

Lynch, K. (2017) New Managerialism in education: the organisational form of neoliberalism' in A. Abraham-Hamanoiel, D. Freedman, G. Khiabany, K. Nash and J. Petley (Eds.) *Liberalism in Neoliberal Times: Dimensions, Contradictions, Limits*. London: Goldsmiths Press. pp. 159-163.

New Managerialism in education: the organisational form of neoliberalism

Kathleen Lynch

University College Dublin

With the rise of the neo-liberalism as a system of values (Harvey 2005), there is an increasing attempt to off-load the cost of education, health care and public services generally, on to the individual. Allied to this, there is a growing movement to privatise those areas of public services that could be run for profit, including higher education.

New managerialism represents the organisational arm of neoliberalism. It is the mode of governance designed to realize the neoliberal project through the institutionalising of market principles in the governance of organisations. In the public sector (and increasingly in civil society bodies) it involves prioritisation of private (for-profit) sector values of efficiency and productivity in the regulation of public bodies, on the assumption that the former is superior to the latter (Lynch, Grummell and Devine 2012).

While it would be a mistake to view new managerialism as a unitary whole, implemented consistently across differing cultural and economic contexts, nevertheless in the redesign of public service provision, key features of managerialism include: an emphasis on outputs over inputs; the close monitoring of employee performance and the encouragement of self-monitoring through the widespread use of performance indicators, rankings, league tables and performance management. The decentralisation of budgetary and personal authority to line managers, combined with the retention of power and control at central level, and the introduction of new and more casualised contractual employment arrangements, are also key features that serve to reduce costs and exercise control.

New managerialism is further characterised by significant changes in nomenclature. There is a declining use of language that frames public services in terms of citizens' rights, public welfare and solidarity and a growing emphasis on language that defines the citizen's relationship to the State in terms of market values, be it that of customers, service users and competitors. There is a deliberate attempt to elide the differences between public and private interests. New configurations of public-private relationships are designated as 'partnerships' erasing the differences between public and private interest values, between providing a service at cost and only providing a service if it is profitable.

As it involves the inculcation of market values and practices into the regulation and organisation of public services in particular (and increasingly voluntary and community organizations), new managerialism focuses service providers on outputs measured in terms of performance indicators and rankings (often regardless of inputs or resources). It is operationalised through the language of choice, competition and service users; it promotes the decentralisation of budgetary and personal authority to line managers, and project-led contractual employment arrangements rather than permanency. And it endorses strong market-type accountability in public sector spending. The net effect is that meeting

Lynch, K. (2017) New Managerialism in education: the organisational form of neoliberalism' in A. Abraham-Hamanoiel, D. Freedman, G. Khiabany, K. Nash and J. Petley (Eds.) *Liberalism in Neoliberal Times: Dimensions, Contradictions, Limits*. London: Goldsmiths Press. pp. 159-163.

financial and other targets is a priority, and success in meeting targets is measured through public audits. The development of quasi-markets for services is also a key goal, and rankings feed directly into this process; internal markets operate as a further form of control through competition and public surveillance of public sector services.

New Managerialism is not a neutral management strategy therefore; it is a political project, borne out of a radical change in the organisation of capitalism. As such, it is embedded in a complex series of social, political and economic organizational changes that are tied to neoliberalism in particular. It rests on the assumption that the market is the primary producer of cultural logic and value and that universities and higher education (and public services) generally are best run through the deployment of market logic and market mechanisms. It reduces first order social and moral values to second-order principles: trust, integrity, care and solidarity with others are subordinated to regulation, control and competition. In this regard it provides a unique type of moral guidance for businesses and organizations modelled on businesses, including hospitals, schools, welfare offices and housing departments.

When managerialist practices achieve hegemonic control within public service organizations, they parasitise and weaken those very values on which the organisation depends. While few would question the value of efficiency, in terms of maximizing the use of available resources, the difficulty with managerialism is that it does not just prioritise efficiency, it suppresses other organisational values so that they become incidental to the running of public bodies. The net effect of the devaluation of moral purposes is that public services, such as education and health care, are increasingly defined as commodities to be delivered on the market to customers who can afford to buy them. They are no longer defined as capacity-building public goods. Rights to health care, housing and education are delegitimised within this framework and what were once human rights are transformed into commodities bought at market value. Within this frame, it is inevitable that only those who can purchase goods such as health care, quality elder care, child care and/or higher education will have access to it over time.

As new managerialism reduces economic, educational and social problems, and moral dilemmas, to issues of governance and regulation, ethical considerations are construed as management issues that new managerial regimes can resolve. The political and social purposes of education for example are treated as secondary considerations. Commercial values are institutionalized in systems and processes: schools and colleges change from being centres of learning to *service-delivery operations* with productivity targets.

While the nurturing of learners has an outcome dimension in education, for example, the care-related gains from education are generally not measurable in the short term within a metric. The inevitable, if unintended, correlate of evaluating merit through measurement is that the core principle of caring in health, education and other public services is subordinated to output. Even if the caring dimensions of

Lynch, K. (2017) New Managerialism in education: the organisational form of neoliberalism' in A. Abraham-Hamanoiel, D. Freedman, G. Khiabany, K. Nash and J. Petley (Eds.) *Liberalism in Neoliberal Times: Dimensions, Contradictions, Limits*. London: Goldsmiths Press. pp. 159-163.

welfare and public services could be monitored and measured through matrices, the very doing of this would force people into the calculation of other-centeredness that would undermine the very principle of relatedness and mutuality that is at the heart of teaching and learning, welfare and health care.

Given its alignment with neoliberal values, managerialism also implicitly endorses a concept of the citizen that is market-led. All forms of education, for example, but especially higher education, are defined in terms of human capital acquisition. The purpose of education is increasingly limited to developing the neo-liberal citizen, the competitive economic actor and cosmopolitan worker built around a calculating, entrepreneurial and detached self. A narcissistic actuarialism is encouraged and new educational subjectivities are created (Peters 2005). Education itself becomes a way of managing market risks in a highly de-regulated world. The concept of working in or for the public service (or the community and voluntary sectors) is diminished.

References

Harvey, D. (2005) *A Brief History of Neoliberalism*. Oxford: Oxford University Press.

Lynch, K., Grummell, B. and Devine, D. 2012. *New Managerialism: Commercialisation, Carelessness and Gender*. Basingstoke, UK. Palgrave Macmillan.

Peters, M.A. (2005) 'The New Prudentialism in Education: Actuarial Rationality and the Entrepreneurial Self', *Educational Theory*. Vol. 55 (2): 123-137.