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## Change Management in TVET Colleges

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# chapter 1

## THREE DECADES OF RESTRUCTURING IN FURTHER EDUCATION COLLEGES

### DIVERGENT OUTCOMES ACROSS DIFFERING GLOBAL VOCATIONAL EDUCATION AND TRAINING SYSTEMS

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## **Introduction**

This chapter provides an overview of institutional change within the further education (FE) college sector globally. This is a massive task, and the analysis highlights only those global shifts that have resonance with the South African context. What is clear, firstly, is that almost all college systems across the globe have faced similar institutional pressures and dramatic restructuring. Secondly, the outcomes of these pressures and changes – mergers, the intensification of work through the introduction of performance indicators and targets, and pressures for institutions to self-fund a significant portion of their cost structure – have been highly divergent. The discussion in this chapter presents an ideal-type of two dominant institutional outcomes:

- The first is the Anglo-Saxon response, ironically from the region which pioneered most of the reforms associated with ‘neo-liberal’ institutional change, but which has fared worst under the changes. This has happened because of the weakening of the ‘fit’ or alignment between the college sector on the supply side and the skill requirements of employers on the demand side. The continuous and erratic nature of this restructuring over three decades has created an environment of relentless institutional instability. New public management (NPM) reforms, obsessed with ‘performativity’ and the meeting of annual ‘targets’, has led to a culture of minimal compliance, informal defiance, and outright resistance.
- The second response is the ‘continental European’ and ‘developmental state’ response, which comprises the continuation and strengthening of the institutional alignment between the demand and supply sides of the national economies involved. Countries such as the Netherlands, Finland, and Singapore have (in very different ways) seen a significant strengthening of their FE college sectors, and a ramping up of the skills of the national workforce during this period – the same period in which certain Anglo-Saxon countries faced major institutional instability, uncertainty, and weakening.

This ideal-type risks over-generalising the conditions in all of the countries located in these two camps, but does highlight the institutional trajectory traversed by countries such as the United Kingdom (UK) and South Africa over the past three decades – a period of immense institutional change, pressure, and decline (not improvement) – versus the success of reforms in the Netherlands and Singapore (the former typical of the ‘continental European’, the latter typical of the Asian ‘development state’ routes). In these countries, changes in the college sector have underpinned improvements in global economic competitiveness, and this alignment on the demand side is the crucial ‘ideal-type’ difference between the Anglo-Saxon and other technical and vocational education and training (TVET) models.

The discussion of FE colleges cannot start without a look at the wider education and training (ET) system within which the colleges ‘fit’. Indeed, the alignment of the differing sub-components of the wider ET system is a critically important differentiating factor in the international literature and allows us to distinguish between differing national TVET systems globally. Key ‘alignment’ interactions include links with employers, sector

skills councils (SSCs), and higher education. Building on the work of the ‘variety of capitalism’ and ‘high-skills’ literatures (see Hall & Soskice, 2001; Hall & Thelen, 2007; Green, Mostafa & Preston, 2010; see also Ashton & Green, 1996; and Brown, Green & Lauder, 2001), it is argued here that there are at least four differing ideal-type TVET institutional arrangements globally, and that these four types of systems have survived the restructuring of the 1980s and 1990s very differently. These systems and their core characteristics are represented in Table 2 on the next page.

This chapter will focus on the key differences between two of these TVET models, the ‘social solidarity’ TVET model of the Netherlands and the ‘statist’ model of the UK’s TVET system, and the manner in which the college sector in particular has coped with three decades of neo-liberal restructuring. The analysis will conclude by identifying what is similar and different in the way in which the South African college sector has been reformed since the advent of democracy in 1994.

## Historical evolution of neo-liberal restructuring

A second important observation is required before we discuss reforms in the FE college sector. We first need to understand the dramatic changes imposed on the public sector (including the public TVET system) in most countries in the 1980s and 1990s, commonly understood as the era of neo-liberalism. The neo-liberal reformist thrust arose most forcefully in the United States of America (USA) and the UK under the leadership of Margaret Thatcher and Ronald Reagan in the late 1970s and early 1980s, and was a response to the acute economic crisis of the time. The oil price shocks of 1973 and 1979 saw profits shrink whilst wages grew. There was a massive investment slump. Taken together, all of these conditions resulted in the dual crises of high levels of inflation and unemployment. The inability of social democratic governments to deal effectively with the growing crisis was blamed on the ‘rigidities’ thrown up by the post-war Keynesian welfare state. By the 1990s, neo-liberalism was established as the dominant discourse of policy reform globally. Its basic tenets were:

- The most successful economies in the world economic system are those based on free market principles.
- Free market forces function optimally when unconstrained by institutional or legislative interference. The laws of demand and supply are considered the supreme regulatory mechanisms in the economy.
- Typically, the neo-liberal position requires a reduction in the powers of the state in the market place and the exclusion of other interest groups (such as trade unions) who would otherwise interfere with the natural functioning of the free market.
- In short, the remedy proposed by neo-liberal economists has, in most cases, been a bitter pill to swallow: it has entailed the deregulation of the labour market (abolition of minimum wages and job protection), the dismemberment of labour market institutions (the decline of central bargaining and wage determination structures), and the liberalisation of international trade (via the withdrawal of tariff protection and the subsidisation of local industries) (Harvey, 2005; Castells, 1996).

**TABLE 2 Divergent national systems of post-school provision**

Type of system	Countries	Types of college	Key characteristics
The 'social solidarity' model	Netherlands	Regional occupational colleges (ROCs)	<ul style="list-style-type: none"> <li>Regional colleges started in 1996 from the merger of several fragmented vocational institutes and colleges</li> <li>Colleges closely aligned to industry needs through industrial bargaining system</li> <li>Demand-led colleges</li> <li>High progression from colleges to applied universities</li> <li>Very effective sector skills council system put in place in 1996</li> <li>Adopted national qualification framework (NQF) and outcomes-based education (OBE) models which act to hold the entire TVET system together</li> </ul>
	Finland and Republic of Ireland	Strengthened school vocational route	<ul style="list-style-type: none"> <li>Improved pathways from vocational school stream into newly created or merged Institutes of Technology (polytechnics)</li> </ul>
The 'development state' model	Singapore	Institute of Technology with three campuses (not a polytechnic, more a mega-college institution)	<ul style="list-style-type: none"> <li>The state very successful in restructuring TVET to meet industrial policy needs across a number of long-wave 'ramping-up' policy phases</li> </ul>
The 'market' model	USA	Community colleges linked to Local Workforce Investment Boards (LWIBs)	<ul style="list-style-type: none"> <li>Strong link at local and regional level with LWIBs</li> <li>Successful interventions to upgrade employed workforce using community colleges</li> </ul>
	Brazil	Effective 'S-system' institutions managed by employers since 1949	<ul style="list-style-type: none"> <li>Employer driven</li> <li>Comprise sector-based post-school vocational institutes</li> <li>State has no strong public college system</li> </ul>
The 'statist' model – highly prescriptive	United Kingdom	Further education colleges	<ul style="list-style-type: none"> <li>Supply-side driven</li> <li>No employer buy-in and participation</li> <li>State is highly prescriptive on how the system should work</li> <li>Status of vocational qualifications in the labour market extremely poor</li> </ul>

Since the 1980s, and particularly after the collapse of the socialist-command economies of the former Soviet Bloc territories in the early 1990s, this economic wisdom has attained a powerful hegemony throughout the capitalist world. Neo-liberal economics is now the accepted orthodoxy of governments across the globe.

## Implications for post-school education

A key part of the neo-liberal package of reforms which swept the capitalist world from the 1980s onwards were those reforms destined for the public sector. The new techniques of public administration, termed 'New Public Management' (NPM), were introduced on a wide scale in the late 1980s and throughout the 1990s as a counter to the limitations of the traditional Weberian bureaucracies that had been previously dominant. NPM argued for more market-oriented approaches to public administration. O'Flynn (2007) argues that much of the NPM restructuring was heavily influenced by 'public choice theory', which held that 'governments were unresponsive, inefficient and monopolistic' (2007: 355). In this view, politicians and civil servants acted in pursuit of self-interest and not efficiency, and as a consequence, bureaucracies led to massive resource wastage. What was required, argued the NPM doctrine, were competitive markets for public services (O'Flynn, 2007: 355). O'Flynn highlights four of NPM's foundational principles:

1. The introduction of explicit standards and measures of performance;
2. Greater emphasis on output controls;
3. Greater competition in the public sector; and
4. The introduction of private sector styles of management practice (O'Flynn, 2007: 354).

The biggest and most destructive change introduced into the public sector – impacting also the public TVET system – was the obsession with establishing performance indicators and targets for each line of public sector work. Payne and Keep (2011) believe the impact of NPM on TVET policy has been huge, contributing to today's 'top-down' and highly centralised approach to TVET governance:

*Essentially, the government set targets in terms of the proportion of the workforce expected to hold qualifications at various levels and then directed funding accordingly. These targets, which were arrived at without meaningful consultation, reflected the Government's view of what constituted legitimate 'training' or 'learning' and what, in its mind, the state, employers and learners ought together to be aspiring towards. Supporting this was a complex infrastructure of multi-level planning mechanisms, designed to match skills supply and demand (from both learners and employers), together with top-down interventionist forms of performance management and control to ensure the responsiveness of colleges and other providers. (Payne & Keep, 2011: 4)*

Keep and James (2012) argue that the problem with this approach to TVET policy is its misdiagnosis of the underlying economic problems facing the UK – which they argue are fundamentally about the low demand from employers for higher level skills. It is this

demand-side issue that needs to be addressed – through interventions that reshape employers’ needs for higher-level skills, work re-organisation, and the better utilisation of newly acquired skills in the workforce. Coercive performance regimes do not help.

This obsession with supply-side interventions – over more than three decades – is held alongside the naive belief that low-skill jobs will disappear if workers are better educated. On the contrary, low-skill jobs have persisted into the current era even whilst the workforce becomes more educated. Keep and James argue that there is a set of mutually reinforcing factors that reduces the incentives acting on individuals and employers to participate and invest in education and training. Acting in concert, all of these negative factors inhibit the impetus for employers to want to increase the levels of education and training or change the nature of precarious and low-skill ‘bad jobs’ (Keep & James, 2012: 211).

## **Vocational education and training reform in the United Kingdom**

Even though the Conservative Party in the 1980s under Thatcher sought to deregulate and diminish the size and impact of the state in the market economy, it is ironic that the new policy levers and the many new parastatal bodies set up to regulate TVET meant an increase in state micro-management and bureaucracy and a steep increase in the transactional costs entailed in undertaking enterprise training (Steer *et al*, 2007: 1). This micro-management has been continuous across the differing political administrations since the early 1980s. Successive governments adopted the same misguided diagnosis of the UK’s socioeconomic woes – that a concentration on the supply side of education would solve most of society’s ills (Keep & James, 2012: 222; Payne & Keep, 2011: 1).

The decisive reform during the Thatcherite era was the 1992 Higher and Further Education Act. Under this Act, which led to the replacement of state provision with competitive semi-independent college providers, a process generally referred to as the ‘incorporation of colleges’ took place (Boocock, 2013: 309). Colleges were shifted away from local authority control to autonomous college ‘business units’, controlled financially by a series of state entities such as the Further Education Funding Council, the Learning and Skills Council (LSC), and, more recently, the Skills Funding Agency (SFA).

## **New Labour, 1997–2010**

New Labour’s restructuring efforts have undoubtedly made the strongest impact on TVET in the UK. According to Payne and Keep, New Labour’s skills strategy rested upon three fundamental assumptions. Firstly, New Labour held an unshakeable belief in supply-side interventions and neglect of the demand side. This educational policy imperative was strengthened by the absence of any real industrial policy to move employers up the value chain towards higher value added and higher levels of productivity. The economic status quo was left untouched, with primacy given to increasing educational outputs. Secondly, the New Labour government believed that a focus on improving the education levels of lowly skilled adults and unemployed youth would allow these groups to move off welfare, enter employment, and progress in the labour market, thereby contributing to the government’s agenda around social inclusion.

And lastly, New Labour believed that a significant investment by the state in TVET would provide a public subsidy that could ‘leverage’ employer ‘buy-in’ and investment in skills (Payne & Keep, 2011: 4–5).

## **The Coalition Government and its TVET policies, 2010–2015**

The Coalition Government, led by the Conservative Party from 2010 to 2015, introduced large budget cuts which affected the higher and further education sectors severely. For example, the budget for further education was reduced by 25% from £4.3 billion to £3.2 billion during 2014–15 (Payne & Keep, 2011: 8). These cuts affected all of the former Labour Government’s programmes discussed earlier – many of them were terminated. For example, the Coalition Government scrapped all public funding for those over the age of 24 studying toward Level 3 national vocational qualifications (NVQs) and ended the entitlement for people over the age of 25 to take a first Level 2 qualification free of charge.

The Coalition Government was also opposed to what it considered Labour’s ‘culture of bureaucratic central planning and regulatory control’, its obsession with targeting and performance measurement, and with learners and colleges chasing the money rather than attending to the real demand-side needs of employers (Payne & Keep, 2011: 10).

Apart from these budget cuts, commentators argue that there are many continuities in TVET policy. The wider education and training framework is ‘still broadly congruent with the global trajectory of Neo-Liberalism’ (Fisher & Simmons, 2012: 32; see also Steedman, 2011: 2, 4). Payne and Keep (2011) argue that the Coalition Government is still committed to the view that sees skills supply as the central policy lever for delivering both economic performance and social mobility (Payne & Keep, 2011: 9).

## **The schooling system**

The UK has a devolved system of governance for education and training, with differences between the systems for Scotland, Northern Ireland, Wales, and England. Scotland, in particular, has an education system with a long history of independence from other parts of the UK, and this has intensified with the drive towards devolution. This chapter will focus primarily on national training policy, and therefore will use the descriptor ‘UK’ to signify this, knowing well that there are significant policy differences with regard to Scotland – much of which is not within the ambit of this discussion.

Schooling is compulsory from age 5 to 16. The national curriculum comprises different compulsory subjects, with subjects like English, Mathematics, Science and ICT serving as the core curricula. At age 16 most pupils take public examinations for the General Certificate of Secondary Education (GCSE), which is pegged at NQF Level 2 in the UK’s system (Cuddy & Leney, 2005: 23).

After completion of compulsory education, school students may choose between a general (academic) or vocational track, or follow a mixture of the two routes. Normally, the upper secondary phase lasts two years, from age 16 to 18. The final qualification received is the General Senior Certificate of Education (GSCE) A-levels (Level 3 on the NVQ) – equivalent to South Africa’s matriculation certificate with exemption to enter higher education.

A-levels are elective single-subject qualifications. Students are encouraged to study up to five subjects in the first year of post-secondary education and upon completion are awarded the GSCE advanced subsidiary (AS) qualification. Those who continue in the second year study more demanding units in three of these five subjects to obtain the full GSCE (A levels) which is pegged at Level 3 (Cuddy & Leney, 2005: 23). These school phases are illustrated in Figure 2.

**FIGURE 2** Simplified overview of the NQF in the United Kingdom

Level of qualification	General qualification	Vocationally related qualification	Occupational qualification	Soth African NQF levels
5	Higher-level qualifications		Level 5 NVQ	2nd year post-school
4	A-level	Vocational A-level	Level 4 NVQ	1st year post-school
3 Advanced level	GCSE grades A*-C	Vocational GCSEs	Level 3 NVQ	Grade 12
2	GCSE grades D-G	Foundation GNVQ*	Level 2 NVQ	Grade 11
1 Entry level	Certificate of (education) achievement		Level 1 NVQ	Grade 10

Source: Cuddy & Leney (2005: 25).

In addition to the academic route highlighted in Figure 2, there is a vocational progression route. For example, vocational GCSEs are available in eight subjects: Applied Science, Applied Information Technology (IT), Applied Business, Applied Art and Design, Engineering, Manufacturing, Health and Social Care, and Leisure and Tourism (Cuddy & Leney, 2005: 27).

Compared to other industrialised countries, learners' attainment at the GCSE level by the age of 16 is good, but staying-on rates after the age of 16 (Level 2 and 3 qualifications) are poor. Consequently, the proportion of the population having skills, particularly at Level 3, is lower in the UK than in other industrialised countries. For the UK as a whole, a major policy concern is that approximately 10% of school leavers at age 16 do not enter employment, further education, or training. Without further government intervention they are at risk of remaining permanently unemployed and socially excluded (Cuddy & Leney, 2005: 13).

Table 3 highlights the low retention rates of learners in the schooling system after compulsory education ends at age 16. In 2003, only 72% of students continued with schooling, 11% left school and enrolled for vocational training, 8% found employment, and 5% were unemployed. However, there are significant regional variations in the UK, with unemployment in Scotland reaching 16% in 2003 (Cuddy & Leney, 2005: 14).

**TABLE 3** Destination of school leavers in the United Kingdom, 1991–2003

	England	Wales	Northern Ireland	Scotland
Number of school leavers (thousands)	608.0	37.7	26.3	57.3
of which (%)				
Education	72	74	70	52
Government support training*	7	8	19	5
Employment	11	7	5	23
Unemployment/not available for work	8	6	2	16
Unknown or left area	4	5	4	4

Source: Cuddy & Leney (2005: 28).

## Proliferation of NVQs

NVQs were introduced into the UK TVET system in the early 1990s, intended only for the post-16 school phase. However, a range of NVQs were offered at Levels 1 and 2. At Level 3 (the culmination of the 12-year schooling phase), the range of subject choice and specialisation offered is wide, and a number of UK students, usually in the 16 to 18 age group, choose a vocational route in the final phase of schooling. Students studying for A levels and for the 'sixth form' pathway into higher education constitute by far the largest single group moving out of upper secondary school. A second pathway through upper secondary education is enrolment in full-time, non-A-level courses, most of which are 'Level 3' Business and Technology Education Council (BTEC) awards. These BTEC awards differ markedly from A levels in that they all have a more or less specific vocational orientation. They are, nonetheless, well recognised by higher education and widely accepted for entry into degree courses, especially in similar vocational areas. This is not the case with the third pathway through secondary schooling – as illustrated in Table 4. While 40% of students follow the first pathway on route to higher education, and 18% follow the second pathway, taking advanced craft or BTEC Level 3 courses with clear progression value as discussed above, the third group, comprising those who graduate with only Level 1 or 2 programmes, is large at 30% (Wolf, 2011: 51). This is a major skills deficit at the heart of the entire UK education model.

## Further education colleges

The UK history of FE colleges and their insertion within the wider TVET system is distinctive in the international literature – this is so because of the strong sense of inferiority and failure associated with the college sector historically. Much of this vocational pessimism has roots in a deeply entrenched set of class, ideological, and

**TABLE 4** Study programmes of 16–18-year-olds in educational institutions

Pathway to higher education	Qualification	Percentage of the 16 to 18 age group
1. Academic route	A levels only (3+) – the academic route	33%
	1 or 2 A levels plus other qualifications	7%
2. Vocational academic route	No A levels, but at least one Level 3 course of study. Most of these (85%) are for BTEC awards	18%
3. No access to higher education	Level 2 or Level 1 or below Level 1	30%

*Source:* Wolf (2011: 47).

institutional prejudices against the value and prestige of vocational education (Fisher & Simmons, 2012: 31). This antipathy for the vocational has spilled over into the labour market, where graduates with vocational qualifications are not guaranteed high levels of employability and earnings potential – as is the case in the Central and Northern European collective TVET systems of Germany, Netherlands and Denmark (Fisher & Simmons, 2012: 31). All of this history has rubbed off on the institutional image of FE colleges, which are the main conduits for vocational education in the UK.

FE colleges in the UK, in their early history, were under-funded and relatively insignificant. They started as mechanics institutes and centres for adult technical education and began receiving funding from local municipalities only in 1944. However, by the 1980s, the numbers and sizes of FE colleges had grown so fast that government began to merge them into larger polytechnics. By 1992, significant academic drift had occurred, with many higher education programmes being offered in colleges, leading to 30 polytechnics becoming ‘new’ universities.

Alongside this drift into higher education, the FE sector underwent major reform, the most significant of which was to remove FE colleges from local municipality control and to steer them into highly marketised relations with employers and learners. As indicated earlier, this represented the height of Thatcherite neo-liberal restructuring in the FE sector. Significant dissatisfaction with these changes prevailed in the sector throughout the 1990s and 2000s.

### Lack of employer buy-in

The most vocal and repeated of all criticisms of the TVET system in the UK is the claim of limited employer ‘buy-in’. For example, in an important review of employer voice in the UK Sector Skills Councils, the United Kingdom Commission on Employment and Skills (UKCES) noted that there is a mismatch of expectations between employers, public sector partners, and government about what employers are being asked to do. Employers are frustrated. They expect to see a return on their investment of time – the kind of impact that translates into business benefits (UKCES, 2010: 3).

Payne (2007) argues that historically weak British employer associations are part of the problem, made worse by the collapse of multi-employer, industry-level collective

bargaining in the United Kingdom – a development entirely due to neo-liberal reforms since the 1980s (Payne, 2007: 10–11). In the current context, Lanning and Lawton (2012) note a ‘cultural resistance to social partnership among many employer representative bodies’ in the UK (Lanning & Lawton, 2012: 37).

## **Statist models**

In contrast to employer-led approaches, the system which has evolved in the UK (and South Africa) is civil servant dominated, with government imposing national skills policy frameworks on employers and FE colleges without their consent and buy-in. The UKCES states this contradictory reality bluntly: ‘the public sector is the main driver behind some “employer-led” arrangements so the idea of employer leadership is a misnomer’ (2010: 16). Lanning and Lawton (2012: 3) agree and argue that the failure to engage employers has led to an over-reliance on centralised state-led programmes and institutions to fill the gap.

Ashton (2006) argues that the remit of the SSCs and FE colleges is not to represent and reflect employers’ skill needs, but to respond to the national policy agenda of government. He provides an example of the *Train to Gain* campaign implemented during the Blair administration. Employers sought training of new entrants at Level 3 on the NQF (matric equivalent), but government policy was to deliver opportunities at Level 2 (assisting disadvantaged workers to complete a secondary school certificate). Employers lost out and were only able to train Level 2 trainees using government money (Ashton, 2006: 7, 10).

## **Targeting**

The establishment of targets in the UK system has also had negative effects. Targets are generally national in orientation and are not sufficiently calibrated to take regional or sectoral differences into account. Targets therefore have the effect of imposing ‘one-size-fits-all’ solutions onto all sectors. Secondly, targets also tend to encourage FE colleges to opt for the quickest, easiest, and cheapest routes to meeting quantitative targets – irrespective of real demand-side need.

Targets imposed in the college sector included the introduction of LSC success rates, focused on the achievement of 16 to 18 and 19+ student groupings. These success rates had to be achieved above the benchmark (national average) if a college was to achieve Centre of Vocational Excellence (COVE) status from the LSC and attain a ‘good’ grade within the Ofsted inspection process (Boocock, 2013: 310).

## **Rise of managerialism**

These institutional changes stimulated the growth of a new cadre of managers whose job it was to ensure the attainment of these targets, benchmarks, and indicators. The changes also stimulated competition between colleges, and, most importantly, a rapid growth and spread of managerialism across the sector (Mather, Worrall & Mather, 2012: 537).

In detailed research cases studies, Boocock (2013) and Mather *et al* (2012) both show that middle management and most lecturers in the college sector saw these changes as the imposition of an 'authoritarian political' style in which 'debate and discussion were closed down – a style contrasting markedly with the pre-2000 distributed leadership arrangements' (Boocock, 2013: 313).

Restructuring also entailed curriculum reform and tighter control of the labour process of lecturers. Curriculum reform was justified on the basis of developing a more 'customer and outward focused' syllabus. Curriculum areas have been reorganised several times since the early 2000s, creating demotivated lecturers. As Mather *et al* suggest in their college case studies, there were also continual attempts to restructure lecturers' timetables in order to change lecturers' job content. Some lecturers had been told to assume responsibility for work-based vocational courses which conflicted with both their subject specialisms and their previous college-based roles. Senior managers presented this as a need for more flexibility. They asserted that vocational courses are 'assessor driven and not lecturer driven' (Mather *et al*, 2012: 541). Mather *et al* see this continual revisiting of curricula, staff timetabling, and lecturer contracts as

*enabling the tighter management of lecturers' time and activities. We argue that this level of scrutiny over what lecturers actually do runs counter to notions of 'can-do' and 'empowering' cultures that senior managers purported to espouse. We felt we had uncovered managerial double-speak where their rhetoric about empowerment was designed to cloak the continual disempowerment of lecturers as the locus of control shifted from the professional to a cadre of senior managers. (Mather et al, 2012: 542)*

Mather *et al* argue that NPM has had the effect of cheapening and degrading labour through its role in facilitating management control. This has affected workers' experiences of work, as 'the locus of control over the pace and nature of jobs has become increasingly contested' (Mather *et al*, 2012: 535). Ball (2012) concurs and indicates that these NPM techniques involve 'the subordination of moral obligations to economic ones'. In Ball's view, 'economically productive individuals' are the central resource in a reformed, entrepreneurial public sector. Those who 'under-perform are subject to moral approbation' (Ball, 2012: 20).

### **Threat of job loss**

Another feature of the restructuring process has been to change employment relations, to the detriment of staff. Often done under the guise of a curriculum review, permanently appointed staff have had to re-apply for their restructured jobs, with many facing redundancy. New staff have come in on contracts without the employment benefits of the previous era (Mather *et al*, 2012: 543). These employment changes severely damaged the professional confidence of FE college staff, and the constant pressure to perform, to excel, has created very high levels of both institutional and individual anxiety (Boocock, 2013: 319).

## Cultural change

Much of the thrust of neo-liberal restructuring has been more about ideological principles and less about organisational effectiveness. This is explicit when examining the rise of excessive managerialism in the FE college sector. Mather *et al* point to the increased role of senior managers in the college sector who have attempted to realign employees' attitudes through multi-layered processes of organisational change. This process usually involves culture change initiatives, often led by external consultants. As a result, new groups of managers have been created to espouse corporate values and the idea of a more 'flexible, responsive, consumer-focused and forward-looking college' (Mather *et al*, 2012: 535–536).

These senior managers have a preoccupation with the cultivation of certain cultural norms, creating corporate cultures, identifying 'good lecturers', and tackling 'laggards'. According to Mather *et al*, lecturers felt that they had to behave in particular ways while at work and in ways that suggested surface compliance and the suppression of overt resistance. Drawing on Ball (2003), these writers argue that in their case studies of FE colleges, senior management aims were the same – to reduce resistance to change at the chalk face. In this process of attempting cultural and ideological control, lecturers were not unquestioning and not entirely compliant, as we will see in a later section.

This obsessive pursuit of targets led to the labelling of this period of UK education history as one of 'performativity' (Ball, 2012). Performativity implies the realignment and re-education of lecturers and their immediate managers to accept and conform to new ways of working, behaving, and thinking. What this means in practice is that lecturers are expected to perform in prescribed ways, as defined by a dominant managerial discourse (Mather *et al*, 2012: 535). Ball describes the devastating effect this performativity has on professional ethics and curriculum delivery:

*The first order effect of performativity is to re-orient pedagogical and scholarly activities towards those which are likely to have a positive impact on measurable performance outcomes and are a deflection of attention away from aspects of social, emotional or moral development that have no immediate measurable performative value. Teachers' judgments about class or lecture room processes may thus be subverted and superceded by the demands of measurement or at the very least a new set of dilemmas is produced which set the tyranny of metrics over and against professional judgment. (Ball, 2012: 20)*

## Resistance

Did FE college staff in the UK resist these changes, or did they become compliant, docile, and deprofessionalised workers? Mather *et al* suggest that these reforms produced a 'world of surface compliance underlain by cynicism, alienation and disbelief' (Mather *et al*, 2012: 540). Leathwood and Read (2013: 1168) and Ball (2012: 17), writing about similar neo-liberal restructuring in higher education, argue that most staff surrendered to

compliance, especially with the demands of performativity, and in so doing became 'complicit' in its implementation. However, middle managers and lecturing staff did resist in many covert forms, mostly at the micro-institutional level. Page (2011) presents findings from a study of first-tier managers in a number of FE colleges. He discovers a range of resistant behaviours along a continuum, from overt acts such as principled dissent to covert acts such as cutting corners and cognitive escape (Page, 2011: 1). Another more covert act of resistance was that of 'institutional forgetfulness' or 'organisational amnesia'. This took the form of not responding to the endless requests for performativity-related information and reports. These requests were so frequent and so repetitive that, if ignored, Page argues, few non-submissions were ever followed up. Those making these requests appeared to forget they had made the request in the first place. Also, when reports were submitted, they appeared to descend into a 'black hole' and were never mentioned again (Page, 2011: 6).

Another activity of resistance was to 'cut corners' – what Page sees as employees' attempts to 're-appropriate control over their work' (2011: 7). Boocock calls some of this activity 'gaming' – which he describes as a means of improving success rates. Specific gaming activities include 'cream skimming' (selecting more able pupils), 'parking' less able students (providing such students with little support), offering extra support to 'marginal students', 'constructive' exclusion through pressure on students to leave voluntarily, and removing weak students from harder courses by putting them onto easier NVQ equivalents (Boocock, 2013: 311). All of these gaming activities – essentially 'cheating' the system – are the unintended consequences of policy reforms designed by UK politicians and civil servants who never foresaw such negative outcomes.

## **The post-school system in the Netherlands**

Post-school restructuring in the Netherlands provides a sharp contrast to the experience of institutional reforms in the UK. This comparison provides a best-practice template for educational change occurring under challenging circumstances. The Netherlands TVET system stands out because of the stability and consensus it achieved during the restructuring period – which comprised many of the same instruments so damaging in the UK context, including college mergers, the imposition of performance management, and the adoption of national qualification frameworks and outcomes based education. More importantly, the educational reforms introduced in the Netherlands since 1996 strengthened the education system's alignment with changing industry needs. The primary factor contributing to all of this success was the corporatist Dutch industrial relations system which ensured a smooth transition to the new post-school model, based on trust and buy-in from employers and unions.

## **History of Dutch vocational education and training**

Technical and vocational schools were started relatively late in the Netherlands – they began only in 1919 – compared with the German model. These late evolutionary steps led to the establishment of an apprenticeship system which was significantly smaller than the model evolving in neighbouring Germany (Geurts & Meijers, 2009: 1). An

important development in the Dutch model occurred in 1968 with the ‘Mammoetwet’ or Mammoth Act, which consolidated the vocational pathway through the entire senior secondary phase. This legislation positioned general and vocational education as equal alternatives alongside one another, with the possibility of reciprocal transfers (Visser, 2010: 11). Higher professional education was catered for in a separate Act in 1986, which allowed for the establishment of tertiary TVET in the form of applied/polytechnic institutions of higher education (Visser, 2010: 3).

However, the main development in the growth of the Dutch post-school vocational system came with the passing of the Wet Educatie en Beroepsonderwijs (WEB) Act in 1996. This Adult and Vocational Education Act put in place the institutional architecture which today so successfully drives the Dutch TVET system. The main aim of the 1996 WEB Act was to devise a set of interactions between institutions which would ensure far more effective ‘system alignment’ and complementarity than was the case previously (Sung, 2010: 21). The new elements that were introduced alongside existing institutions that were consolidated and merged included:

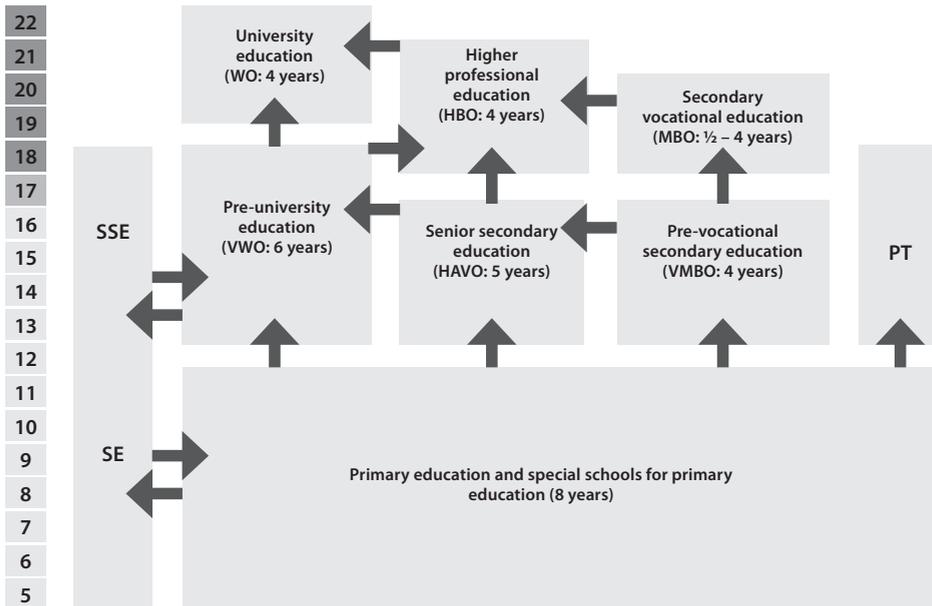
1. A ‘dual’ system of secondary school with one track for general academic schooling and another for vocational education and training; these two routes are treated as equal in the education sphere and in the labour market.
2. A system of 17 sectoral bodies called ‘Knowledge Centres’ (Kenniscentra) established along the line of broad economic sectors: the Knowledge Centres play a crucial role as the ‘starting point’ for the design of national vocational qualifications (Sung, 2010: 21).
3. The creation of 43 regional training colleges (ROCs) formed out of the merger of hundreds of local training colleges: these colleges manage the ‘school-based’ learning of senior secondary vocational education. All students (work or school based) follow the same qualifications that are designed by the Knowledge Centres.

## **The vocational post-school sector**

The Dutch senior secondary vocational education track has three levels: it starts in junior secondary school as ‘preparatory vocational education’ (VMBO), it continues after compulsory schooling at age 16 in senior secondary school as ‘secondary vocational education’ (MBO), and it peaks in post-school education as ‘professional higher education’ (HBO) – applied or polytechnic higher education. The system starts at a very early age, with Dutch children having to make their first educational choice at the age of 12 – whether to continue with general (academic) schooling or follow the preparatory vocational route. Those with lower results academically tend to choose the vocational route. The system is flexible though and allows children to move back to academic schooling after a foundation year in vocational education if they so choose (Reubzaet, Romme & Geerstma, 2011: 6).

The general or academic schooling track has two streams – the ‘senior general secondary education’ (HAVO) track which feeds into professional higher education (HBO), and the ‘pre-university education’ (VWO) track which links with ‘university education’ (WO). The basic structure of the system is illustrated in Figure 3:

FIGURE 3 The structure of the education system in the Netherlands



Source: Altinyelken, Du Bois-Reymond and Karsten (2010: 6).

### Senior secondary vocational education (MBO)

Students in the MBO track choose to study in one of four broadly defined fields: technical; economic and administrative; services, health care and agriculture (Reubzaet *et al*, 2011: 6). Learning in the MBO track is both classroom- and work-based, and students choose between the two modes of provision:

1. **The work-based route (apprenticeship):** In 2010 this work-based pathway enrolled 34% of the MBO students (Visser, 2010: 15). A key feature of this route is that the work-based apprentices have an employment contract with an accredited employer, and they are paid the minimum wage. They typically spend 80% of their time as trainees in the workplace and 20% in college-based training. Students in this work-based route are found mostly in the technical sectors (metal, electronics, installation, building industry, and car mechanics), but numbers are also growing in the care and health sector, resulting in more and more women taking part in apprenticeships (Onstenk & Blokhuis, 2006: 35).
2. **The college-based route:** In 2010 this college-based pathway enrolled 66% of the MBO students (Visser, 2010: 15). It comprises students enrolled at one of the following training institutions: ROCs, specialist trade colleges, or agricultural training centres. The training may include one day a week at a workplace. Only accredited employers can provide training places to these students. The mix between classroom and workplace typically involves a minimum of 20% and a maximum of

60% of time spent in the workplace, during which the trainee receives on-the-job training and a small training allowance, but not a wage (Sung, 2010: 23–24).

Guaranteeing all students in the MBO level a work placement is a central feature of the Dutch system and requires the commitment of a large number of employers to induct and train young people. While companies are not legally obliged to take on TVET students, fiscal incentives are provided. For instance, for every student-employee, an employer can receive an incentive of €2 500 annually (Bewick & Abbott, 2010: 78).

The TVET component of post-school education and training has become a very large system. For example, vocational education consists of 35% of the secondary schooling system, and higher professional education – applied or polytechnic higher education – comprises 62% of all post-school tertiary training (Altinyelken, Du Bois-Reymond & Karsten, 2010: 24).

### **Employer buy-in**

Sung, Raddon and Ashton (2006), who participated in a joint project reviewing nine different post-school systems in 2006, argue strongly that employer control of the Dutch system is critical to its success. Employers occupy a ‘pivotal position’ which enables them to ‘lead’ the skills development system through the sector skills councils – in this instance, the Knowledge Centres (Sung, Raddon & Ashton, 2009: 61–62). Employers are essentially the ‘starting point’ of an institutional virtuous circle. Through their Knowledge Centres, employers are able to identify the skills needs of each sector. Detailed job profiles of these skills needs are then fed to the Netherlands Association of VET Colleges (the BVE Raad), the umbrella body representing all the ROCs in the Netherlands. The ROCs then develop curricula based on these employer-defined occupational requirements (Raddon and Sung, 2006: 13). Once the curriculum is approved by government, the ROCs and employers both implement the training required – in the classroom at the ROCs and in the workplace (by employers). Employers are the primary training provider within the work-based pathway, which entails up to 80% of on-the-job training and 20% release for school-based training (Raddon & Sung, 2006: 13). Employers also have to offer work placements to learners from the school-based route. There are nearly 900 Knowledge Centre officials whose work it is to ensure that employers are accredited to perform this training role within the firm (Bewick and Abbott, 2010: 78). There are over 200 000 firms accredited to provide this training. All in all, it can be said that there is a high level of ‘system alignment’ between all these different institutional players and locales, creating a ‘virtuous circle’ of training and development (Sung, 2010: 21, 28–29).

### **Assessing the Dutch system**

A number of strengths of the Dutch post-school system have been raised in the preceding discussion. Firstly, the Dutch TVET system benefits from the wider social solidarity underpinning Dutch economic and social life. Each social partner has a shared responsibility and collaborative role in each of the stages of the skills development system (Sung, 2010: 20). The actual content and the volume of training as well as who benefits

is decided annually through collective bargaining agreements between employers and unions across all sectors of the Dutch economy (Sung *et al.*, 2006: 64).

Secondly, the effective 'alignment' of the differing institutional components with each other provides strong complementarities across the entire TVET system. This is perhaps the most striking of the successful features of the Dutch system. The 'complementary' rather than 'contradictory' effects this alignment has across the system is why the Dutch system continues to work so well as a virtuous circle:

*SSCs cannot function effectively if their operations are constrained or contradicted by other components of the VET system. The other components referred to here are crucially the flow of funding, the delivery of skills through the vocational education system, the determination of vocational qualifications, financial incentives for training, the support of unions and/or employees and the objectives of other relevant government agencies ... The cumulative reinforcement of all these various components produces a system that is highly sensitive to the skill needs of employers but, because of the involvement of the unions, is cognisant of the public interest. This is what we mean when we speak of the component parts of the system being aligned to the same objectives and being driven by the employers. (Ashton, 2006: 6–7)*

This is a very stable TVET system. Nijhof and Van Esch (2004) argue that the reforms of 1996 were bold and systemic. The Act was 'a clear and explicit attempt to plan the reforms systemically and to try to design a new system as a whole, rather than engage in a sequence of changes to isolated elements of the system, as has been the case in the UK over the past decades' (Nijhof & Van Esch, 2004: 258). The bold risks taken by the Dutch government in 1996 have paid off with two decades of growth and stability across a very integrated and aligned TVET system (Onstenk & Blokhuis, 2006: 33).

## Conclusions

The differences in managing educational change could not be starker than those reflected by the UK and Netherlands case studies of TVET reform over the past three decades. The most important of these differences are captured in Table 5. They are represented as the archetypal differences between the two ideal-type systems of TVET – identified at the beginning of this chapter as the Central and Northern European 'social solidarity system' versus the more Anglo-Saxon inspired statist and prescriptive system of market driven TVET provision.

Table 5 suggests highly divergent outcomes in the global system of TVET after three decades of neo-liberal reform. On the one side are countries with very developed systems of cross-departmental coordination and social cooperation with other societal stakeholders which have acted to contain the destructive potential of neo-liberal reforms whilst retaining stability across the FE system. These countries have used the reforms to achieve greater system alignment and harmonisation.

On the other side, there are systems of TVET characterised by poor coordination and cooperation capabilities and with few linkages to societal stakeholders such as employers and unions. These systems have had no social safety net to cushion the destructive force

**TABLE 5** Axes of differentiation in TVET systems globally

Axis of differentiation	Social solidarity TVET system, for example, as in the Netherlands	Statist, prescriptive systems of market-driven TVET, for example, as in the UK
1. Alignment	<ul style="list-style-type: none"> <li>• Differing sub-components of the TVET system play a 'complementary' role towards each other</li> </ul>	<ul style="list-style-type: none"> <li>• System characterised by contradictory and unintended outcomes</li> </ul>
2. Employer-led	<ul style="list-style-type: none"> <li>• Employers have a major say in running the TVET system</li> <li>• TVET graduate outcomes are aligned to demand-side requirements</li> </ul>	<ul style="list-style-type: none"> <li>• There is an obsession with supply-side improvements as the basis for increasing competitiveness – which actually constitutes a misdiagnosis of the UK's competitiveness problems</li> <li>• Not all national vocational qualifications (NVQs) are recognised by employers: TVET graduates struggle to get jobs</li> </ul>
3. Reform is comprehensive	<ul style="list-style-type: none"> <li>• TVET change is comprehensive and its influence extends across multiple sub-systems, including the spheres of industrial policy and labour market requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Change in TVET is not complemented by changes in economic, industrial, and labour market policies</li> </ul>
4. Change is stable	<ul style="list-style-type: none"> <li>• Change is stable with continuity across three decades of reforms</li> <li>• Individual changes are given time to evolve and consolidate before additional elements are added</li> </ul>	<ul style="list-style-type: none"> <li>• Change in TVET is discontinuous and highly disruptive, with each new five-year political administration leaving its own incoherent stamp on the system, often with dramatic reversals in the direction of reform</li> </ul>
5. High-skill labour force	<ul style="list-style-type: none"> <li>• A large proportion of the labour force gains access to post-school education and training because of these reforms</li> </ul>	<ul style="list-style-type: none"> <li>• Education remains exclusionary, with high drop-out rates at senior secondary school level and in the post-school system</li> </ul>

of neo-liberal change and, as a consequence, have suffered immense institutional strain. Change has been discontinuous and unstable, with conditions worsening in many areas, including that of curriculum quality and TVET lecturer professionalism. System change has occurred mainly through imposition, forced compliance, and with considerable levels of resistance, mostly informal and hidden.

### South Africa's path through TVET reform?

These two ideal-type global systems and the five axes of differentiation between the two systems provide a very useful template with which to analyse TVET reforms occurring in other countries in the world, including South Africa. As the other chapters in this book will show, the South African post-school and FE college system underwent immense institutional strain during the two decades of unrelenting reform since the advent of democracy in 1994, which included the insertion of new state performance measures,

institutional mergers, and new curricula demands. All these changes, as in the UK trajectory described above, have created immense institutional instability. This occurred differently in South Africa in one important respect though – a high degree of institutional failure to pull the reforms successfully through, caused primarily by weak state capabilities to manage change. Successful change has also been weakened – as in the UK case – by various levels of forced compliance, institutional ‘forgetfulness’, and other forms of covert resistance.

Specific features of this change process in South Africa will be examined in the next chapters – including the reform of teaching and learning methodologies, as well as changes to institutional governance, performance management, and institutional evaluation. Evidence of the difficulties of change will be highlighted through reflections on a college change process initiated by JET Education Services (JET), the publishers of this book. This book seeks to highlight the lessons which can be learnt from the various change management initiatives, in order that these lessons inform future practice.

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