understanding of the interdependency of the relation of franchisor to franchisee as an asymmetrical relation based on differences in power and influence. Here it should be noted that further-higher education as a hybrid organisational form is a natural laboratory for exploring the consequences of such institutional duality and asymmetrical relations and that the operation of dual authority and control structures in its organisational field must be contextualised accordingly.

Even if franchising was a predominant feature of the years following the incorporation of the FE sector as it witnessed a dramatic growth in the sub contracting of HE provision to further-higher education providers (Abramson, 1994,

Abramson et al, 1993, 1996, Bocock and Scott, 1995, Rawlinson et al, 1996) it did not die out with the shift to 'high policy'. This next phase of the maturation of the further-higher organisational field will be dealt with in the following chapter.

However, the franchise experiment is significant because it marked a learning process and discovery process whereby the advantages and disadvantages of a largely unregulated type of inter-organisational collaboration emerged through experience, bricolage and trial and error.

The business franchise literature demonstrates that a number of tensions and paradoxes exist within franchises that usually involve the amount of franchiser control and franchisee autonomy, pressures towards standardisation as against diversification and incentives to innovate against pressures towards conformity.

Similar tensions existed in further-higher education during the 'franchise experiment'. These are consistent with the contradictory nature of some of the reforms associated with NPM elsewhere. The tension between centralisation and delegation for example is one. The degree of organisational autonomy and control that exists in inter-organisational relations that are contractual in form but negotiated daily in practice is another. Furthermore the institutional duality of further-higher education creates other pressures.

The separate funding, planning and quality assurance systems operating during 'low policy' generated their own transaction costs including increased duplication, investment in learning and operating different systems of inspection and peer

review and insufficient attention to the role and function of further-higher education as a core part of a mass system of higher education provision.

Other tensions between competition and collaboration coexisted. While the dominant rhetoric was marketisation, in effect what existed in further-higher education were quasi-markets and the asset specificity and bilateral dependency of all further-higher education ensured that collaboration in some form or another was essential. Dealing with these tensions, contradictions and paradoxes was a discovery process.

On the other hand there were clearly synergies that resulted from franchising. At the point of delivery it is the localised knowledge, ease of accessibility for local and non traditional students and familiar ethos of the further-higher education provider that is valued by students. This is also ultimately the case with the HE providers, because collaborative delivery allows it to reach hitherto untapped markets or to mount a presence in a locality in which it previously had none. It is in this context that the hybrid organisations providing collaborative delivery can be said to be engaged in a discovery process.

It has also resulted in the success of collaborative delivery in widening participation to non-traditional and under-represented groups in HE. Moreover, the increased diversification of post-16 institutions' delivery models and organisational forms has been adjudged successful by the funding body (HEFCE, 1995). As predicted in the literature, franchising can be a mechanism for accessing marginal, experimental or

highly localised markets in which, prior to the franchise arrangement, the franchiser was not represented.

It could also be claimed that it is at the interstices of the FE and HE sectors that innovation is likely to occur. This is because the constraints and sanctions which are embedded in the internal bureaucratic structures of individual organisations and which are prone towards conformity and standardisation do not exist to the same degree across sector boundaries. Job descriptions are less clear and more fluid leaving more scope for experimentation, the operating environment is less familiar and changes quickly thus requiring flexible responses and mechanisms of control and co-ordination less hierarchical.

The seeking out of new markets or experimentation with new forms of provision to gauge its effectiveness or potential for success may be first explored through franchising. This is equally true of post-16 collaborative arrangements where the delivery of HE in FE has grown considerably to become a significant form of HE provision with many HEI providers investing heavily in it.

As a discovery process, the use of collaborative working during the 'franchise experiment became a laboratory for understanding the strengths and weaknesses of delivery through bilaterally dependent inter-organisational relations. The franchise experiment has involved a rapid learning curve and the generation of solutions and new ways of hybrid organisational working illustrated some of the faults and weaknesses that result from too little regulation of a complex organisational field and interdependent system of further-higher education and HE.

Franchising: Lessons for Further-Higher Education

The section draws upon the literature dealing with private business format franchising in order to suggest insights into the dynamics and operation of collaboration in further-higher education. It sketches an overview of the similarities and differences between private sector franchising and similar inter-organisational collaborative relations and between distinct types of FE and HE. It then uses illustrations of franchising drawn from the phase of 'low policy' to demonstrate the analytic significance of the conceptual frameworks developed in part two for understanding the dynamics of further-higher education. It also draws upon collaborative audits by the HEQC, the QAA which replaced it and the HEFCE for understanding franchising during this phase of 'low policy' and the role of these audits as boundary objects functioning to mediate, translate and construct a common meaning system in further-higher education that crosses the FE and HE divide.

The extent to which the business franchising concept reflects the complexities and tensions of the collaborative inter-organisational arrangements found in further-higher education will be addressed below. The relevance of the parallels, similarities and differences will be judged through illustrations from policy documents and other educational sources that deal with further-higher education provision prior to 1997. Table 10.1 outlines some of the more significant of these shifts. Table 10.2 identifies a limited number of boundary objects that could be

used to cross the inter-organisational boundaries and sector legacies of further-higher education providers.

The institutional environment, institutional arrangements and organisational fields are presented as linked iteration across the macro and meso level and the mediums through which the 'rules of the game' are applied in play in the organisational field. The boundary organisations that straddle the further-higher education interface and the boundary objects they produce and the boundary work that takes place in further-higher education are presented as iterations of meso and micro level process. In combination they track the main institutional and organisational transitions and shifts that took place during the phase of 'low policy' and the 'franchise experiment' in further-higher education.

The 'franchise experiment' was very much an ad hoc process of learning through doing, a discovery process in further-higher education that responded to the highly turbulent, sometimes unstable and uncertain economic environments generated by short term policy changes, initiatives and funding constraints at the further-higher education interface during 'low policy'. Boundary objects that provided some degree of stability and commonality, across the sector interface and that could be used to cross sector and inter-organisational boundaries were relatively few and far between. Occasionally the FEFC and HEFCE/HEQC worked together but further-higher education was not considered a priority for them.

Shifts in the institutional environment, the institutional arrangements or governance structures overseeing the configuration of transactions and exchanges at the

further-higher interface during this phase and changes in the role and functions of boundary organisations and boundary objects during the transition to ‘high policy’ (outlined in more depth in the next chapter) are shown in table 10.2.

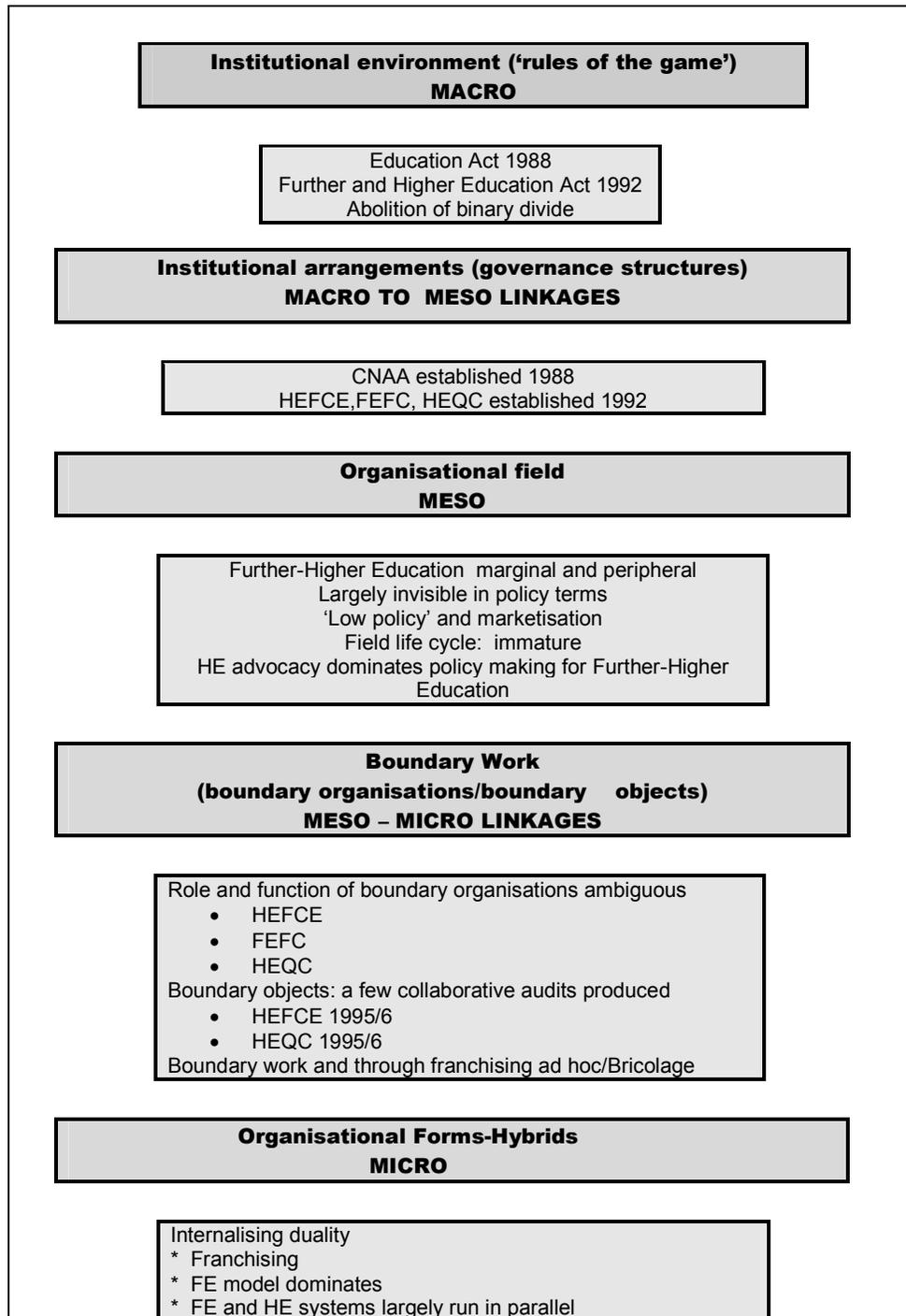


Table 10.1

Boundary Objects	'LOW POLICY' 1988 to 1996	'HIGH POLICY' 1997 to 2008
Codes of practice	No	1998/199, 2000, 2010 in press
Web sites Boundary orgs	HEFCE HEQC	HEFCE QAA from 1997 HE Academy LLLN's
Policy docs Consultations Circulars	HEFCE (1995, 1996)	HEFCE 2006, HEFCE, 2008,
ILO's , subject benchmark statements Programme specifications	No	HEQF
Consultations/Events	Relatively infrequent	More frequent (increased information load). HEFCE 2006/2008
Collaborative Audits	HEFCE 1995, HEQC, 1993, 1995	HEFCE, 2009

Table 10.2

Boundary Work, Boundary Organisations and Boundary Objects

The boundary organisations that mediated the further-higher interface were relatively undeveloped and their roles and functions were unclear and ambiguous. As mentioned earlier neither the HEFCE nor the HEQC on the HE side or the FEFC on the FE side saw further-higher education as its main area of responsibility. The consequence was that further-higher education occupied a liminal and interstitial zone that was not clearly demarcated or defined in terms of their roles and responsibilities for regulating further-higher education.

A few collaborative audits and preliminary investigations of the scale and scope of further-higher education had commenced following incorporation constituting incipient boundary objects but they were relatively rare. These are dealt with in more detail below. In reality not only was there a limited evidence base and understanding of further-higher education but there was little strategic planning with bricolage and reactive and ad hoc policy making in retrospect.

'Low Policy' and the Evidence Base

In further-higher education early exploration into quality assurance of collaborative provision consisted of a number of collaborative audits, occasional interim reports that were largely focused on franchising as the dominant mode of provision during this period of 'low policy'.

Interim reports on collaborative delivery by the old HEQC (1993, 1995, 1995a) suggested that auditing collaborative institutions and quality assurance mechanisms were evolving methodologies rather than well tried and tested methods (HEQC, 1995, p18). In effect these audits were part of a discovery process whereby the newly formed FEFC and HEFCE would build their knowledge base and understanding of the dynamics of further-higher education albeit slowly and gradually.

The lessons, which were learnt from these reports, however, involved a number of recommendations concerning areas for improvement and identified some concerns. Some of the discoveries made indicated that the first phase of the 'franchise experiment' was characteristically unplanned and frantic and the evidence available on the scale and scope of franchising and its effectiveness was limited. This was a phase of bricolage and making do with whatever was at hand.

Although these provisional findings need to be treated with caution due to the reliance by early reports on a limited evidence base some significant issues did

begin to emerge. These include the suggestion that early experiments in franchising were often under regulated with the occasional example of opportunistic behaviour taking place between FE and HE organisations.

Indeed it is doubtful that further-higher education providers or those who oversaw their regulation had the range of experience of franchising as an organisational form in further-higher education that was general in private sector business franchising were it was longer standing and more developed. Management in both FE and HE sectors and their regulators in were on rapid learning curves in establishing their knowledge of two sectors that were formally distinct and with anomalies and ambiguous roles and responsibilities in areas of further-higher education such as the provision of higher nationals where funding was via the FEFC until it was transferred to the HEFCE post Dearing.

The lessons of this phase of the 'franchise experiment' included the dangers of exacerbating the potential for opportunism among franchisers and franchisees in a relatively lightly regulated environment in which the grid dimension of the grid-group heuristic was relatively weak. Yearly funding cycles and stop go policies on expanding or consolidating student numbers in HE from 1994 when numbers were capped thereby transmitting different messages as FE was extolled to go for all out growth while HE was reigned in did not bode well for stability. Another lesson was perhaps more a function of public perceptions of franchising and the need to ensure quality through regulation at a time when the prime responsibilities for quality lay with the HE partner. These arrangements were found to be variable.

Issues of monitoring and quality assurance of further-higher education would have to be balanced against institutional autonomy to guard the public interest. Other lessons learnt were that the control, co-ordination and disposition of plural authority structures, both formal and informal created their own tensions at inter-organisational boundaries and the further-higher interface. Boundary workers and boundary organisations would therefore would probably have to play a more proactive and directive role than they did during the phase of 'low policy'.

The insights of the business franchise literature, collaborative policy audits and related 'grey' and practitioner literature identified in earlier offer a starting point for the construction of a provisional analytical model which attempted to classify and explain the salient characteristics of recently emergent hybrid organisational forms in further-higher education including franchising. These were outlined in part One and part Two of the thesis.

Hybrid organisational forms posed novel problems for the control, co-ordination and legitimisation of further-higher education. In further-higher education the distinct organisational cultures and structures, different terms of employment contract, institutional logics and relations to external validating and awarding bodies complicated things further. In reality dual accountability streams, control structures and authority structures co-existed within further-higher education at this phase of its development. It was probable that there would be tensions and paradoxes generated within and between franchisers and franchisees because of the structural ambiguity of hybrids with feet in both the FE and HE camps.

Central to these tensions are the disposition of power and authority at the further-higher interface, the extent of centralisation versus decentralisation providers are subject to and the tensions between the amounts of organisational autonomy and control they possess in what are in reality bilaterally dependent relations between further-higher education and HE. This balance of power would be likely to shift as partnerships mature and enter different stages in the life cycle and maturation of their organisational field.

This section has highlighted the structurally ambiguous position of franchisees within further-higher education, the tensions that can be generated as a result and the impact of these tensions on the authority structures and mechanisms of coordination and control found at the further-higher interface. It suggests that an understanding of these dynamics can be best approached through a life cycle model of franchising through which plural authority structures and the mix of formal and informal authority can be explored over time.

The use of a theoretical case study as adopted in this thesis is useful in exploring these stages of the development of the organisational field during this stage of 'low policy'. It allows the exploration of the iteration of context and process at the further-higher interface against a wider political economy and context. At a time of turbulent and rapid institutional and organisational change in further-higher education and under an institutional environment and set of institutional arrangements that characterised the era of 'low policy' the case study method illustrates the iteration of process and context during a time of uncertainty, bricolage and making do.

This chapter has tried to apply some of the insights of part Two on the theoretical basis of the franchise experiment to transitional events that took place at the further-higher interface during the phase of 'low policy'. This era was very much a discovery process and one in which bricolage and relatively ad hoc and reactive systems of regulating franchising evolved through trial and error.

The next chapter illustrates a fundamental shift in the 'rules of the game' and change in institutional logic as shift away from competition to structured collaboration developed. This phase of 'high policy' was predated by the Dearing Report of 1997 which marks a significant watershed in the development of English further-higher education.

CHAPTER ELEVEN

‘HIGH POLICY’

This chapter will outline changes in the institutional environment and organisational landscape of further-higher education during the transition from the period of ‘low policy’ to ‘high policy’. It applies the analytical framework and concepts developed in part Two to understanding the process of policy formation and implementation in further-higher education following the publication of the Dearing report in 1997.

During this phase of ‘high policy’, and especially after the confirmation of the special mission of further-higher education to provide intermediary or sub degree level HE provision was signalled by a government white paper in 2003, the further-higher education organisational field had reached a stage of relative maturity in comparison to the proceeding era of ‘low policy’. In contrast to the ad hoc bricolage of policy formation during the earlier stage of ‘low policy’ a more strategic approach to policy formation in further-higher education was more evident.

The era of ‘high policy’ was a phase of development in further-higher education that saw its maturation as an organisational field. Significant events during this era of ‘high policy’ provide illustrations of stages of development in the structuration of its field.

According to DiMaggio and Powell (1983) as an organisational field matures and becomes increasingly distinct it will exhibit: an increase in interaction among organisations in its field; the development of inter-organizational structures of control; an increase in the amount of information circulating; and the emergence of mutual awareness of the existence of organisations. To the extent that this occurs then the field becomes increasingly more structured and the process of institutionalisation is embedded in practice through recurrent and routine interaction.

The era of 'high policy' witnessed an increasingly collaborative policy steer that saw an increase in the volume of boundary objects produced in further-higher education, for instance codes of practice and advice on quality assurance matters. These can readily be identified through a perusal of the web sites of relevant funding and quality assurance boundary organisations such as the HEFCE and QAA. In contrast to the 'phase of 'low policy' an interventionist approach was evident during the shift to 'high policy' that encouraged collaboration across the FE and HE sectors. To some extent this ameliorated the institutional pressures of a market led pre-Dearing phase. However, one constant feature of the transition in further-higher education was the tension between an institutional environment that encouraged competition and one that emphasised collaboration.

The potential to develop a common identity and meaning system shared by organisations at the further-higher interface that was distinct from FE and also from HE was encouraged by the establishment of a special mission for further-

higher providers to deliver foundation degrees and intermediary short cycle HE qualifications from 2001 onwards. However, this phase of development needs to be tempered with an awareness that further-higher education was not perceived by all as a legitimate mode of higher education (Parry et al, 2008) and its legitimacy could not be taken for granted.

Finally in terms of a wider political economy further-higher education is a subordinate sub-component of a larger HE organisational field. Disparities in resources, status and reputation and funding between universities and further-higher providers ensure that exchanges at the further-higher interface are asymmetrical and unequal. Within the context of its organisational field, and drawing on the Bourdieu's original concept of field, inter-organisational interaction is a contest over resource acquisition and legitimacy.

A further complication is the result of the institutional duality of further-higher education. Within the further-higher organisational field there is more than one institutional logic at work, one rooted in FE and another in HE. Sometimes these logics co-exist beside one another almost as parallel system. This was typical of the era of 'low policy' for the most part. On other occasions they contest for resources and legitimacy. In other cases a process of hybridisation is the outcome with hybrid further-higher education organisations evolving as hybrid organisational forms that adapt to the institutional contradictions that emerge from institutional duality. Prominent among these institutional contradictions has been the tension between competition and collaboration that has been a feature of the two decades

following incorporation. Under 'high policy' the shift to collaboration marked a sea change in terms of the engagement of policy makers with further-higher education.

The neo-institutionalist analytical framework adopted during this research contextualised these shifts in the broad contours of the further-higher education landscape. The boundary work taking place at the further-higher interface mediates the complexities, tensions and synergies that emerge within further-higher delivery. The role and function of boundary organisations in mediating the planning and regulatory framework of further-higher education has been conceptualised relationally and holistically. Boundary organisations functioned to produce boundary objects as mechanisms for facilitating inter-sector and inter-organisational collaboration. It is the process whereby boundary objects have become embedded as practice (or alternatively have not) during the phase of 'high policy' that is explored in this chapter. One question behind the implementation of boundary objects as embedded practice is what constitutes an effective or non-effective boundary object. While this is not explored in great depth here it is an area that could usefully be looked at in the future.

Thus the shift to structured collaboration at the further-higher education interface during this phase of 'high policy' was mediated through boundary organisations that were given a clearer remit to facilitate cross-sector working. In contrast to the remit given to those that were in existence during the phase of 'low policy', they had less ambiguous roles as mediators of the divergent interests across the further-higher interface. Funding for prescribed HE, although not non-prescribed which remained under the oversight of the FE sector, irrespective of where it was

delivered was given over to HE sector bodies. Quality assurance mechanisms that had originated in the HE sector were increasingly adapted to accommodate the special circumstances of further-higher providers. In contrast to the institutional environment that operated during 'low policy' the planning, funding and quality assurance systems in operation were more integrated. However, while the boundaries between sectors and FE and HE organisations blurred somewhat they nevertheless remained entrenched. Sector legacies and identities retained a significant influence in the day to day delivery of further-higher education.

It was through boundary work that boundary organisations across the FE and HE divide functioned to align and coordinate the multiple interests, disparate values, institutional logics and organisational cultures of FE and HE. The permeability or rigidity of sector and organisational boundaries cannot be understood in terms of static dualities. They were the consequence of a constant process of negotiation at the further-higher interface. Given the policy shifts and a renewed emphasis on structured collaboration across sector boundaries, boundary organisations played a central role in facilitating communication. Theorising and conceptualising these functions as boundary work at the further-higher interface can throw light on policy implementation. In particular, the effectiveness of boundary objects as mediators of collaboration and mechanisms of policy implementation can be investigated.

The legacies, tensions and different institutional logics that typifying the further-higher interface contributed to the 'wicked problem' of how to address equity issues in an increasingly diverse and stratified system of higher education delivery. As further-higher education provision increased in its complexity and

structural diversity, a system had evolved that needed a strong central steer. This policy steer was mediated by those boundary organisations that sat at the further-higher interface. During 'high policy' their role and function as mediators between the diverse organisational structures, cultures and practices in FE and HE at the further-higher interface increased in significance and importance.

The divergent institutional pressures that operated within the further-higher organisational field as a consequence of the institutional duality of further-higher education somewhat contradicted the claims of the original neo-institutionalist model of institutional isomorphism. The claim that as an organisational field matured its component organisations would become more alike as they were subject to similar institutional pressures in the field and would produce similar organisational forms as it matured can be challenged. On the contrary the institutional duality of further-higher education appeared to be contributing to the evolution of an even more highly diverse and differentiated system of provision notable for its complexity.

Moreover, a process of hybridisation in further-higher education was taking place as further-higher providers internalised the external institutional duality of the environment. The institutional contradictions that were a product of the duality and separate institutional logics of further-higher education co-existed within the same organisational field. Consequently, distinct processes of institutional isomorphism operated co-jointly within the organisational field but almost as insulated enclaves within segments of the organisational field. At the same time structural differentiation increased.

Further-higher organisational forms needed to be adaptable enough to cope with these institutional tensions. Institutional duality in further-higher education produced both isomorphic pressures, especially through the reconfiguration of funding and quality mechanisms, but also divergence through the variation of a limited number of modes of organising in further-higher education in different combinations and permutations. For example consortia conform to similar funding and quality pressures as a collective entity in providing further-higher education but retain their own distinct identities as distinct examples of distinct organisational forms. Conceptualising institutional duality in further-higher education has to accommodate both convergent and divergent institutional forces. It is argued that one response is the evolution of hybrid organisational forms that are adaptable and flexible enough to cope with these tensions.

During the transition to the phase of 'high policy', the further-higher interface was reconfigured, re-categorised and reclassified with the funding of all prescribed HE moving to the HE sector. The transfer of some of the functions previously under the remit of the FEFC to the HEFCE was implemented by 1999. The establishment of the QAA in 1997 to oversee quality in all prescribed HE excluded non-prescribed provision of HE which remained somewhat of an anomaly in the classification system of HE. Non-prescribed HE remained under the remit of FEFC and later OFSTED and the LSC.

It was during the interim between 1997 and the publication of the white paper in 2003 that new responsibilities for overseeing further-higher education created

challenges for all concerned. For the HEFCE and QAA, increased numbers of further-higher providers now came under their remit increasing the complexity of their task as a boundary organisation and new 'rules of the game' had to be established as further-higher providers familiarised themselves with different systems of quality assurance that were peer led rather than inspection based (Underwood and Collins, 2000).

Initially, the transfer of these responsibilities for HE funding and quality assurance irrespective of where it was delivered was somewhat of a culture shock for many further-higher providers who were more familiar with the inspection regime of the FEFC. This inevitably incurred transaction costs as new 'rules of the game' had to be learned.

There was also some duplication of efforts in building an evidence base as different statistical datasets for FE and HE were consulted to establish commonalities between them. Often the different statistical datasets did not match or were gathered according to different conventions or purposes creating problems in establishing an evidence base. The period 1997 to 2003 marked the initial early phase of this transition to 'high policy' followed by a more mature phase during which further-higher provision was increasingly more high profile in terms of policy formation. An update on the state of further-higher education was published in 2009 by the HEFCE and it identified 2003 as marking the point at which further-higher education was becoming accepted as a niche form of HE provision (HEFCE, 2009).

The further-higher interface was substantially reconfigured once more through the creation of the LSC under the Learning and Skills Act of 2000. This created an extended FE sector now reclassified as the learning and skills sector. Working through its forty seven regional arms it was encouraged to collaborate with HE. In 2001 the LSC became operational. In the same year foundation degrees were established. These were presented as a vehicle for extending the role and functions of further-higher education in widening participation through the creation of a special mission for further-higher education to deliver sub degree HE. This new qualification would be based on steered structured collaboration across the further-higher interface and through organisational incentives designed to encourage inter-organisational working. This included collaboration with employers in designing vocational foundation degrees making this employer focussed steer part of the special mission of further-higher education.

Therefore, the shift to 'high policy' signalled the desirability of raising the profile of further-higher education and its role in widening participation to HE, especially in the delivery of sub degree or intermediary levels of HE. The policy aim was to move away from the market led competitive ethos that had marked the early 1990's and 'low policy'.

The Dearing Report had originally recommended that further-higher education should be given a special mission for delivering intermediary or sub degree level HE that was vocational in tone. What followed was a series of measures implemented by the Labour government elected in 1997 that would lead to a more interventionist and less market oriented further-higher provision on the supply side.

On the demand side the introduction of tuition fees and then variable fees from 2006 and the abolition of student grants were moving in the opposite direction increasingly using market mechanism to fund HE provision.

Generally then there had been two movements of 'high policy'. The first lasted some five years during which there was a preparing of the way for the reconfiguration and reclassification of the further-higher interface largely through the transfer of funding and quality functions to boundary organisations with their roots in the HE sector. The second followed the establishment of the LSC in 2001 and the publication of the White Paper of 2003 and was marked by a concerted emphasis on structured collaboration.

The 2003 white paper signalled a greater degree of confidence in reinforcing the special mission of further-higher education as a distinct form of provision. Analytically it represents a significant point in the maturation of the further-higher education role as a sub component of the wider HE organisational field. This is because analytically it marked a transition in the structuration of its organisational field during which it moved gradually to a more central component of the governments widening participation agenda.

Yet even post 2003 change remained constant following this reaffirmation of the role of further-higher education but there was now a strategic direction that contrasted with the era of 'low policy' and bricolage that preceded this phase. A more interventionist approach through the mechanisms of semi-compulsory collaboration across sector divides and inter-organisational boundaries had

evolved. This had in part been informed by a wider evidence base built up from an increasing number of collaborative audits on further-higher education and growing experience of delivering further-higher provision.

SIGNIFICANT EVENTS CRITICAL JUNCTURES IN Further-Higher education (Reconfiguring the Further-Higher Interface)
1997 the Dearing Report
1999 Funding of all prescribed HE transferred to HEFCE
2001 Learning and Skills Act 2000.
White Paper 2003 establishes and reinforces importance of Further-Higher Education and collaboration
Higher Education Act 2004
<ul style="list-style-type: none"> • variable fees introduced from 2006 • establishment of the Office for Fair Access (OFFA).
Publication of the Foster Report in 2005 and the Leitch Review in 2006.
The 2007 Further Education and Training Act and legislation to grant foundation degree awarding powers from May 2008.
The pilot and introduction of Integrated Quality and Enhancement Review (IQER) for quality assurance in FHE, IQER introduced from 2008
Establishment of the Department for Innovation, Universities and Skills (DIUS) in 2007.
The establishment of the Department for Children, Schools and Families (DFCSF) in 2007.

Table 11.0

Table 11.0 identifies some the more significant events that contributed to the redrawing of the landscape of further-higher education and the maturation of its organisational field during the phase of 'high policy'. Overall, the cumulative effect of these changes was that the different institutional logics of FE and HE were blurring and hybridising although not disappearing and the interface was being reconfigured and reclassified. However, strong sector identities and loyalties

remained entrenched even with those large MEG providers who delivered the bulk of further-higher education.

Illustrating 'High Policy'

The analytical framework developed in this thesis has used the grid-group heuristic as a device to track the changes in the categorisation and classification of further-higher education over time and their institutionalisation and categorisation. While the grid dimension tracked shifts in the composition of the roles, rules and systems of classification found in further-higher education, in other words the institutionalised 'rules of the game', the group dimension contextualised the processes of boundary work and boundary maintenance mechanisms at work in the organisational field. These were then contextualised against changes in the organisation and regulation of further-higher education. It was considered important to recognise that the classification and categorisation of further-higher education as distinct elements of HE was best understood in the context of a wider system of classification of HE that reflected its integration into a broader HE organisational field and its structural underpinnings in a wider political economy. The extent that further-higher education was to be considered a legitimate form of HE provision was not always accepted by all.

This chapter illustrates the relevance of the analytical framework for understanding the contradictions, tensions and anomalies that have emerged at the further-higher interface during the transition to 'high policy'. The legitimacy of further-higher education as distinct type of provision does not lie in its mimicking traditional HE

but in the acceptance that it a different form of niche provision that complements rather than replaces traditional HE.

The policy and institutional turns that have taken place in further-higher education over a twenty year time frame are replete with such contradiction and anomalies and the question is how to conceptualise them. Transactions and exchanges at the further-higher interface have been contextualised as embedded processes of boundary work and boundary crossing. These exchanges take place at inter-sector and inter-organisational interfaces that have been reconfigured at times of significant institutional changes. These institutional and organisational changes have been set against a historical context and a wider political economy characterised by institutional duality and shifts in how further-higher education has been classified. The strength of focussing upon some of the anomalies and paradoxes in this system of classification at the boundaries of further-higher education is that, inasmuch as they sit at the intersection between two institutional logics and sectors, they reflect deeper structural tensions and the segmentation of further-higher education within a wider system of provision.

The analytical framework also dissected the structural attributes of transactions and exchanges that are embedded at the further-higher interface; analysing them by applying the six dimension of asset specificity typically found in further-higher education as demonstrated in chapter Six. Each dimension is understood as being combined and recombined in different configurations but set against the context of a wider political economy in which transactions are embedded. Then the numbers of possible combinations of these six dimensions of asset specificity have been

contextualised against the duality of the institutional environment and governance structures that oversee further-higher education. This provides a more nuanced analytical framework than a simple dichotomy that discriminates and demarcates the FE and HE sectors as simply different and distinct sector arrangements. It also allows the exploration of the process of hybridisation in more depth and recognises the plurality of organisational forms and diversity of the organisational field as coalitions or mixes of different modes of organising within one organisational form.

The role and functions of boundary organisations that regulated the mix and combinations of asset specificity shifted with this transition to 'high policy' as did the 'rules of the game'. Moreover, the process of hybridisation in further-higher education and the emergence of the hybrid organisational forms evolving there were considered as an adaptive response to this institutional duality. This analytical framework is illustrated below with reference to the institutional and organisational changes taking place in further-higher education during the transition to 'high policy'.

Reconfiguring the Interface: 'High Policy'

The influence of sector legacies, different terminologies and categories used to classify further-higher education, the co-existence of dual institutional logics within its organisational field and the process whereby policy has been institutionalisation as practice are complex. This degree of complexity inevitably creates conflicts of interests and perspectives. The 'wicked problem' of further-higher education is how to align these multiple perspectives. Theories that have addressed the complexity

and diversity of the further-higher organisational field are rare. During the transition to 'high policy' the fundamental problem of how to conceptualise the divergent and convergent institutional pressures to which further-higher education is exposed becomes more acute.

However, in applying the theoretical insights of part Two of the thesis the research questions that have been addressed with respect to how policy is formulated and implemented in the sector. The existence and persistence of separate structural arrangements for the FE and HE sectors both enables and restricts policy options. On the one hand these institutional arrangements help reproduce existing divisions; while on the other hand they blur them. Understanding the dynamics of boundary work in context as explored in this theoretical case study is essential for untangling the complexities of these exchanges.

Conceptualising these historical and terminological legacies require an analytical framework that can accommodate shifts in terminologies and conventions and that can move beyond the immediate historically situated categories. The reconfiguration of the further-higher interface and the shifts in how it was classified and categorised needs to be captured through a longitudinal framework that can consistently track these changes. This was earlier identified as a research lacuna in developing a theoretical understanding of the dynamics and configuration of the further-higher interface. This chapter gives specific examples of the iteration of context and process in further-higher education and of the boundary work taking place.

During the phase of 'high policy' the categorisation and classification of further-higher education was subject to a number of transformations. The first reconfiguration was associated with the transfer of responsibilities for funding all prescribed HE irrespective of where it was delivered to the HEFCE from 1999, although this did not include non prescribed HE which remained the responsibility of the FEFC and after 2001 of OFSTED and the LSC.

The second was the creation of a new category of qualification with the establishment of the foundation degree in 2001 which produced a new form of brand name capital in the system of HE classification. This intermediary level HE qualification or sub degree provision was to become the special mission of further-higher providers.

Applying the grid-group heuristic to the institutional transitions and organisational changes that were taking place during the phase of 'high policy' reveals a number of significant movements. These include shifts in processes of categorisation and classification of further-higher education as a category, and in terms of its perceived legitimacy as part of a wider system of mass higher education (Scott, 2009). Broadly during 'high policy' there was a move from a low grid institutional environment to a strong grid one. This did not happen evenly in both FE and HE but was uneven, moving at different paces and with differing degrees of intensity.

The introduction of subject benchmark statements, intended learning outcomes and programme specifications for HE provision by the QAA during 'high policy', represented a shift up grid and a codification of HE provision designed to provide

better information for students. These principles were first recommended by Dearing and were meant to make the delivery of HE more transparent to students. They also constituted boundary objects that functioned to cross the FE and HE divide.

The boundary work taking place at the further-higher interface and between collaborating FE and HE partners engaged in bilaterally dependent and asset specific inter-organisational working represented a blurring of the group dimension. The blurring of public and private distinctions that had followed incorporation during 'low policy' had already blurred the group dimension but post Dearing the role and function of boundary organisations became more important as the institutional duality of further-higher education created new tensions and pressures at the point of delivery. The group dimension contextualises this boundary work and the process and mechanisms for boundary crossing. The emergence of hybrid organisational forms that could adapt flexibly to these tensions marked a blurring of traditional organisational boundaries and organisational identities. During 'high policy' the shift in group was mediated by the creation of boundary organisations such as LLNs, the HE Academy and others and the emergence of more organised advocacy coalitions such as the MEG, the Russell Group, coalition of modern universities amongst others.

Therefore the grid-group heuristic is useful in clarifying a period of rapid change in terms of the blurring of group, the emergence of new boundary organisations mediating different modes of coordination and delivery of further-higher education and the strengthening of grid and helps move beyond dualistic concepts. Dualities

are limited in accommodating the processes and iterations of context and process that take place during boundary work at the further-higher interface and the hybrid nature of organising mediated by the boundary organisations that straddle the interface.

The transactions and exchanges that are mediated through boundary organisations and take place at the further-higher interface are embedded in specific modes of coordination and do not exist in isolation from that context. Thus individualistic transactions typified by the market tend to clash in hierarchical contexts and visa versa. Egalitarian or enclaved transactions clash with both hierarchical and market based transactions.

Transactions have to be matched to a mode of coordination as identified in the grid-group heuristic for them to become viable 'ways of life' and for them to be successfully institutionalised as practices and as part of the ecology of further-higher provision.

Table 11.1 is an ideal typical representation of transactions and exchanges that are found at the further-higher interface and the institutional arrangements and governance structures that oversee them. Empirically they are almost always a mix or set of accommodations as conceptualised by the grid-group matrix. Each quadrant defines itself in contrast to the others and is underpinned by specific institutional logic or world view and preferred modes of economic and social coordination that either sustain or undermine these exchanges.

FATALIST	HIERARCHICAL
Transactions inversion of other quadrants (passive quadrant) Disembedded	Transactions as authority relations Vertical ordering through hierarchy Asymmetrical transactions Indirect control through targets and performance indicators Embedded as distinct vertical role structures
INDIVIDUALISM	EGALITARIAN/ENCLAVED
Transactions as contract Horizontal ordering (group entry or exit is fluid) Symmetrical transactions Control via market mechanisms Disembedded. Roles negotiable and fluid	Horizontal ordering within bounded group (e.g., communities of practice) Symmetrical transactions Control through reputation trust Embedded through group closure but symmetrical within group boundaries

Table 11.1

For example the predominant transactional mode during ‘high policy’ was the quasi-market which was an alliance of individualism and hierarchy. This is in reality a mode of coordination that includes a mix of autonomy and dependence that emerges as a consequence of the overwhelming dependence on the state for the bulk of funding for HE provision but the legally autonomous and independent status of providers as organisations. This coalition of hierarchy and individualism was dominant during this phase of ‘high policy’ and became even more embedded through the stronger strategic steer of the central state that characterised this phase.

Consortia may exhibit elements of enclaves but are still subject to the hierarchical ordering devices of indirect targets and performance indicators. They are nested hierarchies in other words depending on context. Pure market mechanisms are rarely if ever identified. However, in an ideal typical scenario they would be a

private sector form of provision operating in a pure market in which entry and exit was fluid.

The greater the extent to which transactions are embedded in strongly bounded situations as is indicated by the strength of the group dimension then the more difficult it is for boundaries to be crossed. Weakly bounded transactions that are typical of the individualist market quadrant tend to erode existing configurations. This was what arguably what was happening with the marketisation of HE. As private sector values were introduced into further-higher education the public sector ethos of pre incorporation provision there was a tendency for the institutional logics that were once associated with the public sector of FE and HE to be gradually eroded or modified.

Weak grid contexts are subject to few rules and again this is more typical of the individualist quadrant but equally could apply to enclaved settings in which strong boundaries defined membership and insiders and outsiders but within bounded enclaves few rule based distinctions discriminated amongst members.

Strong grid and strong group contexts such as those found in hierarchical settings largely determine roles and rule following according to position and status. Within an organisation the different organisational structures and processes of FE and HE can present problems of communication in circumstances where one partner is more inclined to hierarchical structures than another.

+ G R I D	FATALISM	HYBRIDS	HIERARCHY
	<p>(Isolated atomism)</p> <p>POSITION IN FIELD</p> <p>Apathy and marginality Retreatist Ritualist Lacking organisation Peripheral</p> <p>Risk as random</p>	<p>Quasi-markets Managed competition Franchising</p>	<p>(Bureaucracy)</p> <p>POSITION IN FIELD</p> <p>Defined by rules Authority/ legitimacy Status orders in field Centralised/ delegated Positional v personal</p> <p>Risk averse or uncertainty avoiding</p>
G R I D -	INDIVIDUALIST	HYBRIDS	ENCLAVED EGALITARIAN
	<p>(Competition)</p> <p>POSITION IN FIELD</p> <p>Contestability Price Entrepreneurship Markets as a discovery processes Ease of entry/exit</p> <p>Risk as opportunity</p>	<p>Consortia Competitive egalitarianism (via publications) Partnerships</p>	<p>(Networks)</p> <p>POSITIONAL IN FIELD</p> <p>Mutuality Community of practice Research networks Clan solidarity Embedded practices Closed entry/exit</p> <p>Pool risk</p>
	GROUP -	HYBRIDS	GROUP +

Table 11.2

Thus transactions and exchanges embedded at the further-higher interface are mediated by boundary organisations and boundary objects that operate vertically between the central state and providers. These tend to be configured through indirectly steered mechanisms such as targets or performance indicators that nevertheless are vertical control mechanisms implemented at a system or field level. Horizontal transactions and exchanges between collaborating providers in the field may take place at different functional levels with, for example, academic staff being more likely to respond to similar subject or disciplinary interests and management to position and function in the organisation. They might arguably

perceive transaction costs differently The different roles and function of boundary organisations and boundary objects in mediating these disjunctures in institutional logics and worldviews at the boundaries and interfaces of further-higher education will be explored in more depth later in the chapter.

The analytical utility of the grid-group heuristic during 'high policy' is that it highlights these trajectories and trends longitudinally as well as the tensions and paradoxes that are a consequence of the institutional duality of further-higher education and the coexistence of different institutional logics.

The Grid-Group Heuristic and 'High Policy'

The grid-group matrix functions as a heuristic device to contextualise and situate the different institutional logics that are enacted at the further-higher interface. Potential the grid-group matrix can map the shift up and down grid and group. As the 'rules of the game' changed post incorporation the grid dimension shifted. As diversity increased through structured differentiation within the organisational field group boundaries were reconfigured or renegotiated. The actual direction of change is an empirical question. However, the grid-group heuristic provides the analytical means to operationalise these shifts.

For example, hierarchical organisations adopting a hierarchical mode of organisation and coordination in further-higher education require a means of collaborating with egalitarian organisations or individualist ones that enable a common understanding of their different institutional logics to emerge. Their

interactions mark the intersection of different perspectives, institutional logics, worldviews understandings and practices in further-higher education and distinct interaction patterns of economic coordination.

During 'high policy' there was arguably a shift away from the trend towards marketisation on the producer side (but not the consumer) towards structured collaboration which was a mix of hierarchy and enclaved provision. This contrasts with the shift towards a coalition of individualism and hierarchy during the phase of 'low policy'.

Policy documents constitute boundary objects that mediate or sit at the intersection of the four generic modes of organisation identified by the grid-group heuristic. They can be hierarchical or individualistic or enclaved in their properties. Boundary organisations and boundary objects sit at the intersection of the grid-group quadrants.

For example further-higher education policy documents constitute boundary objects that contribute to the social construction of a classification systems that define further-higher education and the shifting dynamics of its interface. But they must also translate across sector and inter-organisational boundaries.

The HEFCE (2009) document which was the last major policy document produced by the HEFCE that was available at the time this thesis was written is effectively a boundary object that clarified, summarised and up dated a period of rapid, fluid and constant change since the Dearing report.

‘Shifts in Asset Specificity and ‘High Policy’

The set up costs of expanding the remit of the HEFCE and QAA, to include further-higher education and learning new ‘rules of the game’, represented an increase in transaction costs with a shift to ‘high policy’. The additional burden of including additional further-higher providers within the remit of the HEFCE and the associated shift of responsibilities would inevitably lead to additional burdens as an evidence base and understanding of further-higher education was built and new links were made across sector and inter-organisational boundaries.

The alignment of institutional arrangements that mediated the institutional environment and aligned transactions and exchanges at the further-higher interface was steered through the institutions of the central state and their quangos. Transaction cost economics suggests that these matches would be the outcome of the most efficient arrangements that would reduce transaction costs and enhance economic efficiency. Boundary organisations helped oil the flow across interfaces and reduce transaction costs.

The analytical framework developed in part Two suggested that asset specificity was the major dimension of further-higher inter-organisational collaboration to be considered in effectively aligning transactional attributes to institutional arrangements. The other dimensions were uncertainty and the frequency with which transactions took place combined with small numbers bargaining.

The uncertainty dimension was an aspect of how the institutional environment was perceived by actors in the organisational field including regulators and providers. The more uncertain an institutional environment then the greater the risks would be influencing an organisation's strategy and positioning in the field. Frequency of interaction between further-higher provider's relevant agencies and boundary organisations had clearly increased and can be evidenced by a brief perusal of the web sites of boundary organisations such as the HEFCE. Increased frequency of interaction fits with the neo-institutionalist model of field formation. In this case, the transition from 'low policy' to 'high policy' marked such a transition and increase in the frequency of interaction and information load that further-higher providers were subject to and the emergence of a common meaning system or institutional logic. Small numbers bargaining referred to the extent a further-higher provider had one or multiple partners. This would affect their bargaining power.

The shift from the marketisation phase of 'low policy' to semi-compulsory structured collaboration during the phase of 'high policy' witnessed several significant changes in the disposition of resources, assets and influence among collaborating partners. These, however, should not be considered in isolation but should be analysed in terms of a wider political economy. Some of these are illustrated below with examples of how transitions in further-higher education can be linked to the analytical framework developed earlier.

The model that was developed in part Two is applied below to the recent changes during the shift to structured collaboration and 'high policy'. During this phase the combinations and shifting permutations and configurations of the various

dimensions of asset specificity shifted and mutated. Unlike dualistic conceptualisations used to discriminate between FE and HE the dynamic taking place at the further-higher interface in terms of these transactional features of exchanges are the result of a hybridisation of the organisational forms found at the further-higher interface.

Six commonly used dimensions of asset specificity are outlined below and their relevance for the transitions to 'high policy' as illustrated in table 11.3. The point being made is that dualistic conceptualisations that discriminate FE from HE are static and crude indicators of the complex relational dynamics taking place at the further-higher interface lacking context and analytical purchase in describing rapid and often turbulent institutional and organisational changes in further-higher education.

Asset Specificity
Human Asset Specificity
Qualifications, staff development, ethos/pedagogic style
Site Asset Specificity
Linked to location and ease of access. Psychological and cultural distance between Further-Higher and HE provision
Brand Name Capital
Power to validate awards. Reputation and status of brand. Foundation degree awarding powers from 2008
Dedicated Asset Specificity
Resources invested single partnership rather than multiple partnerships.
Physical Asset Specificity
Pre-existed set up of collaboration. Buildings or specialist equipment or infrastructural expertise.
Temporal Asset Specificity
Transfer function of FHE as contrasted to further-higher education as a terminal qualification. Foundation degrees can be both.

Table 11.3

Chapter Seven dealt with the conceptual basis of transaction cost economics and outlined the relationship between asset specificity, uncertainty, frequency and small numbers bargaining. It is not proposed to review this in detail here. Instead a number of illustrations of these concepts and their application is given in order to demonstrate their analytical utility in helping conceptualise the transitions taking place during 'high policy'.

The move to structured collaboration witnessed shifts in the disposition of asset specificity within the organisational field and changes in the balance of power, autonomy and dependence embedded inter-organisational relations as the field matured. The role and function of boundary organisations in coordinating provision and aligning the different interest and power bases of providers was now becoming more significant.

Table 11.4 outlines some of the key shifts in legislation and institutional arrangements that oversee the transactions and exchanges taking place at the further-higher interface. In terms of shifts in asset specificity some of the more significant of these included the watershed of the 2003 white paper and the Education Act of 2004 that established a move to variable tuition fees from 2006. This represented a shift in asset specificity.

The power to award foundation degree was established by the Further education and Training Act of 2007 representing a potential shift in brand name capital and a shift in power between FE and HE partners.

Table 11.4 therefore outlines and tracks some of the more significant linkages between the changing institutional environment, institutional arrangements or governance structures, the further-higher organisational field and the micro level of boundary work at the further-higher interface during the phase of 'high policy'.

Institutionalising Boundary Work

It has been claimed earlier that the emergence of hybrid organisational forms in further-higher education was an adaptive response to the structural tensions that were created as a consequence of the institutional duality of further-higher education. Hybridisation was a flexible response to the countervailing institutional logics rooted in separate sector histories and experiences.

Prominent in the management of these tensions at the system and field level were the boundary organisations that sat at the further-higher interface. The boundary work they performed enabled the transfer of policy across sector and inter-organisational boundaries and agencies. The roles and functions of these boundary organisations shifted dramatically during this phase of high policy in comparison and contrast to their relatively marginal status during 'low policy'. Control over economic, social and cultural capital involves power relations. Boundary work influenced the disposition of power and the deployment of assets and resources across organisational boundaries and sector divides.

Boundary work during this phase in the development of more structured forms of collaboration in further-higher education took on a new dynamic as the

organisational field matured with boundary organisations now being given a higher profile and clearer roles in facilitating collaboration. Inter sector collaboration was reaffirmed as a policy priority in the government's white paper of 2003. The white paper arguably marked a coming of age for further-higher education as a distinctive form of institutionalised provision (HEFCE, 2009).

It now remains to demonstrate how during the phase of 'high policy' boundary work in further-higher education continued the cycles of iteration of context and process that produced a constant flow of configuration and reconfiguration of the further-higher interface. Two stages of 'high policy', one preceding the 2003 white paper and one following, it marked fundamental shifts in the institutional logics of further-higher education. These developments can only be understood relationally and holistically rather than being conceptualised as static dualities that discriminate FE and HE as separate categories of provision.

The transition to 'high policy' and more interventionist forms of structured collaboration witnessed the creation of a number of new boundary organisations. In terms of the boundary work they undertook they had more explicit roles and functions compared to the boundary organisations of 'low policy'. These had a much more ambiguous role in mediating the further-higher interface. During the period of bricolage in the phase of 'low policy' they were notable for their relative silences and their focus on other priorities. The strategic planning of further-higher education was not high on the list of these priorities. This phase of marketisation was a turbulent and relatively unregulated one.

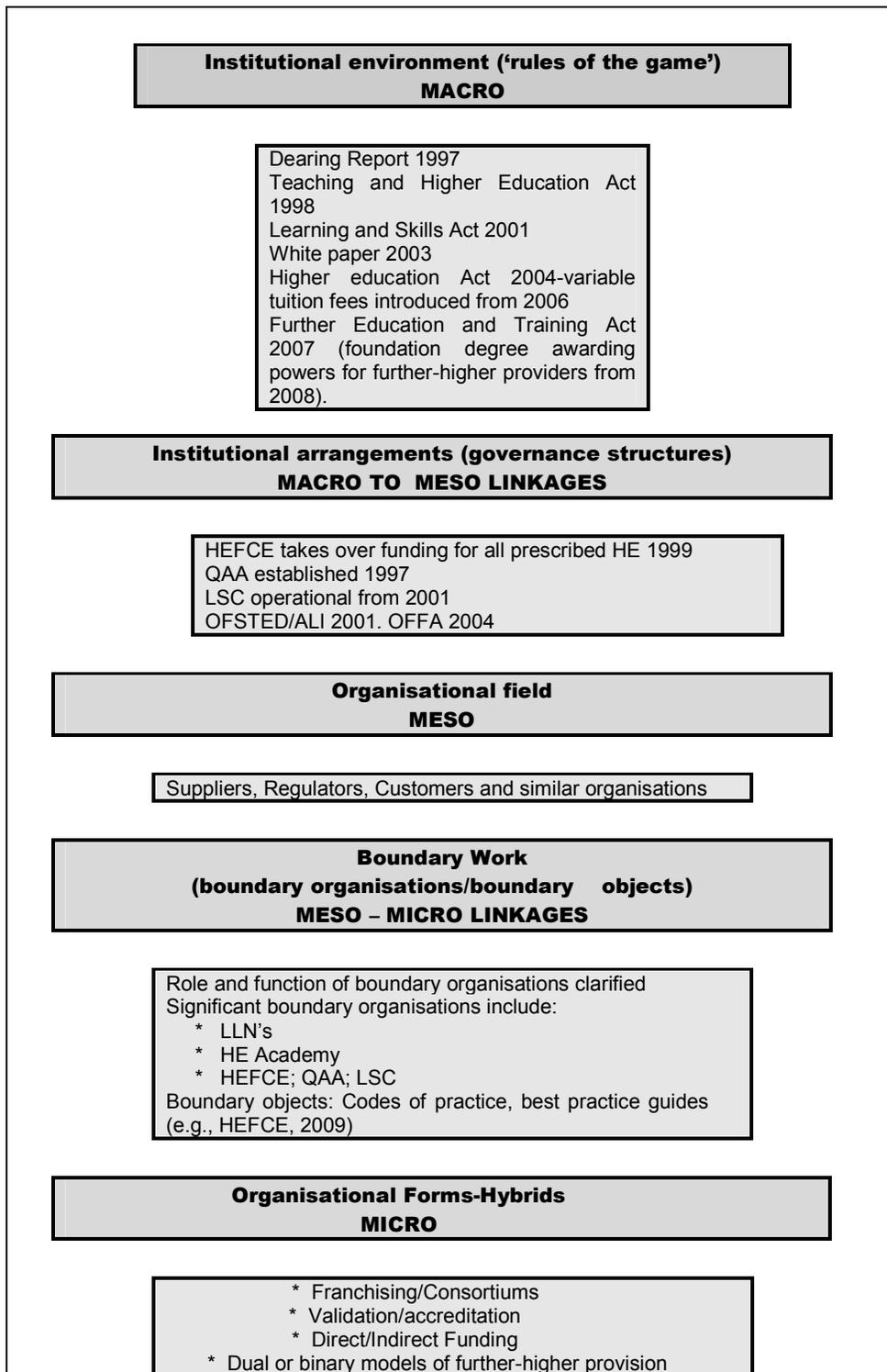


Table 11.4

Two stages of development during the phase of 'high policy', one roughly between 1997 and 2003 and the other from then on until 2008, have been outlined above.

The first stage prepared the way in reconfiguring the interface firstly through the transfer of funding of prescribed HE to the HEFCE in 1999 followed by the creation of the LSC in 2001 and the establishment of the first foundation degrees in 2001.

During this period, a system of student loans were also introduced, and student grants abolished. Responsibilities for quality assurance of prescribed HE were given to the QAA established in 1997.

The second stage saw the establishment of LLNs, a new Education and Training Act in 2004 that brought in variable fees and later the Education and Training Act of 2007 which gave further-higher education providers the right to apply for foundation degree awarding powers from May 2008.

The cumulative effect of these transitions was a more proactive role for boundary organisations such as the HE Academy, the QAA and various special initiatives for bridging the further-higher interface.

The role and functions of boundary organisations was to act as intermediaries that spanned the different sector legacies, institutional logics, organisational and disciplinary cultures of FE and HE. They would play an increasingly important role during the phase of 'high policy' as the increasing complexity, fragmentation and diversity of the organisational field strengthened the need to align multiple interests, values and the different sector legacies and institutional logics.

Coordinating these multiple interests, different perspectives and understandings at a field and system level became much more important.

The boundary work taking place at the further-higher interface and across inter-organisational boundaries would therefore become a much more strategically significant feature of further-higher education during 'high policy'. It involved complex issues in the management of the tensions and synergies that collaborative working and institutional duality had generated and in dealing with the 'wicked problem' of further-higher education.

Boundary organisations tended to increase in importance during the phase of 'high policy' as concerted attempts were made to ensure that collaboration across sector boundaries was encouraged and incentivised. This contrasted with the phase of 'low policy' when the role and functions of boundary organisations were often ambiguous and FE and HE operated separate and parallel funding, quality and planning systems.

Boundary organisations also functioned to produce boundary objects that mediate the further-higher interface. These could take the form of codes of practice, circulars, cross sector consultations and staff development events or documented instances of best practice. As intended in the original concept they needed to be flexible enough to accommodate different organisational cultures and working practices while stable enough to retain their own identities as mediators of divergent organisational worlds.

The era of 'high policy' witnessed a proliferation of boundary objects designed to mediate inter-organisational working and boundary work in contrast to the more limited volume circulating during the era of 'low policy'. This fits with the neo-institutionalist model of how an organisational field evolves as it matures. During the structuration of a field it would be subject to an increase in the frequency of interaction, an increase in the information load circulating in a field and the emergence of a common meaning system. Examples of some of the boundary objects produced during 'high policy' and contrasted to the phase of 'low policy' are given below.

Boundary Objects	'LOW POLICY'	'HIGH POLICY'
Codes of practice	No	1998/1999a, 1999b, 2000, 2010 in press
Web sites Boundary orgs	HEFCE HEQC	HEFCE QAA HE Academy
Policy docs Consultations Circulars	HEFCE (1995) Funding the Relationship 1995 etc.,	e.g.,HEFCE 2006,2008,
ILO's , subject benchmark statements Programme specifications	No	HEQF
Consultations/Events	Relatively infrequent	More frequent (increased information load). HEFCE 2006,2008
Collaborative Audits	HEQC, 1995	HEFCE, 2009
Costing FHE Provision	Costings unexplored	HEFCE 1998, 1998a,1988b, 2000

Table 11.5

Several codes of practice were produced as guides for delivering further-higher education alongside a number of best practice documents published by the HEFCE and QAA. The Higher Education Academy contributed to widening understanding of the further-higher interface through various events, through reviews of existing grey, practitioner and policy literatures (Jones, 2006) and the

establishment of an archive of materials on further-higher education based at Norwich College.

These developments are captured through the use of an analytical framework and conceptual vocabulary developed in part two of the thesis. One component of this tool kit, the use of the grid-group heuristic for understanding how further-higher education was classified and categorised and how that has changed over time, has been identified earlier. Of specific interest for this approach is how to conceptualise the anomalies in the system of classification and the processes whereby boundaries are demarcated in further-higher education and the further-higher education interface maintained. This can only be done contextually and relationally.

This framework can be applied to understanding the use of boundary objects in further-higher education and can be captured using the grid-group heuristic. Boundary objects are situated at the points in the grid-group matrix at which different modes of organising and their underpinning preferences, institutional logics or 'ways of life' intersect. It is here that anomaly and dissonance is most likely to occur and needs to be bridged in the context of collaborative working. Accommodating these different perspectives or worldviews represented by the quadrants of the grid-group matrix and at the further-higher interface can be mediated through the use boundary objects as a means of translating different 'cultural biases' that are rooted in the different identities and sector legacies of further-higher education.

Ensuring that these mediating devices function effectively requires that a fit between the 'objects' and their intrinsic properties and a specific quadrant can be translated and understood by organisations embedded in another quadrant.

For example, hierarchical boundary objects would be imposed perhaps in the shape of directives that would indicate that non compliance would result in financial sanctions. A crucial issues surrounding these type of hierarchical boundary objects would be the extent that they were perceived to be legitimate by non hierarchical systems of organising. In neo-institutionalist terminology these would imply coercive institutional isomorphism at work.

Enclaved or egalitarian boundary objects would be based upon consultation and involved discussion and would normally be accepted as legitimate if there was perceived to have been genuine consultation taking place.

Individualistic boundary objects would be usually produced for specific situations and might not easily transfer to other contexts or settings. On the other hand they could also be examples of practices that had emerged in the private sector that it would be claimed could be transferred to the public sector.

Fatalist boundary objects might take the form of dark humour, subversive literature or gossip that symbolised something else across organisational boundaries that different members of collaborating organisations shared in common. For example, a certain degree of cynicism about initiatives that were seen as being imposed

rather than agreed might cross inter-organisational boundaries if the staff involved felt these were being imposed without consultation.

Boundary objects are inert in themselves and their meaning only becomes apparent in their implementation across an organisational, group or sector boundary and in the context and use in which they are applied. Within the organisational field they are the conduits or synapses through which information and meaning can flow. They help bridge organisational and sector boundaries or reinforce them.

During 'high policy' the number and use of boundary objects increased in volume and quality while the role and function of boundary organisations shifted from being marginal players at the periphery of the field to a more central role in coordinating a much more complex and diverse system of further-higher education provision.

This chapter has illustrated the major institutional and organisational changes that took place at the further-higher interface during the transition to the phase of 'high policy'. The classification and reconfiguration of further-higher interface was first considered, then the relation and iteration of transactions and exchanges embedded at the interface with the changing institutional environment and shifting institutional arrangements or governance structures was unpacked and explored against its wider political economy.

The boundary work and the role and function of boundary organisations and boundary objects were then discussed as part of the role structure of the

organisational field. Boundary configurations and role structures have to be understood in context when trying to conceptualise the further-higher interface. Otherwise it is difficult to make sense of and to conceptualise changes at its boundaries.

Throughout the chapter the analytical framework developed in part Two of the thesis has been evaluated for its analytical purchase. The analytical framework developed there was applied to illustrate the institutional and organisational transitions that took place at the further-higher interface. Finally it was shown that boundary work and the role and function of boundary organisations at the further-higher interface has changed significantly from the phase of 'low policy' to the more interventionist phase of 'high policy' characterise by semi-compulsory structured collaboration across the sector divide.

CHAPTER TWELVE

CONCLUSION

This research has presented a theoretical and conceptual account of the evolution of the English further-higher education interface. A neo-institutionalist analytical framework was used to construct a political economy that captured the evolution of the interface over two decades. Within that context, a socio-political analysis of the dual institutional environment of further-higher education was theorised.

The structure and dynamics of exchanges at the interface and associated boundary were explored contextually and in terms of their embeddedness in wider institutional and organisational contexts. The organisational field of further-higher education is itself embedded in this wider institutional, structural and cultural environment. Particular attention was paid to the processes of hybridisation at the interface and the emergence of new organisational forms.

The lack of an existing body of theory with which to situate the context, process and dynamics of institutional and organisational change at the further-higher interface has hitherto been a significant weakness in developing theory that can inform policy. This research has made a contribution to filling that gap.

The separate sector legacies and configurations that exist at the further-higher interface, and the increasing structural diversification of further-higher provision in the context of its wider higher education organisational field, were shown to be leading to a mode of provision at the further-higher interface that exhibits institutional contradiction.

The research investigated the processes of institutionalisation at the English further-higher interface under conditions of institutional duality through the application of a theoretical case study methodology. This allows a detailed investigation of the institutional contradictions of further-higher education both as context and process. In so doing the research drew upon a range of materials from separate disciplinary traditions that hitherto had not been used in one analytical framework for studying further-higher education.

This inter-disciplinary approach was adopted with the intention of generating novel concepts and new analytical insights for understanding how the further-higher interface has been configured and operates. In the past the fragmented nature of research into further-higher education, and the lack of a distinct disciplinary tradition that focused on it as an important topic, has been a block on understanding the complexities of the workings of the further-higher interface.

The use of a theoretical case study facilitated the exploration of the internal and external dynamics of the 'wicked problem' of English further-higher education in its detailed complexity. To revisit Yin (1993) the case study method is suitable when

the phenomena and context in which the case is embedded cannot be easily separated.

A further goal of the research was to conceptualise the links between macro, meso and micro levels of analysis. Connecting the further-higher education organisational field to the wider social structure and its associated institutional environment through an examination of the processes of institutionalisation of change at the further-higher interface cannot be theorised in terms of simple dichotomies. For example distinctions between structure and agency or FE and HE are limited in what they can reveal about the dynamics of the further-higher interface. They fail to capture the fluidity of the interface and the inter penetration of context and process. For that reason a holistic and relational approach has been adopted throughout the thesis.

The analytical linkages between the further-higher institutional environment, its organisational field and the positioning strategies of individual further-higher providers within the field are considered accordingly. This approach has moved beyond dichotomies and static understandings of boundary properties and processes. Boundary work at the further-higher interface is theorised as a constantly evolving flow of organising and disorganising at the interface that can only be understood processually and situationally.

The analytical framework has synthesised a number of hitherto discrete disciplinary traditions under one model. These include: a neo-institutionalist reading of organisational theory and of sociological institutionalism complemented

by insights derived from economic sociology. The conceptual and theoretical insights they provided were further combined with contributions from the sociology of science and ANT. The concepts of boundary organisations and boundary objects were also derived from these disciplines to explore boundary work in further-higher education. Finally the policy, practitioner and academic literature on further-higher education described in Part One of the thesis was investigated and gaps in existing research identified.

Part One of the thesis set the scene for contextualising the significance of sector legacies and identities on the formation and configuration of the further-higher organisational field after 1988. The literature was reviewed, the research questions outlined and the role of the theoretical case study methodology as the method adopted for exploring the further-higher interface was discussed .

Part Two outlined the conceptual foundation of the neo-institutionalist analytical framework adopted throughout the research and constructed a conceptual vocabulary for understanding the dynamics of the further-higher interface. It contextualised the boundary work and exchanges that take place there. It dealt with how further-higher education was classified over time, the structural attributes of transactions and exchanges at the further-higher interface with the boundary work taking place there.

Part Three applied this analytical framework to the institutional and organisational transitions that took place in further-higher education and the implementation of

policy as practice. This posed the question of how a theoretical understanding of the dynamics of the further-higher interface can inform policy.

The Research Questions

The initial research questions that have been addressed in this thesis can be grouped into three broad areas. First are the research questions that dealt with the dynamics of boundary work at the further-higher interface and the socio-political institutional contexts in which boundary work takes place. The second are those that dealt with conceptualising systems of classification and categorisation of further-higher education over time. Lastly, there are those that explored the structural attributes of transactions and exchanges embedded at the further-higher interface in an institutional context. These three areas correspond with the theoretical and conceptual framework developed in Part Two of the thesis and are covered in depth in the individual chapters found there.

The first set of research questions explored the boundary work taking place at the further-higher interface and highlighted the boundary work involved in the social construction of symbolic, categorical and formal distinctions and demarcations in further-higher education. The cross sector and inter-organisational processes that are involved in coordinating across sector and organisational boundaries were conceptualised through a neo-institutionalist analytical framework informed by a sociological reading of institutional and organisational change in further-higher education.

These processes can only be understood relationally and holistically but not in isolation. The institutionalisation of organisational practices in the further-higher organisational field under conditions of institutional duality is the analytical backdrop against which these processes have been contextualised.

The distinct sector identities and historical legacies that are the historical legacy of previous demarcation of FE and HE, particularly those that existed prior to 1988, and were then reconfigured in 1992, have left an influential legacy in contemporary configurations of further-higher education. How these pre-existing identities and sector divisions have influenced the configuration and classification of the contemporary further-higher interface is central to understanding how further-higher education has evolved. Boundary work has been conceptualised throughout the research as a set of research questions that highlight the socio-political institutional context from which further-higher education has emerged.

Classifying the further-higher education interface has inevitably been complicated by shifts in terminology and conventions that originate in separate sectors. However, the research questions were initially designed to track the shifts in the coordinates and institutional logics of further-higher education (and its institutional duality). This was achieved through the application of the grid-group heuristic. One dimension mapped institutional shifts in the 'rules of the game' (the grid dimension); the other one mapped shifts in the inter-organisational configurations of the further-higher interface (the group dimension). They were not necessarily isomorphic or congruent. The strength of this heuristic device is that it recognises

that paradox and anomaly are an essential part of any system of classification. The question is: how are they managed?

In principle, the grid-group heuristic could be used as a means of operationalising institutional and organisational change based upon an analytical framework that moves beyond simple dualities and taxonomies to allow a consideration of various permutations and combinations of hybrid institutional and organisational forms. This could draw on earlier work in grid-group analysis to operationalise the concepts.

Other research questions have considered the systemic properties of the emerging further-higher organisational field as part of the 'wicked problem' of widening participation to HE under conditions of massification and marketisation while maintaining equitable access. These research questions investigated the problem of how the legitimacy and credibility of further-higher education as an accepted part of a combined post-compulsory university and non-university based system of provision is negotiated. Specifically, a neo-institutional emphasis on the processes whereby organisations seek legitimacy from their external environment was considered.

This led to a third set of research questions that was concerned with the role of sector and organisational boundaries as facilitators or as barriers in widening participation. The 'wicked problem' of equity versus diversity issues and the mechanisms whereby field based informal reputational and status hierarchies replaced formal hierarchies could be explored further. The role and function of

boundary organisations and boundary objects as mediators of transactions and exchanges that take place at the interface was considered in terms of their contribution to boundary formation.

A broad area explored within the research was the theoretical, methodological and conceptual implications of the research questions. How can a theoretical case study contribute to the development of a conceptual understanding of the further-higher education interface? Secondly, how does policy become implemented as actual practice? It is argued that the thesis has identified a need to build a more robust theoretical and conceptual understanding of further-higher education that draws together a range of inter-disciplinary insights to construct a conceptual vocabulary and analytical framework that can further advance understanding of the dynamics and context of the further-higher interface.

Chapter Five has dealt with those research questions that were designed to explore the relation of non-university based further-higher-education to university based HE and the wider political economy. It provided an overview and introduction to the analytical framework developed throughout the rest of Part Two. The contextual embeddedness of the once separate FE and HE institutional logics at the further-higher interface was investigated and conceptualised as a process of hybridisation.

The links between the wider economy and social structure and the further-higher institutional environment, the institutional arrangements (or governance structures) that oversee further-higher education, and the meso level of the organisational

field were theorised. These were explored as organisational practice, including the emerging hybrid structures, processes and cultures found in further-higher education at the micro level of analysis. Chapter Five acted as a prelude to the following chapters in Part Two

After briefly synthesising the various inter-disciplinary literatures that were drawn upon to construct the framework Chapter Five introduced the conceptual building blocks of the analysis.

Chapter Six considered the classification and categorisation of further-higher education and the anomalies and paradoxes found there. The categories FE and HE were seen to be increasingly redundant at the further-higher interface.

Anomalies such as the distinction between prescribed and non prescribed HE were identified. The act of categorising and classifying further-higher education was contested and the legitimisation of categories was ongoing. The research questions addressed in Chapter Six were focused on how institutionalised systems of classification in further-higher education could be conceptualised. In particular the role of anomaly and paradox in the system of classification that categorised distinctions between further-higher education and university based HE was considered.

Further-higher education was explored as an interstitial phenomenon and as 'matter out of place' in a more extensive system of classification of university based HE. The significance of analysing further-higher education as a system of classification is that it offers a theoretical entry point for understanding the underlying

structures of social relations and social organisations underpinning the interface. It also allows an exploration of the role of contradiction and paradox in institutional and organisational life. The institutional contradictions of further-higher education and their transmission across macro, meso and micro levels can then be analysed.

Chapter Seven considered the structural attributes of transactions and exchanges at the further-higher interface in a relational and holistic framework. This approach recognised that transactions are embedded in wider configurations of social relations and institutional contexts that are mediated through boundary work that is political and strategic in intent. The research questions covered in Chapter Seven dealt with the transaction costs of operating under conditions of institutional duality and the comparative advantages and disadvantages of different organisational forms in reducing transaction costs. The research questions addressed how the processes of hybridisation taking place at the further-higher interface and across inter-sector and inter-organisational boundaries could be theorised. Specifically the adaptive responses of further-higher providers to the institutional duality of further-higher education were investigated and conceptualised. It was argued that hybridisation at the further-higher interface was an adaptive response to institutional contradiction and the institutional duality of further-higher education.

Transaction and exchanges across sector and organisational boundaries incur their own transaction costs. In the original transaction cost model the main criteria for judging the effectiveness of different governance structures and organisational forms was which are the most efficient. However, the concrete configurations of social relations that mediated the relation between the economic were rarely

considered in depth. Chapter Seven offered a modified version of the new institutionalist economic foundations of transaction cost theory and its neo-classical roots to incorporate a relational and holistic understanding of exchanges. It recognised that the social, cultural and political dimensions of transactions needed further exploration. The intended and unintended transaction costs of organising and implementing policy can be better conceptualised if these are factored in to the analysis.

Chapter Eight explored the boundary work that takes place at the further-higher interface by considering the role and function of boundary organisations and the use of boundary objects that were generated by boundary organisations as mediums of inter-organisational and inter-sector collaboration. The effectiveness of different types of boundary objects was considered. How boundary objects are legitimised in organisational practice is an empirical question. Chapter Eight explored the question of why some boundary objects are effective and others are not theoretically.

Chapter Eight drew on contributions from the sociology of science and technology studies and ANT to consider the utility of the concepts of boundary work, boundary objects and boundary organisations for conceptualising the interface of further-higher education and theorising inter-sector and inter-organisational collaboration. The boundary work encounters at the further-higher interface can only be understood contextually through an analytical framework that does not dichotomise structure and agency. The chapter consolidates the earlier chapters offering a holistic and relational analysis of boundary work at the further-higher interface.

Part Three of the thesis applied the theoretical insights of Part Two. Chapter Nine dealt with the impact of NPM and managerialism on further-higher education and the blurring of the public and private divide post incorporation. Many of the issues that created problems in further-higher education were reflected in the coexistence of private and public institutional logics in the public sector. The chapter investigated the ideological shifts associated with NPM and managerialism and posed the question of how much these wider shifts were reflected in the evolution of further-higher education. The coexistence of different institutional logics, one originating in the private sector and an emphasis on corporate identity and market forces, the other in a public sector ethos have been somewhat simplified in the debates on managerialism and NPM reform in further-higher education. Again a model of hybridisation may be better fitted to capturing the dynamic of change.

Chapter Ten explored the phase of 'low policy' in the evolution of further-higher education prior to the Dearing Report of 1997. This ad hoc and reactive era of 'low policy' or no policy was very much an experiment and a laboratory for understanding the changing roles and functions of boundary organisations and boundary objects in mediating the further-higher interface. Chapter Ten emphasised the changing role and function of boundary organisations and the effectiveness of boundary objects at the further-higher interface at a time when further-higher education was low on the policy radar.

Finally, Chapter Eleven investigated the phase of 'high policy', from Dearing through to 2008. Returning to the concept of a field the chapter explores the

evolution and maturation of further-higher education as a maturing organisational field. Its main contribution has been to incorporate a conceptual understanding of how the institutional duality of further-higher education produces convergent and divergent institutional pressures and the role and function of hybrid organisational forms in adapting to this duality. Secondly the changing role and function of boundary organisations and boundary objects in facilitating cross sector collaboration and inter-organisational partnership working was illustrated. The effectiveness of boundary objects designed to facilitate this collaborative working cannot be assumed in advance. The real question is what constitutes an effective boundary object in implementing policy change.

In each of the chapters in Part Three the theoretical and conceptual insights of Part Two and the neo-institutionalist analytical framework developed there were applied to policy change at the further-higher interface over the twenty year period covered. The tension between collaboration and competition that characterised the era of 'low policy' was conceptualised in terms of the theoretical insights of part Two. It was argued that theorising inter-sector and inter-organisational structures of collaboration at the further-higher interface could benefit from a theoretical understanding of its dynamics. Both process and context would have to be captured in such an analysis.

Future Work

Given the ambition and scope of the thesis there remain areas of difficulty, complexity and perplexity in the work. The relative paucity of theoretical and

conceptual materials on the further-higher interface and the lack of a developed disciplinary tradition for studying further-higher education conceptually, make the analytical framework developed here highly provisional. There are also potential problems in ensuring that the different disciplinary roots of the inter-disciplinary areas drawn upon are commensurate and consistent in their underpinning premises.

However, the neo-institutionalist framework adopted here deals with processes rather than causes and does not seek to confirm or refute a pre-existing hypothesis or theory. In other words, the processes of institutionalisation whereby institutional and organisational change becomes habitually embedded as practice is what is being explored. This is an approach that can be applied across disciplines in order to develop synergies and novel concepts for understanding further-higher interface. Both the sociological institutionalism and economic sociology that are the cornerstones of this analysis and the contributions of the sociology of technology and science and ANT with their emphasis on boundary work start from basically similar points. These emphasised the embeddedness of economic activity in institutional contexts and the translation processes whereby boundaries and sectors are crossed and coordinated. This emphasis on processes explored in context and a relational and holistic understanding of the relationship between them is common to the inter-disciplinary literatures used here.

Consequently, there are a number of areas in which the research could be taken further. The embedding of policy as practice could be explored through investigating what constitutes effective and ineffective boundary objects in further-

higher education. Secondly, the classification of further-higher education and the symbolic boundary work involved in categorising further-higher education as distinct from FE and HE could be analysed from a philosophical stance rather than simply administrative distinctions. To date, there is little in the way of significant debate about what further-higher education actually is or should be as a form of post-compulsory provision that moves beyond administrative distinctions or conventional description. For example, there is no body of work solely concentrating on further-higher education similar to that of Barnett's (1990) work on the distinctiveness and philosophical basis of higher education.

Thirdly while the impact of institutional and organisational change through the implementation of NPM and managerialist practices has been investigated in both sectors, this has been done separately. The impact of these trends and the different impact of similar institutional pressures at either side of the interface could be analysed holistically and relationally. It is unlikely that these institutional pressures have impacted equally on FE and HE or that the responses of these two sectors were identical. The grid-group heuristic could be operationalised to progress this.

Furthermore in situations of institutional and organisational hybridisation in which mixes of FE and HE are combined in one organisational form, the role of hybrid organisational forms or 'clumsy institutions' in mediating conflicting pressures originating in the institutional environment may be significant. The tensions created as a consequence of the institutional duality of further-higher education could be considered in detail through the application and operationalisation of a modified

transaction cost analysis. The contextual embeddedness of transactions set against their 'degree of fit' with their institutional environment could then be incorporated into the analysis. Hybrid organisational forms could then be investigated in terms of their importance in reducing the transaction costs of operating at the interstices of two systems of regulation and oversight, one originating in FE and the other in HE.

The emergence of informal status and reputational hierarchies following the abolition of the binary divide could be explored further. An analysis of newspapers and popular accounts of the emergence of further-higher education over the last twenty years might prove illuminating for understanding the role of moral panics and the influence of the media on public perception of further-higher education. The extent to which further-higher education is perceived as a legitimate component of a larger university based HE provision could then be investigated through a triangulation of sources.

The lack of a research culture in FE was one issue that recurred throughout the practitioner literature. Investigating initiatives to embed a research culture in further-higher education and the relationship of scholarship to research in further-higher education needs clarifying. This is as much a matter of culture changes as it is of putting structures in place. The distinction between practitioners as interpreters of other researchers' knowledge and practitioners as producers of knowledge could be explored in more depth. Provisional studies of how research has been embedded in FECs is not promising in terms of the long-term viability of existing practices or in terms of priorities given to research in FE.

Finally, ethnographic work that explores the everyday world of practitioners in further-higher settings could usefully add to the existing knowledge base through an investigation of the informal and formal dimensions of boundary work at the further-higher interface. This would be one way of accessing the impact of sector identities and loyalties on contemporary practice at the further-higher interface at a time of regulatory and organisational change.

The thesis has set the theoretical and conceptual model developed here for understanding the further-higher education interface against the context of an under-researched and some would argue under-valued aspect of mainstream HE provision. It is a provisional attempt to highlight gaps in the 'field' of study and the lack of a coherent disciplinary tradition that addresses theoretical and conceptual facets of further-higher education provision. While arguably eclectic, it claims that the maturity of a disciplinary field is reflected in the elegance and simplicity of its theoretical tools. The thesis has attempted to develop a set of analytical tools and clear away some of the conceptual undergrowth in order to begin a more substantial theoretical explanation of the dynamics of further-higher education.

BIBLIOGRAPHY

- Abolafia, M. (2001) *Making Markets. Opportunities and Restraints on Wall Street*. London : Harvard University Press.
- Abramson, M; Ellwood, S and Thompson, L. (1993) *Five Years of Franchising: an Analysis of the Profile, Performance and Progression of LINCS Students 1985-90*. Preston, University of Central Lancashire.
- Abramson, M. (ed) (1994) *FHE Partnerships and Quality: Towards a National Agenda. Proceedings of the One Day National Conference held at the University of Central Lancashire 1st March 1994*. University of Central Lancashire.
- Abramson, M. Bird, J and Stennet, A. (1996) *Further and Higher Education Partnerships. The Future for Collaboration*. SRHE/Open University Press: Buckingham.
- Ainley, P; Smith D; Watson J and Yeomans J. (2000) report to the ESRC on research into Progression and Pathways in 16-25 Education and Training
- Ainley, P. (2003) Towards a Seamless Web or a New Tertiary Tripartism? The Emerging Shape of Post-14 Education and Training in England. *British Journal of Educational Studies*, Vol. 51, No. 4 (Dec., 2003), pp. 390-407.
- Alchian, A A and Demsetz, H. (1972) Production, information costs and economic organisation. *American Economic Review*, Vol 2, No 5, pp 777 – 795.
- Altman, Y and Baruch, Y. (1998) Cultural Theory and Organizations: Analytical Method and Cases. *Organization Studies*, Vol. 19, No. 5, 769-785.
- Audit Commission. (1985) *Obtaining Better Value from Further Education* (London, HMSO).
- Barnett, R. (1990) *The Idea of a higher Education*. Buckingham: The Society for Research into Higher Education & Open University Press.

- Bathmaker, A M, Brooks, G, Parry, G and Smith, D. (2008) 'Dual-sector further and higher education: policies, organisations and students in transition', *Research Papers in Education*, 23 (2), 125-137.
- Beckert, J. (2002) *Beyond the Market: The Social Foundations of Economic Efficiency*. Princeton: Princeton University Press.
- Bird, J and Crawley, G. (1994) *Franchising and Other Further Education/Higher Education Partnerships: The Student Experience and Policy*, in: S. Haselgrove (ed.) *The Student Experience* (Buckingham: The Open University/SRHE).
- Bocock, J and Scott, P. (1995) *Redrawing the Boundaries. Further / Higher Education Partnerships. Final Report*. Centre for Policy Studies in Education. University of Leeds.
- Bourdieu, P. (1977) *Outline of a Theory of Practice*. Cambridge: Cambridge University Press.
- Bourdieu, P and Wacquant, L. (1992). *An invitation to reflexive sociology*. Chicago: University of Chicago Press.
- Borys, B and Jemison, D B. (1989) Hybrid Arrangements as Strategic Alliances: Theoretical Issues in Organizational Combinations, in *The Academy of Management Review* 14:2:234-249.
- Brandenburger, A M and Nalebuff B J. (1996) *Co-opetition*. Doubleday Business.
- Brint, S and Karabel, J. (1989) *The diverted dream: community colleges and the promise of educational opportunity in America, 1900-1985*. New York: Oxford University Press.
- Brotherton, B. (1998) Developing a Culture and Infrastructure to Support Research- Related Activity in FE Institutions: a knowledge-based organisation perspective, *Research in Post-Compulsory Education*, 3, pp. 311-328.
- Brownlow, S. (1995) *Managing quality assurance at the FE/HE interface*. FEDA, Bristol.
- Burns, D. (2007) *Conceptualising and interpreting organizational boundaries between further and higher education in 'dual sector' institutions: where are they and what do they do?* Paper presented at the International Conference on researching transitions in lifelong learning at the University of Stirling, 22-24 June 2007.

- Callon, M. (1986). Some Elements of a Sociology of Translation: Domestication of the Scallops and the Fishermen of Saint Brieuc Bay. In J. Law (Ed.) *Power, Action and Belief: a new Sociology of Knowledge? Sociological Review Monograph*. London, Routledge and Kegan Paul. 32: 196-233.
- Callon, M. (ed) (1998) *The Law of the Markets*. London: Blackwell Publishers.
- Camillus, J C. (2008) 'Wicked Problems'. *Harvard Business Review*. May.
- Carlile, R P. (2002). A Pragmatic View of Knowledge and Boundaries: Boundary Objects in New Product Development. *Organization Science*, Vol.13 .(4):442-455.
- Clark, B C. (1960) The 'Cooling-out Function' in Higher Education," *American Journal of Sociology*, Vol. LXV, pp. 569-576.
- Clark, J. (2002). *Non-prescribed higher education: where does it fit?* London: Learning and Skills Development Agency.
- Clarke, J and Newman, J. (1997) *The Managerial State*. London: Sage.
- Coase, W. (1937) The Nature of the Firm. *Economica*, Vol 4, pp386 – 405.
- Copland, G; Shandev, D and Flint, C. eds (2008). *Unfinished business in widening participation: the end of the beginning*. Learning Skills Network: Holborn.
- Dake, K. (1991) Orienting Dispositions in the Perception of Risk: An Analysis of Contemporary Worldviews and Cultural Biases. *Journal of Cross-Cultural Psychology* 1991; 22; 61.
- Dake, K and Thompson, M. (1999) Making ends meet, in the household and on the planet. *GeoJournal* 47: pp 417–424.
- Davis, L and North, D. (1970) Institutional Change and American Economic Growth: A First Step Towards a Theory of Institutional Innovation. *The Journal of Economic History*, Vol. 30, No. 1, The Tasks of Economic History. pp. 131-149.
- Deem, R. (1998) New managerialism in higher education – The management of performances and cultures in university, *International Studies in the Sociology of Education*, 8, pp. 47-70.

- Deem, R. (2001) Globalisation, New Managerialism, Academic Capitalism and Entrepreneurialism in Universities: Is the Local Dimension Still Important? *Comparative Education*, Vol. 37, No. 1, pp. 7-20.
- Deem, R and Brehony, K. (2005) Management as Ideology: The Case of 'New Managerialism' in Higher Education. *Oxford Review of Education*, Vol. 31, No. 2 (Jun., 2005), pp. 217-235.
- DES. (1991) *Higher education in further education colleges. Franchising and other forms of collaboration with polytechnics. A report by HM Inspectors, no 228/ 91*, London, Department of Employment and Science.
- DfES. (2003). *The future of higher education*, Cm 5735. London: Department for Education and Skills.
- DiMaggio, P and Powell, W W. (1983) The iron cage revisited: institutional isomorphism and collective rationality in organization fields, *American Sociological Review*, 48, April: 147-160.
- Dougherty, K. (2001) *The Contradictory College: The Conflicting Origins, Impacts and Futures of the Community College*.
- Douglas, M. (1966) *Purity and Danger. An Analysis of Concepts of Pollution and Taboo*. Routledge, Keegan and Paul.
- Douglas, M. (1982) *Essays in the Sociology of Perception*. Routledge, Taylor and Francis: London.
- Douglas, M. (1970) *Natural Symbols*. Routledge: London.
- Eisenhardt, K M. (1989) Building Theories From Case Study Research *Academy of Management. The Academy of Management Review*; Oct 1989; 14, 4.
- Eckstein, H. (1992) *Regarding Politics: Essays on Political Theory, Stability, and Change*. Berkeley: University of California Press. pp 115 – 179.
- Elliot, G. (1996) Educational Management and the Crisis of Reform in Further Education. *Journal of Vocational Education and Training*, Vol 48 (1).
- Elliott, G. (1996a) Why is research invisible in further education? *British Educational Research Journal*, 22(1), pp. 101–111.
- Fama, F E and Jensen, M C. (1983) "Separation of Ownership and Control", *Journal of Law and Economics*. 26 (3) :301-26.

- Fama, F E and M C. Jensen (1983a), "Agency Problems and Residual Claims", *Journal of Law and Economics*. 26 (3):327-49.
- FEDA/FEFC. (1999) *Cost of Franchising and Direct Provision*. Further Education Funding Council.
- FEFC. (1998) *Collaborative provision : National Survey Report Further Education Funding Council FEFC (1999a) Franchising, fees and related matters*. Circular 99/09. Further Education Funding Council.
- FEFC. (1999) *Costs of franchising and direct provision : executive summary of the report by KPMG*, commissioned by the Further Education Funding Council Further Education Funding Council.
- Ferlie, E; Ashburner, L and Pettigrew, A. (1996) *The New Public Management in Action*. Oxford: Oxford University Press.
- Ferlie, E, Musselin, C and Andresani, G. (2008) The steering of higher education systems: a public management perspective. *Higher Education*. 56:325–348.
- FHP. (2006-2008) FurtherHigher Project. Universal Access and Dual Regimes of Further and Higher Education. Economic and Social Research Council: www.sheffield.ac.uk/furtherhigher.
- Field, J. (2002) Educational Studies beyond School. *British Journal of Educational Studies*, Vol. 50, No. 1, pp120 – 143.
- Fletcher, M. (ed) (2000) *For better or worse. The influence of franchising on learning. FEDA/FEFC (1999) Cost of Franchising and Direct Provision*. Further Education Funding Council.
- Fligstein, N. (1996) Markets as Politics. A Political-Cultural Approach to Markets. *American Sociological Review*. Vol 6, (4).
- Foster, A. (2005) *Realising the Potential. A review of the future role of further education colleges*. London: DfES.
- Friedland, R and Alford, R R. (1991) Bringing Society Back in: Symbols, Practices, and Institutional Contradictions. pp. 232-266 in *The New Institutionalism in Organizational Analysis*, edited by Walter W. Powell and Paul J. DiMaggio. Chicago: University of Chicago Press.
- Frolich, N. (2005) Implementation of New Public Management in Norwegian Universities. *European Journal of Education*, Vol. 40, No. 2.

- Garrod, N and Macfarlane, B. (2007) Scoping the Duals: Structural challenges of combining further and higher education in post-secondary institutions, *Higher Education Quarterly*, 61, 4: 578-596.
- Garrod, N and Macfarlane, B. (eds.) (2009) *Challenging Boundaries: Managing Integration of Post-secondary Education*. Abingdon: Routledge.
- Gieryn, T F. (1983) "Boundary-work and the demarcation of science from non-science: strains and interests in professional ideologies of scientists," *American Sociological Review* 48: 781-795.
- Gieryn, T. (1995), "Boundaries of science" in Jasanoff, Markle, GE, Petersen J C and Pinch, T (editors), *Handbook of Science and Technology Studies* (Sage Publications, Thousand Oaks CA).
- Gleeson, D and Shain, F. (1999), "By appointment: governance, markets and managerialism in further education", *British Educational Research Journal*, Vol. 25 No. 4, pp. 545-62.
- Glennester, H. (1991) Quasi-Markets for Education? *The Economic Journal*, Vol. 101, No. 408. pp. 1268-1276.
- Gouldner, A. (1954) *Wildcat Strike*. Harper and Row.
- Gourley, W. (1997) *The Delivery of Further Education in a Higher Education Setting: A Case Study*. Unpublished MA thesis University of Sheffield.
- Gourley, W. (2007). *Higher-ness or Further-ness. Classifying Higher Education in Further Education in England (HFE) at the Interface: Boundary Work, Boundary Objects and Boundary Spanning*. Unpublished working paper, May. University of Sheffield. www.shef.ac.uk/FurtherHigher project.
- Gourley, W. (2008) *Wicked problems, hybrid organizations, and 'clumsy institutions' at the further education and higher education interface*. Unpublished working paper, July. University of Sheffield. www.shef.ac.uk/FurtherHigher project.
- Granovetter, M. (1985) Economic Action and Social Structure: The Problem of Embeddedness. *American Journal of Sociology*, 91 vol 3, pp 481 – 510.
- Granovetter, M. and Swedberg, R. (eds) (1992) *The Sociology of Economic Life*. Westview Press.

- Green, A and Lucas, N. (1999) *FE and Lifelong Learning: Realigning the Sector for the Twenty-First Century* University of London: Institute of Education
- Grendstad, G and Per Selle. (1995) Cultural Theory and the New Institutionalism. *Journal of Theoretical Politics*. 7 (1) pp 5 -27.
- Grenfell, M and James, D. (2004) Changes in the field – changing the field: Bourdieu and the methodological practice of educational research *British Journal of Sociology of Education*, 25, 4, pp 507-523.
- Guston, D. (1999) Stabilizing the Boundary between US Politics and Science:: The Role of the Office of Technology Transfer as a Boundary Organization. *Social Studies of Science* Vol 29, 8. pp 87-111.
- Guston, D. (2001), "Boundary organisations in environmental policy and science: an introduction", *Science, Technology and Human Values*, 26(4), pp 399–408.
- Hall, P A and Taylor C R. (1996) Political Science and the Three New Institutionalisms. *Political Studies*, XLIV, pp 936-957.
- Hamel, J. Dufour, S and Fortin, D. (1993). *Case study methods*. Newbury Park, CA: Sage Publications.
- Hampton, J A. (1982) *Giving the Grid/Group dimensions an operational definition* in Douglas, M. (1982) *Essays in the Sociology of Perception*. Routledge, Taylor and Francis: London.
- Hanaggan, R; Lawton, A and Mallory, G. (2007) Responding to change: the management of further education colleges in England. *International Journal of Public Sector Management* Vol. 20 No. 6, 2007, pp. 484-496.
- Haselgrove, S. ed (1994) *The Student Experience*. SRHE / Open University: Buckingham.
- HEFCE. (1995) *Higher Education in Further Education Colleges: Funding the Relationship*. Higher Education Council for England. Bristol.
- HEFCE. (1996) *Higher Education in Further Education Colleges: A Future funding Approach. Reference M 3/96*. Higher Education Funding Council for England. Bristol.

- HEFCE. (1998) *Study of the relative costs of HE provision in FE colleges and HE institutions. Report 98/57*. Higher Education Council for England. Bristol.
- HEFCE. (1998a) *The nature of higher and further education sub-contractual partnerships*, Report 98/ 58, Higher Education Funding Council for England : Bristol,
- HEFCE. (1998b) *Funding higher education in further education colleges*, Report 98/ 59, Higher Education Funding Council for England: Bristol.
- HEFCE. (1999a) *Higher education in further education colleges: Guidance for colleges on funding options. Report 99/36*. Higher Education Council for England: Bristol.
- HEFCE. (1999b) *Higher education in further education colleges: Code of practice on indirectly funded partnerships. Report 99/37*. Higher Education Council for England. Bristol.
- HEFCE. (1999c) *Higher education in further education colleges: Code of practice on indirectly funded partnerships. Report 99/63*. Higher Education Council for England. Bristol.
- HEFCE. (2000) *Higher education in further education colleges. Draft code of practice for consortia*, Report 00/02, Higher Education Funding Council for England: Bristol.
- HEFCE. (2000a) *Costs of higher education provision in further education colleges*, Report 00/16, Higher Education Funding Council for England: Bristol.
- HEFCE. (2003). *Review of indirect funding agreements and arrangements between higher education institutions and further education colleges*. Higher Education Funding Council for England: Bristol.
- HEFCE. (2006) *Higher education in further education colleges. Consultation on HEFCE policy*. Higher Education Funding Council for England: Bristol.
- HEFCE. (2009) *Supporting higher education in further education colleges: Policy, practice and prospects*. Higher Education Council for England: Bristol.
- HEQC. (1993) *Some aspects of higher education programmes in further education colleges*. Higher Education Quality Council, London.

- HEQC. (1995) *Learning from Collaborative Audit. An Interim Report*. Higher Education Quality Council: London.
- HEQC. (1995a) *Aspects of HE/FE collaborative links in Scotland*. Higher Education Quality Council: London.
- Hendry, J. (1999) Cultural Theory and Contemporary Management Organization. *Human Relations*. Vol. 52, No. 5.
- Heracleous, L. (2004) Boundaries in the Study of Organizations, *Human Relations* Vol. 57 No. 1, pp. 95-103.
- Hernes, T. (2004) Studying Composite Boundaries: A Framework for Analysis, *Human Relations*. Vol. 57, No. 1, pp. 9-29.
- Holloway, D G. (1998) Accounting for the Audit Commission: An Assessment of the Contribution of the Audit Commission to Educational Change. *Educational Management Administration & Leadership* (1998). Vol 26 (1), pp 49 - 56.
- Hood, C. (1991), "A public management for all seasons?". *Public Administration*, Vol. 69 No. 1, pp. 3-19.
- Hood, C. (1998) *The art of the state. Culture, rhetoric and public management*. Clarendon Press. Oxford. NY. United States.
- Huisman, J. (2007) Institutional diversity in higher education: a cross-national and longitudinal analysis, in *Higher Education Quarterly*, 61, 4, 563-577.
- Jarrett Report. (1985). *Report of the steering committee for efficiency studies in universities*. London: Committee for Vice Chancellors and Principals.
- Jensen, M and Meckling, W. (1976), Theory of the Firm: Managerial Behavior, Agency Costs, and Ownership Structure, *Journal of Financial Economics*, 3(4), pp. 305-360.
- Jones, R. (2006) *A Higher Education Ethos – A Review of Information and Literature relating to the creation of an Ethos of Higher Education in the Context of Further Education*. Higher Education Academy.
- Latour, B. 1987. *Science in action: How to follow scientists and engineers through society*. Cambridge, MA: Harvard University Press.
- Lave, J. and Wenger, E. (1991) *Situated learning*. Cambridge, Cambridge University Press.

- Law, J. (ed.). (1991). *A Sociology of Monsters: Essays on Power, Technology and Domination. Sociological Review Monograph. London, Routledge*
- Le Grand, J and Bartlett, W. (eds) (1993) *Quasi-Markets. Quasi-Markets and Social Policy. Macmillan Press, Basingstoke.*
- Lie, J. (1996) *Sociology of Markets. Annual Review of Sociology. 23.*
- Maesschalk, J. (2004) *Public Administration Journal. Vol 82, No2 pp 465 – 489 Blackwell:Oxford.*
- Maesschalk, J. (2004a) *Approaches to Ethics Management in the Public Sector A Proposed Extension of the Compliance-Integrity Continuum Public Integrity, Winter 2004–5, vol. 7, no. 1, pp. 21–41.*
- Maesschalck, J. (2004b) *A method for applying cultural theory in the study of organizations. Innovation: The European Journal of Social Science Research, vol 17, issues 4. pp 377 -386.*
- Maaesschalk, J. (2004c) *Towards a public administration theory on public sector ethics. A comparative study. Doctoraatsthesis facultiet Sociale Wetenschappen, K. U. Leuven:Leuven.*
- Marginson, S. (1997). *Markets in Education. Sydney: Allen and Unwin.*
- Marginson, S. (2006) *Dynamics of national and global competition in higher education. Higher Education (2006) 52: 1–39.*
- Mars, G. (1982) *Cheats at Work. London: Allen and Unwin.*
- Massen, P and Stensaker, B. (2005) *The Black Box Revisited; the Relevance of Theory-Driven Research in the Field of Higher Education Studies. Governing Knowledge. A Study of Continuity and Change in Higher Education A Festschrift in Honour of Maurice Kogan. in Bleiklie I and Henkel M (eds.), Governing Knowledge, pp 213-226. Springer*
- Mather, K; Worrall, I and Seifert, R. (2007) *Reforming further education: the changing labour process for college lecturers. Personnel Review Vol. 36 No. 1. pp. 109-127*
- Maton, K. (2005) *A question of autonomy: Bourdieu's field approach and higher education policy. Journal of Education Policy Vol. 20, No. 6, pp. 687–704.*

- McTavish, D. (2003) Aspects of Public Sector Management: A Case Study of Further Education, Ten Years from the Passage of the Further and Higher Education Act. *Educational Management Administration Leadership*. Vol 31(2) pp 175–187.
- Menard, C. (2004) The Economics of Hybrid Organizations. *Journal of Institutional and Theoretical Economics*. 160 (2004), 345–376
- Merriam, S. B. (1988). *Case Study Research in Education: A Qualitative Approach*. San Francisco, CA: Jossey-Bass Publishers.
- Meyer, J R and Rowan, B. (1977) Institutionalized Organizations: Formal Structure as Myth and Ceremony. *The American Journal of Sociology*, Vol. 83, No. 2, (Sep., 1977), pp. 340-363.
- Morris, D. (1993) The Business of Franchising. *Journal of Higher and Further Education*. Vol 17, No 1, pp 57 – 67.
- Musgrave, R A. (1959). *The Theory of Public Finance*.
- Naidoo, R. (2004) Fields and institutional strategy: Bourdieu on the relationship between higher education, inequality and society, *British Journal of Sociology of Education*, 25(4), 457–471.
- NCIHE. (1997) *The National Committee of Inquiry into Higher Education Higher Education in the learning society*. HMSO.
- North, D. (1984) “Transaction Costs, Institutions, and Economic History”, *Journal of Institutional and Theoretical Economics*, no. 140.
- North, D C. (1990) *Institutions, Institutional Change and Economic Performance*. Cambridge University Press.
- Olsen, M and Peters, M A. (2005) Neoliberalism, higher education and the knowledge economy: from the free market to knowledge capitalism. *Journal of Education Policy* Vol. 20, No. 3, pp. 313–345.
- Osborne, D and Gaebler, T. (1992) *Reinventing Government*. New York: Penguin.
- Palmer, A. (1992) Franchised Degree Teaching - What Can Educators Learn From Business? *Journal of Further and Higher Education*. Vol 16, No 3, pp77 - 86.

- Parry, G. (1999) Education research and policy making in higher education: the case of Dearing. *Journal of Educational Policy*, 1999, Vol. 14, No. 3, pp 225- 241.
- Parry, G. and Thompson, A. (2002) *Closer by Degrees - the past, present and future of higher education in further education colleges*. LSDA, London.
- Parry G; Davies, P and Williams, J. (2003a) *Dimensions of Difference higher education in the learning and skills sector*. LSDA, London.
- Parry, G. (2003) Mass Higher Education and the English: Wherein the Colleges? *Higher Education Quarterly*, Volume 57, No. 4, pp 308–337.
- Parry, G. (2005) *The Higher Education Role of Further Education Colleges, In Foster, A. Realising the Potential. A review of the future role of further education colleges*. (The Foster Review).
- Parry, G Thompson, A and Blackie, P (2006) *Managing Higher Education Colleges*. Continuum Books: London.
- Parry, G. (2008) *Higher and Further Education: The Significance of Sectors for Expansion, Differentiation and Participation in Undergraduate Education in England* (Draft report for the Economic and Social Research Council).
- Parry, G; Bathmaker, A.M; Brooks, G and Smith, D. (2008) Combining Policy, Organisation and Progression in Further and Higher Education, *Teaching and Learning Research Briefing* number 40, www.tlrp.org.
- Podolny, J. (1993) A Status-Based Model of Market Competition. *The American Journal of Sociology*, Vol. 98, No. 4.
- Pollitt, C. (1993) *Managerialism and the Public Services*. (2nd ed). Oxford Basil Blackwell.
- Pollitt, C. (2000), "Is the emperor in his underwear? An analysis of the impacts of public management reform", *Public Management*, Vol. 2 No. 2, pp. 181-99.
- Pollitt, C and Bouckaert, G. (2000) *Public Management Reform. A Comparative Analysis*, Oxford/ New York: Oxford University Press.
- Powell, W W and DiMaggio P J. (eds). 1991. *The New Institutionalism in Organizational Analysis*. Chicago: University of Chicago Press.

- Power, M. (1997). *The Audit Society. Rituals of Verification*. Oxford: Oxford University Press.
- Pratt, J. (1997) *The Polytechnic Experiment, 1965-1992*. Buckingham: SRHE/Open University Press.
- QAA. (2004) *Learning from higher education in further education colleges in England*, Gloucester. Quality Assurance Agency for Higher Education.
- QAA. (2006) *Learning from higher education in further education colleges in England 2003-05*. Gloucester: Quality Assurance Agency for Higher Education.
- Randle, K and Brady, N. (1997), "Further education and the new managerialism", *Journal of Further and Higher Education*. Vol. 21 No. 2, pp. 229-39.
- Randle, K. and Brady, N. (1997a), "Managerialism and professionalism in the Cinderella service", *Journal of Vocational Education and Training*, Vol. 49 No. 1, pp. 121-39.
- Ranson, S. (1994) *Towards the Learning Society*. Cassell: London.
- Rawlinson, S; Frost, D and Walsh, D. (1997) *The FE/HE interface : a UK perspective, IES Report No 316*, Brighton, Institute for Employment Studies.
- Rittel, H W J and Webber M M. (1973) *Dilemmas in a General Theory of Planning. Policy Sciences* 4, 155-169.
- Santos, F M. and Eisenhardt K M. (2004) Organizational Boundaries and Theories of Organization. *Organization Science* Vol. 16, No. 5, September–October 2005, pp. 491–508.
- Scaiffe, T. (2004) The Culture of the Now: barriers to research in FE. Paper given to the fourth annual conference of the Yorkshire and Humberside Learning and Skills Research Network. Friday July 2nd. 2004.
- Schofield, G. (2007) HE in FE Repository Project Report Ref: No. RS6107. The Research Centre, City College Norwich.
- Scott, P. (2009) On the Margins or Moving into the Mainstream? Higher Education in Further Education in England. *Higher Education Quarterly*, Volume 63, No. 4, October 2009, pp 402-418.

- Scott, R W. (1995) *Institutions and Organizations*. Thousand Oaks. CA: Sage Publication.
- Selznick, P. (1957). *Leadership in Administration*. New York: Harper & Row.
- Seo, M and Douglas W E. (2002) Institutional Contradictions, Praxis, and Institutional Change: A Dialectical Perspective. *The Academy of Management Review*, Vol. 27, No. 2 (Apr., 2002), pp. 222-24.
- Shavit, Y Arum, R and Gamoran, A. (eds). (2007) *Stratification in higher education: a comparative study*. Stanford University Press.
- Slaughter, S and Leslie L L. (1997) *Academic Capitalism: Politics, Policies and the Entrepreneurial University*. Johns Hopkins University Press.
- Smelser, N J and Swedberg, R. 2nd ed (2005) *The Handbook of Economic Sociology*. Princeton University Press.
- Smithers, A. Robinson, P. eds (1999) *Further Education Re-formed*. Routledge.
- Smith, D and Bocock, J. (1999). "Participation and progression in mass higher education: policy and the FHE interface". *Journal of Education Policy*, 14 (3), 283-299.
- Smith, D. (2008) Organisational Studies in the FurtherHigher Project Working Paper Four. A study funded by the ESRC through its Teaching and Learning Research Programme (RES-139-25-0245).
- Spickard J V. (1989) A Guide to Mary Douglas's Three Versions of Grid/Group Theory. *Sociological Analysis*, Vol. 50, No. 2, pp. 151-170.
- Stake, R. (1978) The Case Study Method in Social Inquiry. *Educational Researcher*, Vol. 7, No. 2 (Feb., 1978), pp. 5-8.
- Stake, R. (1995). *The art of case study research*. Thousand Oaks, CA: Sage Publications.
- Star, S L and Griesemer, J.R. (1989). Institutional ecology, 'translations' and boundary objects: amateurs and professionals in Berkeley's Museum of Vertebrate Zoology, 1907-39. *Social Studies of Science* 19(3), pp 387-420.
- Stronach, I; Corbin, B; MacNamara, S; Stark, S and Warne, D. (2002) 'Towards an uncertain politics of professionalism: teacher and nurse identities in flux'. *Journal of Education Policy*, 17:1, pp 109 — 138.

- Swedberg, R. (1998) *Max Weber and the Idea of Economic Sociology*. Princeton: Princeton University Press.
- Smelser, N and Swedberg, R (2005) *The Handbook of Economic Sociology*. Princeton: Princeton University Press.
- Tapper, T. & Salter, B. (2002) *The politics of governance in higher education: the case of the Research Assessment Exercises*, Occasional Paper 6 (Oxford, OxCHEPS).
- Tapper, T. & Salter, B. (2004) Understanding governance and policy change in British higher education, Occasional Paper 11 (Oxford, OxCHEPS).
- Tapper, T. and Palfreyman, D. (2005) *Understanding Mass Higher Education. Comparative perspectives on access*. Abingdon: Routledge Falmer.
- Teichler, U. (1998) "Massification: A Challenge for Institutions of Higher Education", *Tertiary Education and Management*, vol. 4, no. 1, pp. 17 - 27.
- Teichler, U. (2008) Diversification? Trends and explanations of the shape and size of higher education. *Higher Education* (2008) 56:pp 349–379.
- Thompson, J D. (1967). *Organizations in action*. NY: McGraw-Hill.
- Thompson, M; Ellis, R J and Wildavsky, A. (1990) *Cultural Theory*. Boulder, Colorado: Westview.
- Thompson, M. (2000) Understanding Environmental Values: A Cultural Theory Approach. Environmental Values Seminar. Carnegie Council.
- Trow, M. (1970) Reflections on the transition from mass to universal higher education, *Daedalus*, 90, 1, pp 1-42.
- Trow, M. (1973) *Problems in the Transition from Mass to Elite Higher Education*. Berkeley: California.
- Trow, M. (1974) *Problems in the transition from elite to mass higher education*, in Organisation for Economic Co-operation and development Policies for Higher Education (Paris: OECD).
- Trowler, P. (1998) What managerialists Forget: higher education credit frameworks and managerialist ideology. *International Studies in Sociology of Education*. 8:1. pp 91 – 110.

- Trowler, P. (2001), "Captured by the discourse? The socially constitutive power of new higher education discourse in the UK", *Organization*, Vol. 8 No.2, pp.183-201.
- Underwood, S and Connell, P. (2000) *Through the looking glass. FE colleges, HE inspection systems*, London, Further Education Development Agency.
- Van Vught, F. (1996) *Isomorphism in higher education? Towards a theory of differentiation and Diversity in higher education systems*, in V. Lynn Meek, L. Goedegebuure, O. Kivinen and R. Rinne (eds) *The Mockers and the Mocked: Comparative Perspectives on Differentiations, Convergence and Diversity in Higher Education*. (Oxford: IAU Press).
- Verweij, M and Thompson, M (eds), (2006) *Clumsy solutions for a complex world: Governance, politics and plural perceptions*. Palgrave Macmillan, Basingstoke.
- Walsh, K. (1995), *Public Services and Market Mechanism: Competition, Contracting and the New Public Management*, Macmillan, London.
- Weick K E. (1976) Educational Organizations as Loosely Coupled Systems. *Administrative Science Quarterly*, Vol. 21, No. 1 (Mar., 1976), pp. 1-19.
- Wildansky, A. (1987) Choosing Preferences by Constructing Institutions: A Cultural Theory of Preference Formation. *The American Political Science Review*, Vol. 81, No. 1, pp. 4-21.
- Williamson, O E. (1975). *Markets and Hierarchies: Analysis and Antitrust Implications*, New York: Free Press.
- Williamson, O E. (1981) The Economics of Organization: The Transaction Cost Approach. *American Journal of Sociology*. Vol8, No3.
- Williamson, O E. (1985). *The Economic Institution of Capitalism*, New York: Free Press.
- Woodrow, M. (1993) Franchising: the Quiet Revolution. *Higher Education Quarterly*, 47 (3), pp. 207–220.
- Yin, R. (1984). *Case study research: Design and methods* (1st ed). Beverly Hills, CA: Sage Publishing.
- Yin, R. (1989). *Case study research: Design and methods* (rev. ed). Beverly Hills, CA: Sage Publishing.

- Yin, R. (1993). *Applications of case study research*. Beverly Hills, CA: Sage Publishing.
- Yin, R. (1994). *Case study research: Design and methods* (2nd ed.). Beverly Hills, CA: Sage Publishing.
- Yin, R.K. (1989) *Case Study Research: design and methods* . Newbury Park, CL, Sage Publications.
- Yorke, M. (1993) Quality Assurance for Higher Education Franchising. *Higher Education*, 26 (2).
- Young, P. (2002), 'Scholarship is the word that dare not speak its name' Lecturers' experiences of teaching on a higher education programme in a further education college, *Journal of Further and Higher Education*, 26 (3) pp 273-286.
- Young, M. (2006) Editorial - Further and higher education: a seamless or differentiated future?, *Journal of Further and Higher Education*, 30 (1), pp. 1-10.