

Online Research @ Cardiff

This is an Open Access document downloaded from ORCA, Cardiff University's institutional repository: <http://orca.cf.ac.uk/67990/>

This is the author's version of a work that was submitted to / accepted for publication.

Citation for final published version:

Reed, Mike and Wallace, Mike 2015. Elite discourse and institutional innovation: making the hybrid happen in English public services. *Research in the Sociology of Organizations* 43 , pp. 269-301. 10.1108/S0733-558X20150000043022 file

Publishers page: <http://dx.doi.org/10.1108/S0733-558X20150000043022>
<<http://dx.doi.org/10.1108/S0733-558X20150000043022>>

Please note:

Changes made as a result of publishing processes such as copy-editing, formatting and page numbers may not be reflected in this version. For the definitive version of this publication, please refer to the published source. You are advised to consult the publisher's version if you wish to cite this paper.

This version is being made available in accordance with publisher policies. See <http://orca.cf.ac.uk/policies.html> for usage policies. Copyright and moral rights for publications made available in ORCA are retained by the copyright holders.



Elite Discourse and Institutional Innovation: Making the Hybrid Happen in English Public Services

Mike Reed and Mike Wallace, Cardiff Business School, Cardiff University, Wales, UK

Abstract

This chapter focuses on the strategic role of elites in managing institutional and organizational change within English public services, framed by the wider ideological and political context of neo-liberalism and its pervasive impact on the social and economic order over recent decades. It also highlights the unintended consequences of this elite-driven programme of institutional reform as realized in the emergence of hybridized regimes of 'polyarchic governance' and the innovative discursive and organizational technologies on which they depend. Within the latter, 'leaderism' is identified as a hegemonic 'discursive imaginary' that has the potential to connect selected marketization and market control elements of new public management (NPM), network governance, and visionary and shared leadership practices that 'make the hybrid happen' in public services reform.

Keywords: Elites, polyarchy, leaderism, public services

Introduction

Our purpose in this chapter is to examine the strategic role of elites in managing institutional and organizational change within English public services, framed by the wider ideological and political context of neo-liberalism and its pervasive impact on the social and economic order over recent decades (Harvey 2005, 2011; Gamble 2009; Peck 2010; Mirowski 2013). Economic strategies in many western countries have long reflected Keynesian principles: frequent government intervention in private sector operation, and extensive public sector spending to maintain the workforce and consumer base on which future prosperity depends. Recent decades have witnessed a radical reorientation guided by variants of a neo-liberal ideology, aiming to restrict the state to a minimum and to maximize the scope of individual freedom. A mix of free and regulated market principles drives the associated neo-liberal political economy, which is thus subject to less direct government intervention.

Elites constitute ruling minorities 'in positions to make decisions having major consequences' (Mills 1956:1). Those within and around such governments have been prompted by the economic ideological shift to extricate welfare systems from longstanding central and local government-dominated 'club regulation' in favour of 'market regulation'. The consequent institutional transformation of the social and economic system has far-reaching implications for changing inter-organizational and intra-organizational control regimes (Moran 2007; Richards and Smith 2004). We illustrate the problematic nature of innovations generating such institutional transformation by examining the contribution of elite agency and discourse to shaping the innovation process and outcomes, referring to English public services. National circumstances have created particularly favourable conditions for different political parties forming successive central governments to put neo-liberal ideas into public service practice. It thus offers an instructive 'extreme case': illustrating how a neo-liberal ideology can be enacted where contextual factors allow a central government unusually extensive room for unilateral manoeuvre.

An unintended consequence of this ideologically and culturally driven endeavour by ruling elites, as powerful contributors to national policy decisions (Scott 2008; Reed 2012a), has been the progressive hybridization of organizational forms and service management practices within English public services. Hybridization implies a shifting balance between the longstanding hierarchical operation typical of bureaucratic organizations and the emergence of horizontal relationships amongst different organizations within networks. It flows from the determined attempt to 'open up' these services to market competition and to minimize direct state involvement in planning and operating them.

As part of that effort, government elites have promoted service management practices to enact neo-liberalism in public services reflecting their associated operational ideology of 'managerialism', with its core assumption that 'business knows best'. Jamieson (1996: 35) caricatures how the argument runs for education:

...part of the problem of poor school performance is poor management. Good quality management...is largely to be found in private business. This is because only business organizations are both complex and have the discipline of the market place which forces them to be efficient.

Private sector management practices thus offer a dual blueprint: initially, for implementing change to improve the efficiency of public services, as inspired by neo-liberalism; subsequently, for the ongoing operation of more efficient, marketized public services and further evolutionary institutional innovation. We argue that a hegemonic elite discourse of 'leaderism' has emerged out of the initial managerialist discourse of 'management' (in England and elsewhere) over the last two decades. Leaderism provides a new 'discursive imaginary' (Fairclough 2010) connecting selected marketization and market control elements of new public management (NPM), network governance, and visionary and shared leadership practices that 'make the hybrid happen' (O'Reilly and Reed 2010, 2011). The new discourse focuses on 'winning hearts and minds' by nurturing collective allegiance to an inspiring vision for radical improvement and motivating synergistic efforts to achieve it. Leaderism has provided the ideological legitimation and cultural representation of the institutional innovation process and consequent organizational hybridization, with the potential radically to reconfigure public service provision.

Alongside forms of 'hard' regulative power, backed by the potential to apply legal sanctions or to withhold resources, elites located in centres of political, administrative and professional authority have mobilized 'soft' cultural forms that work by attraction: 'soft power—getting others to want the outcomes that you want—co-opts people rather than coerces them' (Nye 2004: 5). Co-optation refers to a pre-emptive 'process of absorbing new elements into the leadership or policy-determining structure of an organization as a means of averting threats to its stability or existence' (Selznick 1966: 259). Leaderism is operationalized through leadership development interventions. They embody a form of soft power: getting public service organization managers to want the outcomes that government elites want. The goal is to co-opt managers through their acculturation as leaders, equipped to spearhead local service marketization, and further institutional innovation that is intrinsic to marketized service operation.

In combination, these forms of power have crystallized around a progressively distanced market regulation strategy. State disengagement from direct involvement in public service governance structures and service delivery is coupled with a proliferation of 'remote control' mechanisms, many operated by agencies appointed (and monitored) by government. Most notable are accountability regimes for market regulation that variably link specified service standards, priority targets, surveillance and sanctions. They are designed to pre-empt or quash practices that the elites deem unacceptable. The extent of elite operational disengagement has generated new 'creative space' for institutional fields, within the boundaries imposed by remote control, where new organizational service provision mechanisms and control regimes have emerged. They are increasingly taking on hybrid logics and forms, creating 'polyarchic governance regimes' (Clegg et al 2006; Courpasson and Clegg 2012) that combine selected elements of oligarchic elite power with pluralistic stakeholder engagement.

Our analysis of the way elites manage contemporary public service change is developed in the remaining sections. First, we outline the theoretical framework for grasping the dynamics of elite power and control, and their role in shaping the complex interplay between discursive and institutional innovation. The expression of these elite dynamics in our English case was historically-situated and ideologically-contextualized. Growing commitment to a neo-liberal ideology amongst ruling political, administrative and professional elites from the 1980s generated a transformed policy environment. Within it, the dominant policy narrative became the marketization of public services. It was supported by accompanying facilitatory governance regimes, and the mechanisms for holding the ensuing diversity of providers to account for the efficiency and effectiveness of their services. Second, we offer a brief overview of the form that discursive and institutional innovation has taken in English public services over the last three decades, highlighting the contribution that leaderism has made to it. Third, we consider how 'managed market' reforms have opened-up delimited 'creative space' for entrepreneurial activity amongst elite groups located at different system levels, and operating within the increasingly fragmented power relations framing contemporary public service operation. We highlight how leaderism emerged out of already well-entrenched managerialism in the mid-1990s, as a 'lubricative imaginary'. It became operationalized through centralized development initiatives

designed to get the senior staff in public service organizations to want what government elites wanted: to make their marketization reforms work. Here we refer to our recent study (Wallace et al 2011) of such interventions in school education, healthcare, and higher education during the period when leaderism became established from the late 1990s. Finally, we consider the wider theoretical and substantive implications of our study for understanding the strategic institution-building role of elites.

Theorizing Elites

The dynamics of elite power and control involve shaping emergent institutional logics and organizational forms in complex domains, not least public services. Analysing these dynamics demands a theoretical framework integrating a focus on hierarchical power structures and a complementary engagement with horizontal network relationships (Savage and Williams 2008; Zald and Lounsbury 2010; Reed 2012a, b). Elites possess significant social power, expressed when they act to influence others, but also embodied in their potential to act (Scott 2008). They are based at different levels, from the centre to the periphery of a social system. Scott (2001: 25) distinguishes between 'strategic', intermediate' and 'local' elite groupings. The workings of elite power are intrinsically dynamic. Elites and their supporting associates engage with each other across these levels and interact with non-elites in maintaining the status quo and promoting institutional change.

The first focus, on *hierarchical* power structures or 'structures of dominancy' (Weber 1978), entails tracing the intricate ways in which elites are embedded within institutionalized, so widely taken-for-granted, relations of superordination and subordination. These power relations establish the location of strategic level elites at the apex of hierarchical bureaucratic structures and their *authority* to affect those lower down. Collectively such elites possess 'corporate agency', the political powers and capacities to change structures and cultures (Archer 2003). But analytical attention to hierarchically stratified domination structures, and the concentrated elite positional power and authority that flows from them, must be complemented by a second focus. The *horizontal* networks through which strategic level elite domination is mediated by more structurally dispersed, intermediate and local level elite groups and their supporting associates also bear consideration. Power to mediate (Brunetto 2001; Ferlie et al 2005) entails deploying agency to endorse, faithfully implement, adapt, work around, subvert, avoid or openly challenge practices that such groups are being mandated or invited to adopt (Wallace 1998; Spours et al 2007). Elites operating within networks possess various forms of *expertise* necessary to translate strategic policy directives and initiatives adaptively into operational programmes and practices that 'work on the ground' (Newman 2001, 2005; Clarke et al., 2007; Zald and Lounsbury 2010).

It is out of the complex interplay between centrally-located elite authority and expertise, and more dispersed forms of elite expert power, that hybrid governance regimes and organizational forms emerge. Organizational hybridity is an unintended consequence of strategic-level authoritative and expert elite-driven innovation designed to change the nature of institutions and practices within them. But such innovation has the effect of altering the system-wide balance between hierarchical and horizontal power relationships framing the practice of elites and non-elites within and between intermediate and local levels, and their strategic-level linkage. The governance regimes and organizational forms that ensue reflect the new hierarchical-horizontal balance of power.

In respect of public services, system-wide authority legitimating elite dominancy rests with politicians at the strategic level (in central government), and to a lesser extent at the intermediate level (in local government). Contingently, they may act in concert as corporate agents, or engage in internal or cross-level struggles. They are also ultimately dependent on the support of expert senior administrators and policy advisers at the strategic level, and on the expertise of elites at the apex of intermediate-level agencies and local-level service organizations. Expert assistance is essential to carry forward the implementation of politically-driven change, whether centrally initiated neo-liberal reforms encouraging institutional innovation or locally initiated, ongoing improvement efforts. The configuration of organizations involved embodies to, a significant degree, hierarchical power structures that delimit the new scope for institutional innovation afforded by the extension of horizontal power relationships within (and just maybe beyond) these limits. Thus increased hybridity generates the latent capacity to generate new institutional logics and practices differing radically from their predecessors (Crouch 2005; Clegg et al 2006). 'The new' will inevitably embody residual material, social and cultural elements of 'the old'. But the new will necessarily entail forms and practices that

extensively reconfigure the service provided, how it is to be funded and evaluated, and why it now has to be organized in this way rather than that of the past.

Hybridization, therefore, entails a recombination of different and often contradictory structural and cultural elements, with potential to generate qualitatively new and 'emergent' forms. It encapsulates the capacity for institutional innovation by creating new mechanisms which generate a much wider range of design options and developmental possibilities. As Selznick (1966) recognized long ago, bureaucratic struggles within and between authoritative and expert elites are key to determining whether the creative potentialities inherent in hybridization stand any realistic chance of being achieved. These struggles surround access to and control over the positional authority and expert practices through which institutional innovation, and organizational change within it, are to be realized and legitimated. Creative synthesis may be possible between the contradictory elements contained within the hybridization process. It may result in novel institutional configurations that are better equipped to deal with higher levels of complexity and the uncertainty it necessarily generates. How such configurations emerge depends ultimately on dynamic elite power struggles, and their longer-term impact on the governance regimes through which contrasting forms of elite domination are reproduced. Nevertheless, all organizational hybrids are potentially unstable. Polyarchic regimes internalize contradictory political demands and pressures that are likely to disrupt, eventually, whatever governance arrangements elites put in place to contain and manage them.

Two of Scott's (2008:32) elite 'ideal-types' are differentiated according to the stratification mechanisms sustaining elite domination. Both types mainly 'derive their power from the discursive formation of signifying and legitimating' that implies who should control whom and why (rather than controlling allocative resources through coercion or inducements). Reed (2012a) suggests that *authoritative* elites are ruling minorities seeking monopoly control over the means and mechanisms of institutional *regulation*. They make and adjust rules that establish and maintain a socio-political order, and pre-empt or defend it against threats to its effectiveness or legitimacy. Authoritative elites are positioned at the strategic level, in the top administrative positions of bureaucratic hierarchies coordinating governmental activities to create and sustain viable regimes for institutional governance. They frame and service *command situations*, the stratified configuration of authoritative positions and their inter-relationships within and across the organizations constituting institutionalized governance regimes. The stability of command situations is inherently open to internal struggles between elite factions, and to external challenge from other elites.

Expert elites, administratively supporting authoritative elites at the strategic level or based at intermediate and local levels, possess specialized technical knowledge. It is typically organized into 'professional' structures and practices. They pursue monopoly control over the means of *acculturation*: the active shaping of beliefs, norms and values within a socio-political order. Expert elites predominate in professionally staffed organizations and associated institutional networks. The operational complexity of such organizations requires a 'double reflexivity', the capacity for self-monitoring and coordination, alongside reflective expert practice in their area of responsibility. The theoretical and technical knowledge involved is thus of a specialized nature. It is rationalized into various forms of 'expert systems' on which societies and organizations increasingly depend.

According to Scott (1996, 2008), relationships developing between authoritative and expert elites are fundamental to the social workings of power, constituting socially overlapping and institutionally interconnected networks of corporate agents. Together, these elites have the political and cultural capacity to mobilize 'moral vocabularies of discourse': means of seeking to legitimate their dominant structural positions and to organize governance regimes that most closely reflect their long-term material and social interests. Hierarchical power ('domination') and horizontal power ('influence') come together within these evolving complex relational networks. They comprise dynamic and shifting political alliances between authoritative and expert elites to form hybrid governance regimes and organizational technologies, capable of coping with the increased complexity and uncertainty inherent in modern economies and societies. As noted above, hybridized regimes and technologies will contain structural and ideological contradictions and tensions—embodying competing, yet overlapping, collective interests and values mobilized by their respective elite members and other, non-elite, stakeholder groups (Clegg et al 2006). Nevertheless, they remain the essential organizational means of achieving some degree of socio-political stability and cultural continuity within contemporary socio-economic environments. They are increasingly characterized by systemic uncertainty and the escalating risk that it presents to the maintenance of social order.

Considered in these analytical terms, polyarchic governance systems have become increasingly influential since the 1990s as a distinct form of elite rule. They recombine selected elements of plutocracy (government by the wealthy), technocracy (government by technical experts), and oligarchy (government by the few) consistent with the power structures prevailing under 'democratic elitism' (Dahl 1958, 1971; Clegg et al 2006). Such structures empower citizens to express 'voice', though not necessarily to stimulate a response. Polyarchy is a form of elite rule that reconciles elite domination and pluralistic democratic participation, at least temporarily, under contingent political and economic conditions. It operates through the development of hybrid governance regimes and control technologies: means of operationalizing aspects of the neo-liberalist project. Together they create a workable—if inherently unstable—compromise between maintaining centralized strategic power and decentralized stakeholder involvement. The upshot is to preserve the outward symbolic appearance and institutional trappings of a competitive market democracy, while sustaining the political reality of elite domination through a judicious compromise between and co-optation of key oppositional groups and organizations into the policy-making process (Bottomore 1993; Crouch 2005, 2013; Smith 2009). In this way, polyarchy sustains the dominant position of plutocratic, pro-business elites based on extreme concentrations of economic wealth and income (Piketty 2014). But it is tempered with selected elements of technocratic expertise and oligarchic paternalism, in order to draw in various key stakeholder groups who need to be placated if a particular strategic policy narrative and its attendant 'discursive imaginary' are to be effectively legitimated and mobilized.

However, sustaining a polyarchic governance regime, as an institutional expression of the political ideology of 'democratic elitism in action', is pivotally dependent upon the power relationship between authoritative and expert elites, who must develop and sustain a relatively stable *modus vivendi* between centralized policy formulation and delegated policy implementation. Elites based at strategic, intermediate and local levels are all implicated in *orchestrating* the operationalization of policy shifts. Orchestration entails coordinated activity expressed by a network of actors in senior formal positions, within constraining structural parameters, to instigate, organize, oversee and consolidate complex change across part or all of a multi-organizational system (Wallace 2007). This delicate process implies the overt and unobtrusive promotion of a desired trajectory, within bounded scope for choice of action, alongside monitoring and contingent corrective action to maintain direction. Orchestration entails steering the brokering process, and mediating change as it interacts with ideologically-framed discourses and institutionalized practices reflecting organizational and professional cultures.

Authoritative and expert elites seek to stabilize the complex governance regimes and control technologies through which their power-bases are maintained and reproduced. To do so they need sufficient confidence in their respective capacities to frame the policy narrative and orchestrate its operationalization through various kinds of 'initiatives' or 'programmes' and their accompanying promotional discourse. The ideological and institutional nexus between political authority and technical expertise has to be sustained in the face of inevitable challenges to its legitimacy and cogency if polyarchic regimes are to remain effective in 'stakeholderizing' disagreements and conflicts in ways that absorb and contain any threats to its continued viability. As Monbiot (2014) has noted, both private and public corporations that have developed polyarchic forms of governance try to 'stakeholderize every conflict...they embrace their critics, involving them in a dialogue that is open in the sense that a lobster pot is open, breaking down critical distance and identity until no one knows who they are any more'. This process of co-optation and colonization entails a 'twin-track' strategy of 'outsourcing' and 'marginalization' in which authoritative and expert elites co-operate to ensure that conflicts are transferred to external agencies, of one sort or another, and then rendered-down and diluted in various ways, so that they become the responsibility of everybody and nobody (Newman 2001, 2005, 2013).

Thus authoritative and expert elites have to translate neo-liberal policy narratives promoted by policy advisory groups, think-tanks and consulting agencies operating at a global and national level (Peck 2010; Mirowski 2013; Loveridge, this volume; Reed 2014) into sustainable social practices—from 'marketizing' public services, through 'flexibilizing' employment relations, to 'financializing' international, national and household economies. Consequently, these elites meet with criticism and resistance that have to be contained if they are to maintain their ideological momentum and political impact. Insofar as innovative policy discourses and the programmes that flow from them derive from and promote new 'logics of legitimation' (Newman 2005), they have to be translated, mediated and negotiated through complex hierarchies and networks of power relations. On the way, the terms and

conditions under which they gain operational traction become modified in some degree (Fischer 2003). Thus, neo-liberalism may be characterized as a congenitally 'failing forward' (Peck 2010:6) political doctrine and policy discourse when the radiant ideological heat that it generates as a pure discursive imaginary meets with the cold pragmatic air of the inherently messy programmes and initiatives to which it breathes life. But, however ideologically compromised through political and managerial practice, neo-liberalism has provided 'a multi-level, multi-phase, multi-sector approach to the building of the political capacity to incubate, critique and promulgate' (Mirowski 2013: 54) policies and programmes that have reimagined and reconfigured the economic, social and political structures of contemporary capitalist societies.

Polyarchic governance regimes have provided the regulative mechanisms and organizational practices through which neo-liberal ideology has been mobilized: both to legitimate new policy discourses and narratives, and to translate them into operational programmes that can successfully accommodate the partially incompatible interests and concerns of diverse stakeholder groups. They provide a means whereby authoritative and expert elites can regularly come together, formally and informally. Their aim is to agree the terms and conditions under which new policy initiatives can be mobilized in ways that are consistent with a neo-liberal state that holds hard to market competition, consumer sovereignty and possessive individualism as the ideological lodestars of policy-making and implementation.

At the same time, these ideological principles have to be supported through the expert design, construction and management of a pervasive accountability regime mandating core requirements and articulating priorities, policed through continuous surveillance of performance and punitive sanctions if behaviour falls short of normalized expectations (Rose 2005; Miller and Rose 2008). In this respect, the neo-liberal state and the polyarchic governance regimes that sustain it are both political hybrids. They selectively recombine elements of markets, hierarchies and networks to generate highly complex but sustainable structures and processes through which coalitions of authoritative and expert elites can continue to govern in the name of 'market democracy'. As Peck (2010: 7 emphasis added) argues, neo-liberalism's utopian ideological vision of a universalized and unchallengeable 'free market society' can never be realized. Consequently:

...in practice, neo-liberalism has never been about a once-and-for-all liberalization, an evacuation of the state. Instead, it has been associated with *rolling programmes of market-oriented reform*, a kind of permanent revolution which cannot simply be judged according to its own fantasies of free-market liberalization...the concern here is with *neo-liberalization as an open-ended and contradictory process of regulatory restructuring*.

Discursive and Institutional Innovation in English Public Services

The provision and management of public services is a key institutional domain where the relationship between authoritative and expert elites underpins the fabrication of ideologically coherent and operationally viable, if potentially unstable, polyarchic governance regimes. Over recent decades, policy discourses and their operationalization within 'New Public Management' amongst Anglo-American and Antipodean welfare systems have variably reflected neo-liberal marketization and privatization strategies (Lane 2000; Pollitt and Bouckaert 2011). They aim to minimize the role of the state in providing such services through disengagement, as far as possible, from direct involvement in their funding and management (Leys and Player 2011). Meanwhile, remote control mechanisms keep the fostered diversification of market activity within the bounds of acceptability to government elites, and the voters on whose future support such elites ultimately depend.

European welfare states with a strong corporatist tradition have tended to be circumspect about neo-liberal public service reform (Goldfinch and Wallis 2010; Pollitt and Bouckaert 2011; McLaughlin et al 2002:). But like-minded authoritative and expert elites in Anglo-American and Antipodean welfare systems have come together to form effective 'advocacy coalitions' (Sabatier and Jenkins-Smith 1993). These powerful groups ideologically promote the neo-liberal agenda in public service reform through discursive initiatives, international 'policy borrowing', and institutional innovations. Such interventions generate 'contested hybrids' of organizational provision and governance where the formal role of the state is progressively minimized and that of non-state actors, such as private corporations, the voluntary sector or public-private partnerships, are increasingly emphasized

(Newman 2001, 2005). Elite approaches to promoting public service reform agendas combine three elements:

- Intent through *political projects* to realize governmental interests, as with the neo-liberal devolution of responsibility for service provision within a centralized surveillance and sanction regime;
- Persuasion through *discourse strategies*, such as the production of neo-liberal policy documents and media statements;
- Behavioural leverage through *control technologies*, ranging from 'hard power' mandates and sanctions, including the introduction of performance management, to 'soft power' culture management (Pollitt 1993), as with the centralized leadership development initiatives that will mainly concern us here.

Elite advocacy coalitions in the UK and other Anglo-American and Antipodean welfare are increasingly relying on leadership discourse, overlaying an initial emphasis on public service organization management, as a soft policy lever for public service reform (OECD 2001, 2010). The leadership lever has played a strategic role in ideologically crystallizing and culturally refracting a neo-liberal agenda embodying deep-seated structural contradictions and the political tensions that they inevitably generate—not least the accompanying accountability regimes delimiting the proclaimed 'freedom of action' within the public service marketplace. These contradictions and tensions require 'mediated management' at various levels of policy (authoritative) making and operational (expert) practice which have become lodged in the very 'contested hybrids' that leadership discourse has helped to create and sustain over the recent reform period.

The emergence of leaderism as an elite-sponsored discourse in the English public services relates to the demise of longstanding hierarchical 'command and control' governance regimes, hitherto orchestrated by elite top-level politicians and administrators across both central and local government characterizing 'club government' (Moran 2007). Thus state-funded education had long been typified as 'a national service, locally administered', prompting the informed comment four decades ago that 'the English education system is decentralised, untidy and, compared with European [sic] systems, unique in its relative freedom from control by the central government' (Griffiths 1971:7).

But as DuGay (2000, 2005, 2008) has consistently argued, debates about the 'modernization' of central and local government institutions in the UK since the 1990s have revolved around a critique of the incapacity of such bureaucratic forms of directive public administration to generate innovative service provision and management. New ways of doing things are deemed necessary to facilitate the strategic direction and operational flexibility demanded in an increasingly competitive marketplace for public services. In turn, this critique has generated increasing interest in 'leadership' amongst elite politicians and administrators. It constitutes a powerful discursive narrative, providing a range of policy rhetorics and practices. They legitimate the customer-led innovations and performance-oriented reorganizations that public services must adopt to survive in the brave new neo-liberal world of market competition. 'Leadership' becomes the vital discursive conduit legitimating innovative organizational service provision and management practices that translate market mechanisms into operational realities. The potentially negative long-term impact of these reforms on professional autonomy, political neutrality and institutional memory has been counteracted by the political power that a discourse of 'leadership' provides. Within this discourse, markets and marketization are seen as the primary sources of legitimacy and efficiency in a novel neo-liberal environment, where 'market populism' (Frank 2001) is the dominant ideological force.

'Market populism' is viewed as a powerful ideological weapon in the politics of institutional modernization and innovation. According to DuGay (2008: 98), it legitimates a policy narrative in which any institution that does not 'answer to the market' is not, by definition, 'answering to the people'. At one level, this ideology seems profoundly anti-elitist, undermining any claims to authority not based on market-determined criteria and the high levels of popular support 'naturally' associated with them. However, once discursively re-aligned with policies and practices supporting the new innovation-driving forms of 'leadership and leaders' that 'modernized public services' demand, then 'an elite of anti-elitists' emerges to drive subsequent phases of institutional and organizational change. It provides the leadership discourses, personnel and practices that will galvanize public services to transform themselves from 'bureaucratic dinosaurs' into 'flexible networks'. These networks will be closely attuned to the changing needs of market-empowered customers, and to their

ever-increasing demands for more responsive and high-quality service 'delivery'. Leadership (reflecting, for us, the discourse of 'leaderism') provides the ideological framework and organizational practices that promote the marketization and modernization of UK public services. It does so in ways that are consistent with the changing material interests and symbolic values of elite politicians, administrators and professionals at the centre of public life. These shifting elite interests relate to their struggle to come to terms with 'market populism' and the process of 'creative destruction' that it has let loose on public services since the gradual break-up of the post-Second World War welfare settlement during the 1980s (Clarke and Newman 1997; Clarke 2004; Newman 2001).

Moran's (2007) broader historical analysis of the British 'regulatory state' identifies an underlying process of 'hyper-innovation' between the 1970s and 1990s. It was generated by the conjuncture of an economic policy crisis and an institutional system crisis that undermined 'club government'. This process has been framed within a discursive narrative of modernization in which new forms of regulatory governance replace 'oligarchic, secretive rule with something more open and accountable' (Moran 2007: 7). The discourse of modernization drives towards a new regulatory state in which quantification, marketization and democratization become the *sine qua non* for institutional reform and their realization through flexible forms of 'managed market competition'.

Yet this public service modernizing project meets with strong elite resistance from elite professionals in the welfare state and higher education system, and elite politicians located within the central and local state apparatus. They retain a commitment to older, less 'open' and 'contested' modes of decision-making. In particular, these recalcitrant elite factions take exception to the intrusive micro-management control technologies, such as central target-setting, that institutional hyper-innovation and modernization within the 'regulatory state' brings in its wake. Moran accepts that this form of state increasingly operates within globalized and through localized forms of 'network governance'. For public services it may entail the collective oversight, with representation from multiple stakeholder groups including users, of provision offered across a cluster of service organizations (Newman 2001; Osborne 2006). Each may be jurisdictionally autonomous, dictating horizontal, voluntarily negotiated inter-organizational relationships. Since the hierarchical line-management relationships characteristic of bureaucratic organizational forms are ruled out, networked forms replace 'command and control' with what Moran terms 'reflexive regulation', selectively recombining elements of centralized 'remote control' and decentralized 'delegated autonomy' (Reed 2011 a, b). In this respect, successive central governments 'have strengthened central control but also strengthened sources of opposition to central control' (Moran 2007: 192).

We contend that leaderism has influenced public service reform policy and practice in England since the mid-1990s. It constitutes a key component of a strategy designed by elite politicians and administrators within central government to co-opt recalcitrant elite professionals into supporting the modernizing project that Moran identifies. This strategy is necessarily subject to a complex process of mediation within dispersed public service networks. The more 'hybridized' forms of public service organization and delivery emerging from this process of discursive co-optation represent an unintended consequence of the compromises between centralized (direct or remote) control and decentralized forms of delegated autonomy that 'polyarchic governance regimes' embody (Clegg et al 2006: 336-9). A central oligarchy unobtrusively retains strategic control over local oligarchies by opening-up the hierarchically-containable horizontal exercise of local power. First, by partly decentralizing governance, within 'rules of the game' that rule-out legitimate challenge to the centre. Second, by promoting participation and contestation amongst the local oligarchies, while encouraging multiple subgroups to pursue diverse sectional interests so that they remain fragmented—and therefore unlikely to threaten the established order. Thus ruling elites harness leaderism towards their search for a viable *modus vivendi* between selectively retained elements of oligarchic power and pluralistic stakeholder engagement. Consequently, they are likely to generate innovative regulatory regimes and control technologies. These innovations incrementally displace less adaptable and flexible governance systems that struggle to cope with the endemic structural contradictions and tensions intrinsic to the neo-liberal environment. The precarious sustainability of such polyarchic regimes rests on the delicate balance between decentralization through extending delegated autonomy and delimiting its scope to pre-empt any emergent threats to centralized control. Such a balancing act is inherently vulnerable to destabilization, should the pluralistic exercise of delegated autonomy proceed in directions of which ruling elites disapprove, or local groups coalesce around their shared interests to form uncontainable 'grass roots' counter-elites.

As Courpasson and Clegg (2012) have recently argued, the increasing salience of such polyarchic forms of organization and management in public services represent the outcome of a wider political strategy undertaken by ruling elites. It has been developed in response to growing stakeholder resistance at intermediate and local levels of the system-wide power structure. Within this political strategy, accommodation and discipline are recombined in ways that transform orthodox hierarchical bureaucracies into hybrid polyarchic governance regimes. Delimited stakeholder inclusiveness and participation become the necessary political price that ruling elites must pay for sustaining overall control. This is where we suggest leaderism has a crucial part to play as a pivotal ideological and discursive component of the shift towards polyarchic governance regimes in English public services. It legitimates a form of regulation and control where 'powerful internal professional groups are developed in the image that elites favour, not by imposing a single unitary loyalty and viewpoint but by maintaining conflicting loyalties and viewpoints in a state of tension...they [polyarchic bureaucracies] build a plurality of constituencies while reinforcing the power of central managers' (Courpasson and Clegg 2012: 74).

In the next section we explore further how leaderism has contributed towards the establishment of today's English public service polyarchy. Our account draws on the academic literature, several political biographies, and our recent qualitative research into public service leadership development in school education, healthcare and higher education (Wallace et al 2011). This substantial study involved a critical discourse analysis of 128 policy documents, and 218 interviews with 163 informants (55 informants were interviewed twice) from central government, national leadership development bodies (NLDBs), and service organizations.

We begin by outlining key contextual factors that have given government elites such extensive scope for manoeuvre. Next we consider the initiation of neo-liberal reforms during the period when the Conservative Party formed the central government from 1979-1997, highlighting the first national soft power initiative to bring school senior staff onside as 'managers'. We then draw on our own research to show how the succeeding Labour administrations of 1997-2010 continued this thrust, initiating the discourse of leaderism and enacting it through national leadership development initiatives for different public service sectors. We conclude the section by briefly noting how the present Conservative-Liberal Democrat coalition administration has redoubled the marketization effort. The ideologies and political values to which the authoritative elites forming each central government administration subscribe are inflected in the mix of marketization and accountability policies. Yet all three, since the appointment of Margaret Thatcher as Prime Minister in 1979, have consistently pursued versions of the neo-liberal political project. With rare exceptions (as in 1997 when the incoming Labour government reversed a Conservative policy to enable schools to 'opt out' of local government control), they have progressively extended marketization. The relevant policies, in turn, have generated new 'creative space' encouraging the diversification of provision, including greater involvement of the private sector. Alongside, all three have also introduced and serially-readjusted accountability mechanisms to delimit the diversification of practices that ensue as expert elites at intermediate and, especially, local levels seek to colonize this space.

Authoritative Elite Opening-up and Expert Elite Colonization of Institutional 'Creative Space'

The national context for an 'extreme case'. The almost unequalled intensity and longevity of neo-liberal public service reform in England has been possible because central governments have greater scope for intervention than their counterparts in most other countries. Pollitt (2007:534) contrasts the high degree of unilateral authority and relative freedom from constitutional and legal constraints that senior government politicians enjoy with those faced in other western nations, noting that 'the British system simultaneously maximizes the temptation to re-organize and minimizes the political penalties for so doing'.

But an unintended consequence has been an accretion of disruptive policy U-turns, revisions, and ameliorative policies, because intervention itself reflects intractable dilemmas. Action directed towards one pole tends to generate undesired consequences, increasing pressure towards corrective action directed towards the opposite pole, which generates new undesired consequences...(Ogawa et al 1999; Wallace and Hoyle 2012). As implied earlier a core dilemma for neo-liberal marketization concerns both the pole of decentralization (promoting entrepreneurial innovation that addresses local concerns) and the opposite pole of centralization (keeping the ensuing diversity within bounds acceptable to government elites). Hence the perennial dialectic between marketization interventions

and pre-emptive or responsive regulation—which, for local elites in service organizations, can mean no more than ‘freedom to do what you’re told’ (Hoque et al 2004). This dialectic is most dramatically exemplified by the sporadic eruption of ‘scandals’ and their aftermath.

Illustratively, a scandal at the time of writing concerns the alleged leaking of documents written by Muslim activists to local newspapers, describing their ‘trojan horse’ tactics for forcing headteachers to resign and installing their supporters as school governors. The supposed goal is to ensure that a school is run according to Islamic principles (Daily Mail 2014). The schools in question cater for a high proportion of Muslim pupils, and are ‘academies’, freed from local government oversight under central government marketization reforms. If true, the absence of local government involvement made the alleged ‘plot’ possible. In response, central government elites have ordered intensive surveillance by its inspection agency, have heavily sanctioned several allegedly targeted schools, and will continue to monitor them through repeated inspections. Here a consequence of decentralization has brought unanticipated pressure on central government elites to employ—and even increase—its centralized control, to delimit the scope for any recurrence.

Another factor that Pollitt (2007) identifies as contributing towards sustained central government elite-driven reform in England is their proliferating employment of ‘change management experts’, especially in roles as consultants or special advisers. Pollitt notes the vested interest of such experts in promoting politically feasible forms of change that reflect their management knowledge. In essence, they possess a restricted repertoire of ‘solutions in search of a problem’ (Cohen et al 1972) that they advise ministers to apply to public services. Often these solutions are derived from business settings. An early example is school site-based budgeting. Government elite politicians informed the development of policy by commissioning Coopers and Lybrand (1988), a private sector-based consultant, to produce an expert report. It claimed that the concepts underlying private-sector budgeting were ‘just as applicable to the public sector as they are to the private sector’—in the absence of any evidence, since the practice had yet to be tried in schools.

Just how extreme the case of a ‘permanent revolution’ (Peck 2010) in English public services has been since the 1970s can be gauged from many sources in the public domain: from historical overviews (2020 Public Services Trust 2009), through policy document archives (for education see Gillard 2014) and academic accounts of particular services (for healthcare see Paton 2014; Rivett 2014), to international comparative studies (see Pollitt and Bouckaert 2011). We confine our attention to selected interventions that illustrate the unfolding of government elite-driven neo-liberal ‘managed market’ reform, and the emergence and enactment of leaderism within it.

Precursor to leaderism: the impact of managerialism in the era of hyper-innovation. By the 1970s the term ‘management’ had transferred from its private sector origins into public service discourse. But the compass of this discursive imaginary was largely confined to the coordination required for ongoing provision. The radical Conservative government elected in 1979, with a large majority, launched the political project of reform that has never ceased since. Full use was made of the ‘creative space’ the British majoritarian political system afforded to experiment with a raft of neo-liberal policies. Their implementation would itself constitute significant innovation in the institutions providing public services. The authoritative elites included senior politicians who subscribed to the managerialist operational ideology that ‘business knows best’, and sought to apply it to the reform of public services. A key figure was Sir Keith Joseph, with private sector business experience as the son of the Bovis building company’s founder. His commitment to neo-liberalism was shared with Prime Minister Margaret Thatcher, for whom he acted as a close adviser (Denham and Garnett 2001). He also had the rueful experience of attempting to improve the National Health Service (NHS), when responsible for healthcare in a previous administration, by reforming its management structure. But his efforts had merely increased expenditure without discernibly enhancing provision.

From the outset, central government elites orchestrated a twin-track approach, promoting the marketization of public services while delimiting the diversification of practice through the beginnings of a ‘remote control’ accountability regime. In both school and higher education marketization was pursued indirectly through regulation, to create more favourable conditions for entrepreneurial innovation by local elites in senior positions within service organizations. Its aim was radically to reduce control exercised by local government authoritative elites over provision. The elected majority in many local councils belonged to political parties in opposition to the Conservatives forming central government. They did not support neo-liberalism. Consequently, the ‘local management of schools’

initiative forced local government to devolve the operating budget to individual schools; in turn, this gave them greater scope over staffing and other resources. Similarly, local government-controlled higher education institutions were liberated and entitled to rebrand themselves as universities. Marketization of schooling was more directly promoted through other reforms. One move towards 'market populism' was to increase parental scope to express a preference for the local school their child might attend. It included providing information to facilitate such judgements, as with the required publication of periodic inspection reports and examination results. An early experiment in diversifying the range of schools, while bringing in the private sector, was to create 'city technology colleges': government-funded independent schools for which ministers (unsuccessfully) sought private sector sponsorship. It was augmented by regulation enabling schools to 'opt out' of local government control and become funded directly through a national government agency. Delimiting accountability measures included a centrally specified national curriculum, national tests for younger pupils (with a populist twist through the mandatory publication of results), and strengthened surveillance through a new inspection regime, conducted in part by contracted private agencies.

Within healthcare, central government elites orchestrated a parallel twin-track approach to establishing a 'regulated market'. It was similarly informed by external advice, but not only from the private sector. An influential private sector adviser was Sir Roy Griffiths, a director of the Sainsbury supermarket chain, commissioned to report on NHS management (DHSS 1983). His advice reflected the operational ideology of managerialism: to stimulate the introduction of general management, replacing traditional consensus decision-making by multidisciplinary teams of chief officers. Business practices for these general managers included short-term contracts, performance review and performance-related pay (Pollitt et al 1991). Influential advice also came from an American academic economist (Enthoven 1985). His report on establishing an internal market in the NHS was passed to senior politicians, rather than being commissioned by them (Paton 2014). Policies to create favourable conditions for marketization focused internally. A 'split' was established between 'providers' such as hospitals and 'purchasers'—principally doctors in general practice and administrative health authorities—now responsible for commissioning services from the providers. Hospitals were accorded 'trust' status, with a management board and significant budgetary discretion, now 'selling' their hospital services to the 'purchasers'. Moves to bring in accountability measures started with the introduction of performance indicators, and extended to targets for reducing non-emergency surgery waiting times, and reducing the proportion of deaths from specific diseases.

During this period, any training provided for such 'managers' remained internal to NHS organizations. Yet the first soft power foray by central government elites into large-scale co-optation of senior service organization staff as managers was undertaken in 1983 by Sir Keith Joseph, when in charge of the Department for Education and Science. (It constituted a precedent on which the successor Labour administration was to build in enacting leaderism.) The initiative targeted school headteachers and deputy heads. The National Development Centre for School Management Training (NDC) amounted to a control technology of very modest scope, in the form of a collaborative project between one university education department and another university business school. Its remit was to support government-funded training courses offered by approved higher education institutions (Bolam 1986). Here intermediate-level academic expert elites moderately mediated the initiative—ironically by fulfilling its brief to learn from private sector practices. The NDC adopted the broader notion of 'management development' as a framework for developing guidance for local government and individual schools. Management development encompassed the construction of a policy and programme for developing staff with management responsibilities, treating training courses as only one way of meeting identified development needs. But the primacy accorded to local-level elites in local government and schools did not square well with the central elite concern to implement a centralized approach to training. Once the NDC's contract finished, regional provision of management training and related developmental initiatives remained, such as a national pilot scheme for mentoring new headteachers (Bolam 1997). But the NDC guidance for local government rapidly became redundant as policies mentioned above, to reduce local government involvement in schooling, took hold.

The rise of leaderism and leadership development in the era of reorganization. The successor Labour administration also enjoyed great scope for unilateral manoeuvre, combining a moderately more social democratic approach towards enacting neo-liberalism with a similar allegiance to managerialism for its operationalization. The Prime Minister, Tony Blair (2010: 284), immediately 'began to look for ways, all ways, of getting business ideas into public service practice'.

In the build-up to the 1997 general election, he had worked behind-the-scenes with other elite politicians and activists in the Labour Party to formulate the public service reform policies were then launched. A key education adviser had been the academic Michael Barber, who was immediately appointed to a top civil service post, where he assisted with implementing regulative policies to improve the achievement of literacy and numeracy standards in schools. Initially, greater central government elite emphasis was placed on strengthening accountability regimes than on opening-up markets (indeed, 'opted-out' schools were returned to local government control). A period of 'targets and terror' (Bevan and Hood 2006) saw the imposition of multiple service priorities in school education, healthcare and other services, 'tough targets' for raising their achievement, surveillance arrangements for their regular measurement, and sanctions if they were not achieved—in the case of schools including the 'naming and shaming' of those judged through inspection to be failing. Barber (1996: 55-60) had previously coined the term 'free-market Stalinism' to ridicule Conservative government imposition of marketization policies. With deep irony, after a few years within central government he had invented 'deliverology' (Barber 2007) in his subsequent 'enforcer' role: driving through the implementation of public service reforms by measuring service 'delivery' performance and challenging local-level elites in service organizations to justify any shortfall against centrally imposed targets.

The push for accountability was soon complemented by a renewed push for marketization, whose emphasis gradually shifted from establishing a market amongst individual service providers towards more collective, networked local provision (Strategy Unit 2008), opening-up creative space for a multiplicity of local arrangements. Indirect marketization policies to create favourable conditions included 'local strategic partnerships' between multiple services, some entailing 'co-production with user groups'. Direct marketization policies included expanding the diversity of service organizations to extend 'customer' choice of provider. Combined with the accountability measures, they proved as repeatedly disruptive in both school education and healthcare as during the earlier period of 'hyper-innovation', prompting the pejorative epithet 'reorganization' (Smith et al 2001; Pollitt 2007). Some new marketization policies remodelled arrangements of the previous Conservative administration. For example, a raft of new local 'primary care trusts' was serially introduced and reconfigured to adjust the internal 'purchasing' of healthcare services. Others augmented the old Conservative arrangements. Thus having returned 'opted out' schools to local government control, central government elites promptly created 'academies', a new form of semi-privatized school. The academies programme was informed by the previous administration's city technology colleges initiative. This programme was also an example of adaptive international 'policy borrowing', informed by the Charter Schools movement in the USA. Charter Schools are publicly funded but operationally autonomous, many run by private sector organizations (Murphy and Shiffman 2002). Academy schools remain state-funded but are owned and operated by sponsors, many from the private sector. Higher education institutions also faced neo-liberal policies bringing new 'consumer' pressure. Student tuition fees replaced payment through grants funded by taxation, coupled with government regulatory pressure to expand provision.

The articulation and enactment of leaderism from the late 1990s became a signature use of soft power by Labour central government elites. They rapidly overlaid the previous administration's soft power promotion of service organization 'management', through a more concerted discourse strategy promoting culturally-oriented forms of leadership to generate momentum for further public service reform. While its origins are uncertain, they appear to combine a long-institutionalized political discourse, where politicians have traditionally construed themselves as 'leaders', with the more recent translation of highly normative academic ideas about visionary political leadership put forward by Burns (1978) in the USA and widely propagated in the business literature (e.g. Bennis and Nanus 1985). The discursive imaginary of 'leaderism' constituted a conceptual hybrid combining elite hierarchical and horizontal network elements. The main conception of leadership was implicitly 'transformational', where leaders and followers together identify and work towards a collective moral purpose for the common good (Burns 1978), then 'distributed', embracing the formal influencing activity of those occupying a hierarchy of managerial roles and the informal activity of any organization member, as in teams (Bolden et al 2008). Characteristics of leaderism identified in our research from documents and informants are:

a belief in elite systemic direction-setting through a hierarchically distributed pattern of persuasive influence, nurturing cultural change necessary for dissolving incompatible interests by fostering the collective pursuit of goals to realize a vision for improvement that becomes accepted as in the

interests of all, so subordinating any sectional interests-at-hand that are incompatible with this vision.

The manipulative nature of leaderism is reflected in the eliding of sectional interests with the supposed universally shared collective interest that 'leaders' are legitimated to define and harness 'followers' to pursue. Central government policy documents (e.g. OPSR 2002) implied a two-tier hierarchy of leaders: the government acts as the collective *leader of systemic reform*; *leaders within the system being reformed* in service organizations and agencies are to make reforms work within their domain, on behalf of the leaders of systemic reform. The political promotion of leaderism was subtle. Leadership was articulated as a generic influencing activity on the one hand, while targeted towards acculturating local-level expert elites and their associates—senior service organization staff—as committed leaders of marketization reform within the accountability regime, and subsequently of marketized services, on the other. The government's discourse strategy, built round this dual leadership role imaginary and part-linked to reforms, explicitly exhorted leaders 'to deliver joined up services through networks and loose coalitions (PIU 2001: 16). Conditions were to be created for the balance between the hierarchical and horizontal power relationships in which leaders were embedded to lean further towards the horizontal, as they colonized the creative space the reforms would create for local innovation in service provision.

To mobilize the development of leaders within public service reform, government departments established a national 'leadership development' body (NLDB) for each sector. Their intermediate-level expert elite senior staff were generally recruited from public service professionals in the sector with management roles. Our research suggested that these new forms of national change agency organization offered sufficient creative space for expert elite senior NLDB staff to colonize through constrained innovation. The National College for School Leadership (NCSL) and the NHS Institute for Innovation and Improvement (NHSIII) amounted to government control technologies for mobilizing reform through the acculturational impact of leadership development provision. Their documentation reflected the authoritative elite expectation that they would build sectoral capacity for leading the implementation of reforms and reformed services. However, scope for innovation lay in the absence of any specification that provision must be directed *exclusively* towards reform. Consequently, the NCSL and NHSIII brief left scope over how far to create leadership development programmes that were reform-related, or more generically associated with any change agenda. The Leadership Foundation for Higher Education (LFHE) constituted a more 'remote-control' technology within this hybrid public-private sector. Managerialism was reflected in the construction of a 'business case' prepared by professional associations representing senior university staff (UUK/SCOP 2003). The LFHE was funded primarily by universities, but also part-dependent on central government funding. Consistent with the marketization reforms in other sectors, the business case implicitly underlined the capacity for colonizing the creative space being opened-up for universities, as 'autonomous businesses', to 'drive' change through partnership with their 'clients'. LFHE documentation represented senior university staff as independent of government. But its provision addressed current reforms, nevertheless.

Our research interviews with NLDB expert elites suggested that they had colonized the modest creative space left to them. The programmes they provided or commissioned focused on more generic 'hierarchically distributed transformational leadership'. Training and other developmental activities acknowledged reforms as an important—but not dominant—aspect of participants' change agendas. These intermediate-level expert elites aimed to acculturate senior service organization staff as leaders, but not necessarily as co-reformers, so moderately mediating the authoritative elite endeavour to mobilize the implementation of reform by this means.

Similarly, local expert elites in receipt of NLDB provision appear also to have colonized such creative space as they could. Senior service organization staff reported that its main impact was to inform their thinking about their practice, rather than acculturating them as reformers (see Wallace et al 2011). But they almost unanimously perceived themselves as leaders, whether or not they had received training from NLDBs or other providers. Most appeared to have inculcated 'hierarchically distributed transformational leadership' discourse. Their acculturation as leaders legitimated their efforts to maximize the scope of their agency as innovators, guided by the strong allegiance they retained to their service professional values. Most claimed to have mediated reforms by implementing them within their organizational jurisdiction as much adaptively as faithfully, while proactively pursuing independent agendas. However, most also implied that 'harder' accountability regime delimited their

power to mediate. Leadership development and the spread of culturally-oriented leadership discourse helped to create fertile conditions for local-level expert elites to innovate, although they were not acculturated as government change agents. But institutionalized authoritative elite regulatory mechanisms circumscribed its scope, especially in the school and healthcare sectors.

The near-universal identification of our informants with being leaders, driving change within their jurisdiction, confirms how versatile a change 'lubricant' leaderism is, easing the path for innovative colonization of the institutional creative space generated by marketization. An emerging institutional logic within public service organizations is that they are comprehensively *led*: expert elites use vision-building and other cultural means to foster support for unified direction-setting, in the face of the proliferating sectional interests that marketization empowers different stakeholder groups to pursue, and that leaderism elides. Speculatively, it is the *cultural* orientation of leaderism that renders it so attractive to authoritative and expert elites alike, encouraging both to use this form of soft power to win support from those on whom they ultimately depend to realize their interests. For while senior service organization staff may not have been fully acculturated as reformers, exposure to leadership discourse or leadership development programmes had acculturated them as leaders, making increasingly marketized services work.

Despite the conditions of financial austerity that surrounded the advent of the present Conservative and Liberal Democrat coalition government, there has been no let-up in the attempt to turn public services into a neo-liberal 'regulated market', no respite from 're-disorganization', and an increased investment in co-optative leadership development. Indicatively, large numbers of schools have faced pressure from central government elites to become academies; the 'purchaser' side of the healthcare internal market has been radically reconfigured (again); and higher education institutions have been allowed to set higher tuition fees, resulting in greater student debt and increased 'consumer' pressure from them to receive 'value for money'. The NLDB for school education has had its remit extended to cover teacher training; a new dedicated NHS Leadership Academy has been launched, with increased funding; and the more autonomous LFHE for higher education has maintained its level of provision. Leadership development appears to have outlasted its potential vulnerability as a fad or fashion, proving, so far, to be of more lasting value for very different reasons to all the elite groups involved.

Discussion and Conclusions

The analysis provided above portrays how deeply neo-liberalism has become embedded in English public service policy, and how a combination of hard and soft power has become an enduring hallmark of elite approaches towards its enactment. Our research highlights the strategic role played by authoritative and expert elite leadership discourses in facilitating, while also bounding, the scope for institutional innovation within the education and health sectors of one Anglo-American public service setting. It located this analysis within a wider understanding of the major shifts in regulative orders occurring in public services since the 1980s. They have emerged from the ideological and political dominance of neo-liberalism and the ways in which it has been promoted by authoritative and expert elites operating within the hybridized, polyarchic governance regimes which have become more evident over this period. But since the discourse of leaderism is not intrinsically wedded to any specific economic ideology it could, in principle, be harnessed towards the pursuit of other goals. Thus it seems likely that leaderism is here to stay as a soft power resource for elites with potential to further a diversity of change agendas in other settings.

The design of our change process-focused study stopped short of exploring the content and outcome of changes that most senior service organization staff reported leading. But the reforms of the day did focus on developing new collaborative and co-productive service practices. We do know from other research and evaluations that there has been widespread engagement with innovations in different public service sectors that entail shared leadership (e.g. Buchanan et al 2007; Bolden et al 2008; Martin et al 2009; Moore and Rutherford 2012; Ferlie et al 2013). Such studies suggest that institutional innovation is indeed precipitating further hybridization of organizational forms in English public services.

The account also suggests that leaderism may play an important facilitative role, even in less extreme national contexts, by underpinning leadership development as a soft, co-optative policy lever. In our case it nurtured (though not entirely successfully) the acculturation of local-level elites responsible for

service organizations as leaders, acting both as conduits for reform and colonizers of institutional creative space in the resultant re-formed services. The emergent 'command situation' that leaderism served here was clearly polyarchic. There was expanded scope for local-level elite 'leaders within the system' to develop innovatory provision based on cross-jurisdictional, horizontal power relationships. Yet it was delimited, as our informants attested, by the expanded strategic-level elite technologies of hierarchical 'remote control' that legitimated them, as 'leaders of the system', sustaining their dominant position as market regulators. But for how long? The stability of this polyarchy rests on remote control that keeps the range of innovatory provision within bounds acceptable to authoritative elites. Yet their 'administrative reach' is limited by their dependence, both on local-level expert elites to 'lead' the operation of local service markets, and on service users and other voters to continue approving of the authoritative elites responsible for establishing the regulated service marketplace. The way has been opened here for unpredictable institutional innovation, and possible challenging consequences for the strategic-level elites driving reform.

Complementary work could valuably reach beyond our study in exploring how local-level expert elites orchestrate institutional innovation and its consolidation within the expanding array of governance arrangements being created by marketization, with an eye to its contribution towards the further hybridization of organizational forms. In turn, improved understanding of 'how the hybrid is made to happen' through the dynamic interplay between authoritative and expert elite power should put us in a better position to explain the complex political and cultural processes through which institutional innovation in contemporary public services emerges as a sustainable, if contested, socio-material reality.

Improved understanding of the complex dynamic interplay between inter-elite agency, institutional innovation and organizational hybridization in public services seems most likely to emerge from further research on the strategic role that 'advocacy coalitions' of authoritative and expert elites play in generating new 'moral vocabularies of discourse', such as 'leaderism'. This role may embrace the mobilization of field or sector-level institutional logics legitimating hybridized organizational forms that, in turn, recombine contrasting—and often competing—control technologies and practices. Inter-elite advocacy coalitions will, necessarily, carry and contain structural contradictions and ideological tensions. They will have to be 'worked through', at least in some minimally sustainable way, in order to make possible discursive and behavioural interventions that are consistent with the institutional innovations and organizational reforms they are striving to legitimate and implement. In this respect, the 'internal conversations' that advocacy coalitions will have with themselves, as corporate agents with the potential powers and mechanisms to generate contextual and operational change for and within public services, will be of strategic significance for subsequent phases of institutional innovation and organizational reform. The result will be to recombine, in novel and unpredictable ways, logics and practices that simply didn't seem to belong together—until now!

The study discussed here heralds the sort of research that we suggest is needed to get at the 'underside' of the discursive mechanisms and cultural processes at work in generating new institutional logics and organizational technologies for legitimating and delivering contemporary modes of public service provision. It will be important to track how far they attempt to break radically with previously established modes while retaining significant 'leftovers' from 'what went before'. Focusing on the highly complex interplay between inter-elite agency, institutional innovation and organizational hybridization is likely to prove of considerable worth to researchers as we strive to unpack the power relations and dynamics that continue to shape public service reform.

Acknowledgement

The research reported here was supported by the Economic and Social Research Council under grant number RES-000-23-1136. The views expressed are those of the authors and do not represent the views of the ESRC.

References

- Archer, M (2003) *Structure, Agency and the Internal Conversation* Cambridge: Cambridge University Press
Barber, M (1996) *The Learning Game* London: Gollancz

- Barber, M (2007) *Instruction to Deliver* London: Politico's
- Bennis, W G and Nanus, B (1985) *Leaders: the Strategies for Taking Charge* New York: Harper & Row
- Bevan, G and Hood, C (2006) What's measured is what matters: targets and gaming in the English public healthcare system, *Public Administration* 84, 3: 517-538
- Blair, T (2010) *A Journey* London: Hutchinson
- Bolam, R (1986) The National Development Centre for School Management Training, in Hoyle, E and McMahon, A (eds) *The Management of Schools* (World Yearbook of Education). London: Kogan Page, 252-271
- Bolam, R (1997) Management development for headteachers: retrospect and prospect, *Educational Management and Administration* 25: 265-283
- Bolden, R, Petrov, G and Gosling, J (2008) *Developing Collective Leadership in Higher Education. Final Report* London: Leadership Foundation for Higher Education
- Bottomore, T (1993) *Elites and Classes* London: Allen Lane
- Brunetto, Y (2001) Mediating change for public-sector professionals, *International Journal of Public Sector Management* 14, 6: 465-81
- Buchanan, D, Addicott, R, Fitzgerald, L, Ferlie, E and Baeza, J (2007) Nobody in charge: distributed agency in healthcare, *Human Relations* 60, 7: 1065-1090
- Burns, J (1978) *Leadership* New York: Harper & Row
- Clarke, J (2004) *Changing Welfare, Changing States: New Directions in Social Policy* London: Sage
- Clarke, J and Newman, J (1997) *The Managerial State: Power, Politics and Ideology in the Remaking of Social Welfare* London: Sage
- Clarke, J, Newman, J, Smith, N, Vidler, E and Westmarland, L (2007) *Creating Citizen-Consumers: Changing Publics and Changing Public Services* London: Sage
- Clegg, S, Courpasson, D and Phillips, N (2006) *Power and Organizations* London: Sage
- Cohen, M D, March, J G and Olsen J P (1972) A garbage can model of organizational choice, *Administrative Science Quarterly*, 17, 1: 1-25
- Coopers and Lybrand (1988) *Local Management of Schools* London: Her Majesty's Stationery Office
- Courpasson, D and Clegg, S (2012) The polyarchic bureaucracy: co-operative resistance in the workplace and the construction of a new political structure of organizations in D Courpasson, D Golsorkhi and J Sallaz (eds) *Rethinking Power in Organizations, Institutions, and Markets, Research in the Sociology of Organizations*, Volume 34: 55-80
- Crouch, C (2005) *Capitalist Diversity and Change: Recombinant Governance and Institutional Entrepreneurship* Oxford: Oxford University Press
- Crouch, C (2013) *Making Capitalism Fit for Society*, Cambridge: Polity Press
- Dahl, R (1958), 'A critique of the ruling elite model', *American Political Science Review*, 52, June, 563-569
- Dahl, R (1971), *Polyarchy: Participation and Opposition*, New Haven, CT: Yale University Press
- Daily Mail (2014) Revealed: Islamist plot dubbed 'Trojan Horse' to replace teachers in Birmingham with radicals, 7th March. <http://www.dailymail.co.uk/news/article-2575759/Revealed-Islamist-plot-dubbed-Trojan-Horse-string-schools-Birmingham-self-styled-Jihad.html> Accessed 11th June 2014
- Denham, A and Garnett, M (2001) *Keith Joseph* Durham: Acumen
- Department of Health and Social Security (1983) NHS management inquiry (the Griffiths report). London: DHSS
- DuGay, P (2000) *In Praise of Bureaucracy* London: Sage
- DuGay, P (2005) Bureaucracy and liberty, in P DuGay (ed) *The Values of Bureaucracy* Oxford: Oxford University Press, 41-62
- DuGay, P (2008) Keyser Suze elites: market populism and the politics of institutional change in M Savage and K Williams (eds) *Remembering Elites* Oxford: Blackwell, 80-102
- Enthoven, A C (1985) Reflections on the management of the National Health Service. London: Nuffield Provincial Hospitals Trust, Occasional Paper 5
- Fairclough, N (2010) *Analysing Discourse: The Critical Study of Language*, Second Edition, London: Routledge
- Ferlie, E, Fitzgerald, L, Wood, M and Hawkins, C (2005) The (non) spread of innovations: the mediating role of professionals, *Academy of Management Journal* 48, 1: 117-34
- Ferlie, E, Fitzgerald, L, McGivern, G, Dopson, S and Bennett, C (2013) *Making Wicked Problems Governable? The Case of Managed Networks in Healthcare* Oxford: Oxford University Press
- Fischer, F (2003), *Reframing Public Policy: Discursive Politics and Deliberative Practices*, Oxford: Oxford University Press

- Frank, T (2001) *One Market under God: Extreme Capitalism, Market Populism and the End of Economic Democracy* London: Secker and Warburg
- Gamble, A (2009), *The Spectre at the Feast: Capitalist Crisis and the Politics of Recession* Basingstoke: Palgrave Macmillan
- Gillard, D (2014) Education in England: the history of our schools. <http://www.educationengland.org.uk/> Accessed 11th June 2014
- Goldfinch, S and Wallis, J (2010), Two myths of convergence in public management reform, *Public Administration* 88, 4: 1099-1115
- Griffiths, A (1971) *Secondary School Reorganisation in England and Wales* London: Routledge & Kegan Paul
- Harvey, D (2005), *A Brief History of Neo-Liberalism* Oxford: Oxford University Press
- Harvey, D (2011), *The Enigma of Capitalism and the Crises of Capitalism* London: Profile Books
- Hoque, K, Davis, S, and Humphreys, M (2004) Freedom to do what you are told: senior management team autonomy in an NHS acute trust, *Public Administration* 82, 2: 355-375
- Jamieson, I (1996) Education and business: converging models, in Pole, J and Chawla-Duggan, R (eds) *Reshaping Education in the 1990s: Perspectives on Secondary Schooling*, London: Falmer, 26-39
- Lane, J-E (2000) *New Public Management: An Introduction* London: Routledge
- Leys, C and Player, S (2011) *The Plot Against the NHS* Pontypool: Merlin Press
- Loveridge, R (2014) Designing legitimacy: the rise of global advocacy coalitions and the emergence of the proselytizing think-tank (this volume)
- Martin, G, Currie, G and Finn, R (2009) Leadership, service reform, and public-service networks: the case of cancer-genetics pilots in the English NHS, *Journal of Public Administration Research and Theory* 19, 769-794
- McLaughlin, K, Osborne, S and Ferlie, E (eds) (2002) *New Public Management: Current Trends and Future Prospects* London: Routledge
- Miller, P and Rose, N (2008), *Governing the Present*, Cambridge: Polity
- Mills, C W (1956) *The Power Elite* New York: Oxford University Press
- Mirowski, P (2013) *Never let a Serious Crisis go to Waste: How Neo-Liberalism Survived the Financial Meltdown* London: Verso
- Monbiot, G (2014) How have these corporations colonized our public life?, *The Guardian Newspaper*, UK, 8th April 2014
- Moore, T and Rutherford, D (2012) Primary strategy learning networks: a local study of a national initiative, *Educational Management Administration and Leadership* 40, 1: 69-83
- Moran, M (2007) *The British Regulatory State: High Modernism and Hyper-Innovation*, Oxford: Oxford University Press
- Murphy, J and Shiffman, C D (2002) *Understanding and Assessing the Charter School Movement* New York: Teachers College Press
- Newman, J (2001) *Modernizing Governance: New Labour, Policy and Society* London: Sage
- Newman, J (2005) Enter the transformational leader: network governance and the micro-politics of modernization, *Sociology* 39, 4: 717-734
- Newman, J (2013) Professionals, power and the reform of public services, in Noordegraaf, M and Steijn, B (eds), *Professionals under Pressure; The Reconfiguration of Professional Work in Changing Public Services*, Amsterdam: Amsterdam University Press, 41-54
- Nye, J (2004) *Soft Power: the Means to Success in World Politics* New York: Public Affairs
- OECD (2001) *Public Service Leadership for the 21st Century* Paris: Organization for Economic Co-operation and Development
- OECD (2010) *Making Reform Happen: Lessons from OECD Countries*, Paris: Organization for Economic Co-operation and Development
- Ogawa, R, Crowson, R, and Goldring, E (1999) Enduring dilemmas of school organization, in Murphy, J and Louis, K S (eds) *Handbook of Research on Educational Administration* San Francisco: Jossey-Bass, 277-295
- OPSR (2002) *Reforming our Public Services: Principles into Practice* London: Office of Public Services Reform
- O'Reilly, D and Reed, M (2010) Leaderism: an evolution of managerialism in UK public services reform, *Public Administration* 88, 4: 960-978
- O'Reilly, D and Reed, M (2011) The grit in the oyster: professionalism, managerialism and leaderism as discourses of public services modernization, *Organization Studies* 32, 8: 1079-1101
- Osborne, S (2006) *The Constructions of Neo-Liberal Reason*, Oxford: Oxford University Press

- Paton, C (2014) Garbage-can policy-making meets neo-liberal ideology: twenty five years of redundant reform of the English National Health Service *Social Policy and Administration* 48, 3: 319-342
- Peck, J (2010) *Constructions of Neoliberal Reason* Oxford: Oxford University Press
- Performance and Innovation Unit (2001) *Strengthening Leadership in the Public Sector* London: The Stationery Office
- Piketty, T (2014) *Capital in the Twenty First Century*, Cambridge Mass: Harvard University Press
- Pollitt, C (1993) *Managerialism and the Public Services* (2nd edn) Oxford: Blackwell
- Pollitt, C (2007) New Labour's re-disorganization: hyper-modernism and the costs of reform – a cautionary tale, *Public Management Review* 9, 4: 529-543
- Pollitt, C and Bouckaert, G (2011) *Public Management Reform: A Comparative Analysis* (3rd edn) Oxford: Oxford University Press
- Pollitt, C, Harrison, S, Hunter, D J and Marnoch, G (1991) General management in the NHS: the initial impact 1983-88, *Public Administration* 69, Spring: 61-83
- Public Services Trust (2009) *A Brief History of Public Services Reform*, London: Public Services Trust
- Reed, M (2011a) Control in contemporary work organizations, in Blyton, P, Heery, E and Turnbullm P (eds) *Reassessing the Employment Relationship* Basingstoke: Palgrave, 41-70
- Reed, M (2011b) The post-bureaucratic organization and the control revolution, in Clegg, S, Harris, M and Hopfl, H (eds) *Managing Modernity: Beyond Bureaucracy?* Oxford: Oxford University Press, 230-256
- Reed, M (2012a) Masters of the universe: power and elites in organization studies, *Organization Studies* 33, 1: 203-222
- Reed, M (2012b) Theorizing power/domination and studying organizational elites: a critical realist perspective' in Courpasson, D, Golsorkhi, D and Sallaz, G (eds), *Rethinking Power in Organizations, Institutions and Markets*, *Research in the Sociology of Organizations*, Volume 34 New York: Emerald Publisher, 21-54
- Reed, M (2014), 'Leviathan Eviserated?: The Decay of Sovereign Power and the Hegemony of Neo-liberalism', unpublished MS
- Richards, D and Smith, M J (2004), The 'hybrid state': Labour's response to the challenge of governance, in Ludlam, S and Smith M J (eds) *Governing as New Labour* Basingstoke: Palgrave Macmillan, 106-125
- Rivett, G C (2014) National Health Service history. <http://www.nhshistory.net/> Accessed 12th June 2014
- Rose, N (2005) *Governing the Soul*, London: Routledge
- Sabatier, P and Jenkins-Smith, H (eds) (1993) *Policy Change and Learning: an Advocacy Coalition Approach* Boulder: Westview Press
- Savage, M and Williams, K (2008) (eds), *Remembering Elites*, Oxford: Blackwell
- Scott, J (1996) *Stratification and Power: Structures of Class, Status and Command* Cambridge: Cambridge University Press
- Scott, J (2001) *Power* Cambridge: Polity
- Scott, J (2008) Modes of power and the reconceptualization of elites, in Savage and Williams op cit pp 27-45
- Selznick, P (1966) *The TVA and the Grass Roots* (2nd edn) New York: Harper
- Smith, M J (2009) *Power and the State*, Basingstoke: Palgrave Macmillan
- Smith, J, Walshe, K and Hunter, D (2001) The 'redisorganisation' of the NHS, *British Medical Journal* 323, (7324): 1262-1263
- Spours, K, Coffield, F and Gregson, M (2007) Mediation, translation and local ecologies: understanding the impact of policy levers on FE colleges, *Journal of Vocational Education and Training* 59, 2: 193–212
- Strategy Unit (2008) *Realizing Britain's Potential: Future Strategic Challenges for Britain* London: Cabinet Office
- Universities UK/Standing Conference of Principals (2003) Business case for the Leadership Foundation for Higher Education. Mimeo. London: UUK/SCOP
- Wallace, M (1998) A counter-policy to subvert education reform? Collaboration among schools and colleges in a competitive climate, *British Educational Research Journal* 24, 2: 195-215
- Wallace, M (2007) Coping with complex and programmatic public service change, in Wallace, M, Fertig, M and Schneller, E (eds) *Managing Change in the Public Services* Oxford: Blackwell, 13-35
- Wallace, M and Hoyle, E (2012) The dynamics of irony in organizational change: coping with a school merger, *Public Administration* 90, 4: 974-999

Wallace, M, O'Reilly, D, Morris, J, and Deem, R (2011) Public service leaders as change agents – for whom?, *Public Management Review* 13, 65-93
Weber, M (1978) *Economy and Society* California: University of California Press
Zald, M and Lounsbury, M (2010) The wizards of Oz: towards an institutional approach to elites, expertise and command posts, *Organization Studies* 31, 963- 996