REFRAMING GOVERNANCE: COMPETITION, FATALISM AND AUTONOMY IN CENTRAL-LOCAL RELATIONS?

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ABSTRACT
Much of the work on contemporary governance points either to a strong centre that continues to operate hierarchically or a relatively weak centre which relies on network style forms of coordination. In place of the choice between hierarchy and networks, the cultural theory pioneered by Mary Douglas (1982) draws our attention to five distinctive ‘social environments’ sometimes characterised in terms of hierarchy, competition, partnership, fatalism and autonomy. Based on an analysis of survey data collected from 488 local government managers across England, Scotland and Wales, this paper uses the Douglas framework to understand patterns of governance. While the data lend some cautious support to the strong centre theorists in finding little evidence of partnership and continuing reliance on hierarchical type instruments, cultural theorists suggest that these conditions will translate into competitive rivalry, fatalism or autonomy.

INTRODUCTION
There are increasing signs of a backlash against the predominant account of contemporary governance which emphasises a shift from a hierarchical system based on authoritative decision making and controlled implementation to networks galvanised by voluntarism and diplomacy. Commentators argue variously that hierarchy never stopped being important, or indeed that it has become more important over time (Bang 2011; Davies 2012; 6 2014). While some rebalancing of scholarship away from the new governance orthodoxy is helpful, the strong versus weak centre debate, as Laffin (2013, p.196) describes it, highlights a more profound problem in our understanding of the mechanics of government. The key problem here is not whether governments use hierarchies or networks for the advancement of their aims – clearly they use both – but rather, whether we can hope to understand the complexity of government in the binary and in some cases zero-sum terms suggested by this debate.
The inadequacy of these categories is underlined by the fact that many of the instruments of contemporary governance do not sit singularly within toolkits labelled hierarchies and networks. There is ‘overlap’, ‘entwinement’ or ‘blurring’, as Jordan et al (2005 p.484) describe it, of the distinctions between instruments. Other forms of government fall into a no-man’s land between the two. It is not at all clear, for example, whether the marketization of public services can be taken as evidence of increasing central control or network type fragmentation. Notions of ‘persuasion’ (Bell et al 2010), ‘symbolism’ (Edelman 1988), ‘earned autonomy’ (Smith 2002) or ‘nudge’ (Thaler and Sunstein 2008) are more problematic still. That is to say we need to find new ways of understanding the complex pattern of relationships involved in the business of governing.

The cultural theory pioneered by Mary Douglas (1982) provides us with one way of reframing our understanding of governance. Douglas acknowledges the central importance of authority and affinity in the organisation of social life but rather than envisaging these as opposite poles of a continuum, she combines them as an intersection to generate five forms of organisation rather than two (Swedlow 2002). This arrangement has a number of theoretical advantages. First it provides a more nuanced vocabulary which recognises, for instance, the cohabitation of hierarchies and networks. Second, in addition to the usual categories, it suggests three others – individualism, fatalism and autonomy – which promise new perspectives on the mechanisms of governance.

Based on an analysis of survey data collected from approximately 488 local government managers across England, Scotland and Wales, this paper uses the intersection of grid and group to understand the relationships between central and local government. While the data lend some cautious support to the strong centre theorists in suggesting continuing reliance on hierarchical type instruments in some service areas, the absence of partnership, is according to Douglas, more a recipe for competitive rivalry, fatalism or autonomy than it is bureaucratic compliance. While our data suggest evidence of competition in some services and autonomy in one, we find no evidence of fatalism and a something of puzzle about what is happening in the rest.

FROM TWO TO FIVE WAYS OF GOVERNING
Commentators largely agree that decades of public sector reform – embracing marketisation, agencification and devolution – have led to a more fragmented public service landscape far
removed from the archetypal, and perhaps apocryphal, image of a unified public service bureaucracy. Stoker (1998, p.19) describes the structure of government as ‘fragmented with a maze of institutions and organizations’. Rhodes (1988, p.412) characterises the new landscape in terms of ‘disaggregation, differentiation, interdependence’. There is fundamental disagreement, however, about how governments actually set about the business of governing. Two camps can be distinguished (Laffin 2013).

The first – weak centre camp – maintains that processes of fragmentation and hollowing out have disempowered the centre and forced it to resort to new instruments of governance. Rhodes (1988) describes governance as negotiated in, and defined by, a series of professional networks in which, recognising their interdependence, different stakeholders voluntarily come together to negotiate a common set of priorities. He argues that the ‘keys to effective network management’ lie in ‘facilitating, accommodating and bargaining’ (Rhodes 1996, p.665). Fragmentation and hollowing out have, according to Bevir and Rhodes (2003, p.58) ‘undermined the ability of the core-executive to act effectively, making it increasingly reliant on diplomacy’. Without ‘the knowledge and resource capacity to tackle problems unilaterally’ the interactive processes of the new governance rely, according to Stoker (1998, p.22) on ‘various forms of partnership’ in which actors ‘exchange resources and negotiate common purposes’. Visions of networks and partnership working have exerted a particularly strong hold on politicians in the last two decades. Starting first in regeneration, the partnership idea has been rolled out across all sectors of public policy from community safety to child protection.

In contrast, the strong centre camp, argues that hollowing out and fragmentation of service providers served to maintain or even increase the power of the centre and give it greater control over service delivery than hitherto. Far from a government having to rely on the soft instruments of diplomacy, reciprocity and trust, the governance critics describe the centre as making greater use of the old instruments of hierarchical control. Marsh (2008, p.251) points to ‘the continued importance’ of hierarchy and inequality. Taylor (1997, p.442) suggests that ‘complex networks may increase central control as the centre sheds costly and time consuming implementation tasks to concentrate on core functions of policy determination, monitoring and evaluation’. Davies (2002, p.316) describes the new partnerships to emerge from this landscape as little more than ‘the bureaucratic conduits of government policy’. Laffin (2013, pp.206-7) concludes that ‘Central government policymakers have remained key ‘fulcrums’ in the policy process, largely monopolizing the key strategic decisions’. 
In distinguishing between the bonds of community and the authoritative allocation of rules as distinctive mechanisms of organisation, Douglas’s starting point fits comfortably with these two (very different) accounts of contemporary governance. Douglas’s (1982, p.201) definition of group – ‘in terms of the claims it makes over its constituent members, the boundary it draws around them, the rights it confers on them’ (1982, p.191) – fits nicely with the account of partnership and negotiation provided by the disciples of the new governance. Low group occurs, according to Douglas (1982, p.201), when ‘a person finds himself the centre of a network of his own making which has no recognisable boundaries. He knows people, they know people, and the social horizon is entirely indefinite’. A situation very close to the fragmented issue networks described by Heclo (1978, p.102) which ‘comprise a large number of participants with quite variable degrees of mutual commitment or of dependence on their environment; in fact it is almost impossible to say where a network leaves off and its environment begins.’ At the other end of the scale, strong group, according to Douglas (1982, p.202), ‘incorporates a person with the rest by implicating them together in common residence, shared work, shared resources and recreation’ a definition which has strong, albeit not exact parallels, with policy communities characterized by ‘stability of relationships, continuity of a highly restrictive relationship . . . and insulation from other networks’ (Rhodes 1988, p.78).

Similarly, Douglas’s description of grid – as ‘the cross hatch of rules’ (1982, p.192) which at its strongest leaves ‘minimum scope for personal choice, providing instead a set of railway lines with remote control of points for interaction’ (Douglas 1982, p.202) – fits with the arguments of strong centre theorists. ‘No other country” as Goldsmith (2002, p.109) explains “has anything like the plethora of initiatives, special grants, powers over taxing and spending and regional oversight as does Britain.’ Low grid, by contrast, allows autonomy and ‘a competitive individualist environment’ (Douglas 1982, p.203) a condition consistent with Hoggett’s (1991, p.250) diagnosis of the ‘abandonment of control by hierarchy and its replacement with control by contract.’

Whereas the strong/weak centre debate asks us to choose between these different approaches to government, the Douglas framework combines them. Rather than ‘plumping for one or the other’ of these forms of organisation, Douglas (Douglas 1982, p.190) explains that both grid and group are ‘always present as possibilities’. In such a way Douglas (1982, p.190) plots group on the X axis and grid the Y axis to generate five types of ‘social structure’. Drawing on the
representation in Douglas (1982) and Thompson (2008), figure 1 identifies the hierarchical form as both high grid, and high group; the partnership form as high group but low grid; the competitive form is low grid, low group; and the fatalist form high grid and low group. The autonomy form – located according to Douglas ‘off our map of social control’ (1982, p.204) – with neither the push of grid nor the pull of group is found at the origin of the graph.

FIGURE 1 THE FIVE SOCIAL STRUCTURES OF CULTURAL THEORY

The Douglas 2 by 2 plus 1 arrangement promises a number of advantages. It suggests a more nuanced understanding of the two established accounts of the new governance. The simple application of grid through issuing and policing rules of behaviour does not of itself deliver hierarchical control. Without the bonds of community, rules and status differences will breed only fatalism in which subjects comply reluctantly with edicts which they feel little investment in. Managers will perceive themselves, as Thompson et al (1999, p. 5) put it, ‘subject to binding prescriptions . . . but excluded from membership of the solidarities that are responsible for making decisions’. This is of course consistent with the Weberian account of the bureaucratic form of management. Bureaucracy required so much more than the simple issuance of rules. Bureaucrats need to be inculcated with the spirit of the office – through technical training, salaries, pensions, promotion and so forth – to make the whole thing work (Du Gay 2008). Governments which make the mistake of thinking that their goals can be realised by authoritative decisions and precise prescription, but without the broader institutional traits of a bureaucracy, are condemned to serial policy failure (Marsh and Rhodes 1992).

The Douglas framework further suggests that networks are not really networks. At least the important qualities of the partnership form of governance do not reside in their structural characteristics but rather in the bonds of community that bind individuals into a common enterprise. From this perspective, the coordinative success of partnership structures will be a function more of common culture than network centrality or density, although these things may of course be related. If governments really want to govern through partnerships, they need to foster the communal bonds that Douglas describes as high group. Crucially though, according to Douglas, this can only be possible in the absence of strong directives and status differences of high grid. The suggestion that partnerships cannot be directed and controlled without turning them into hierarchies chimes with repeated evidence that the voluntary negotiation of
coordinated action – particularly across the still lively siloes of hierarchical governance – is halting to say the least (Teisman and Klijn 2002).

Alongside refinements of our understanding of two well established approaches to public management, the Douglas framework draws our attention to three other organisational possibilities. As we have already seen, Douglas sees the combination of high grid and low group as fostering, not bureaucratic compliance, but fatalist resignation. Although an intriguing notion, the idea that policy might breed fatalism has been used little in the public management literature. Hood (2000) and Stoker (2002) suggest that governments may deliberately use fatalism to create conditions of contrived randomness (job rotation, unannounced inspection and so forth) in a bid to keep public managers on their toes. But little has been said about the way in which fatalism may emerge more by accident than design. Hood (2002) comes close to considering this position with his category of sceptical resignation – a sort of Greek Chorus – in which practitioners and commentators see the folly of grand ambition or unintended consequences as recurrent themes of government. But in this Hood seems to see fatalism as rooted more in the human condition than the specific combination of high grid and low group. Others do, however, attribute fatalism to specific organisational contingencies. Weatherley and Lipsky’s (1977, p.182) classic account of the coping mechanisms adopted by street level bureaucrats is explained by the fact ‘there was simply no way that everything required could be done with the available resources’. An idea reflected in Hargove and Glidewell’s (1990) notion of impossible jobs in which as Hoggett (2006, p. 185) puts it ‘the hapless public official becomes the whipping horse, the one who can be blamed for things that neither citizens nor governments will properly address’.

Considerably higher in profile than fatalism is the undimmed – and apparently cross party – enthusiasm for the cultivation of competition in public service delivery. Fitting into the bottom left hand quadrant – dubbed individualism – of low grid and low group is ‘a social context dominated by strongly competitive conditions’ (Douglas 1982, p.207). Conditions realised most explicitly in public management through contracting out, purchaser provider splits and voucher type arrangements. Although the ‘vigorous virtues’ (Letwin 1992) of competitive individualism are also promoted through performance management systems, award schemes, published regulatory judgements, league tables and most recently pay for performance schemes. The latter according to John et al (2004, page 406) ‘ensures that bidders make promises to improve public services in order to get ahead of their rivals.’ Although high in political salience, the marketization of public services is surprisingly under theorised. While we know a great deal
about how markets are supposed to work in theory, we know surprisingly little about how public managers respond to the quasi competitive environments they find themselves in.

Last, but certainly not least, Douglas recognises a fifth mode of organisation which is, as she puts it, ‘off the map of social control’. Describing the autonomy position as one of the hermit or voluntary recluse, perhaps it is not surprising that commentators have found little use for this category. A managerial account of autonomy is however at the heart of new public management reform agenda. Policy makers repeatedly appeal to the notion of independent or even autonomous agencies which are removed from the distortive influences of rules or group allegiance. As Thynne and Wettenhall (2004, p. 610) explain ‘various organizations in government have been transformed into semi-autonomous, non-departmental entities to which significant legal and managerial power has been devolved’. The autonomy idea has provided the design inspiration for regulators, adjudicators, appeals, devolution and latterly school and hospital management.

In theoretical terms the Douglas framework fits with existing accounts of governance at the same time as it provides new lines of inquiry. It suggests new conditions for the identification of hierarchical and partnership forms of governance and it directs our attention towards three other forms of organisation – in terms of competition, fatalism and autonomy – which have not perhaps received the attention they deserve. Just as importantly, it switches our attention from the intentions of governments (in terms of the kind of instruments they deploy) to the experiential consequences of those subject to them. Governments may draw on the rhetoric of partnership in some areas and expect bureaucratic compliance in others, but what does the new governance actually feel like for those operating within it? In the next section we describe our data and the way we have analysed it, before considering how well these lines of inquiry work in an empirical setting.

METHODS

We use the Douglas framework to understand the relationship between local and central government in the constituent nations of the UK. Central-local relations provides a good case for our inquiry because it accounts for about a third of total public expenditure over a broad range of different services. Furthermore, the study of the relationship between central and local government provided the empirical foundation for Rhodes’ development of the governance idea (Rhodes 1988). Tendencies towards ‘disaggregation, differentiation, interdependence’ (Rhodes
1988, p.412) should be stronger in local government services than in other more centralised parts of the public sector.

Following the tradition of other recent studies of inter-governmental relations (McAteer and Bennett, 2005; Wood and Klassen, 2008) we adopted an actor-centred approach focused on the perceptions of senior managers working in local government. Senior managers are well placed to report on the relationship with central government because they spend all their professional lives at the coal face of public service delivery. We captured the views of our managers by sending electronic and paper surveys to the population of 2348 heads of service in 110 unitary authorities (56 England, 32 Scotland and 22 Wales) identified in a commercial database. The sample was made up of 14 heads of a range of frontline and back office functions, manual and white collar services, and statutory and discretionary activities in local authorities. 21% of the sample returned useable surveys (200/1149 England; 92/567 Scotland; 196/632 Wales).

The managers we surveyed were asked to respond to a series of statements on seven point Likert scales ranging from ‘strongly disagree’ (coded 1) to ‘strongly agree’ (coded 7). The statements were designed to capture views on the main dimensions of the relationship between central and local government. Drawing on a policy cycle type approach (Parsons 1995), we asked them about central government’s role in the policy process, service delivery, performance management and resource allocation. Assuming that the tasks associated with these different stages of the policy cycle can be performed in different but functionally equivalent ways we asked four questions for each function designed to capture grid and group but also the extent to which managers enjoyed autonomy or were subject to competition in their relationship with government.

Policy Making

In high grid we would expect policy decisions to be made by those in elite positions who see themselves as neither dependent on the knowledge nor agency of other actors. Local government officers will feel they have no, or a very limited say, in a policy process which might best be characterised in terms of ‘decide, announce, and defend’ (Kasperson 1985). The high group account of the policy process is very different. Believing itself to be dependent on local government’s expertise and delivery capacity, a central government will negotiate its policy with local government or its representatives. Agranoff (2001, p.33) describes an ‘ideal world of collaboration’ where ‘officials work together to develop policies and programs of mutual benefit.’ The competitive style of organisation suggests that the policy process will take the form of a
competition in which different interests both from inside and outside local government, fight for voice in and influence on, the authoritative decisions made by the state. Policy may then just reflect the balance of power between competing interests rather as Dunleavy and O’Leary (1987, pp.43-44) put it, a weathervane reflects the direction of the wind. Finally in a world of high autonomy, local government managers will feel largely unaffected by central government policy.

Funding
In high grid, local income and expenditure decisions will largely be determined at the centre. Local taxes, where they exist, will be tightly controlled through capping and complex rebalancing mechanisms. Resources will be channelled to local governments in the form of specific or earmarked grants which ‘must be used according to orders’ (Oulasvirta 1997, p.401). The high group account suggests, in contrast, that income and expenditure decisions will be negotiated between local and central government. While this may result in autonomy or more directive approaches, the hallmark of the network approach to resource allocation is the active involvement of local managers in resource decisions. Rather than channelling money to local authorities on the basis of negotiations or a centrally designed formula, competitive models of funding distribution will be characterised by a bidding process and a conditional, contract or reward type element which requires proof of delivery. Observing tendencies towards these form of resource allocation in Germany, Benz (2007, p.429) explains that a ‘considerable amount of federal money is no longer allocated to regions in need but to regions achieving performance standards or proving to be innovative’. Finally in conditions of high autonomy local governments will be free to allocate resources between different services as they see fit.

Guiding Practice
In high grid, central government will devote considerable effort to controlling the delivery processes and practices of local authorities. Central government intervention may serve to mandate or oblige local authorities to deliver certain services and perhaps even establish ‘legally defined standards’ of ‘how the service should be delivered’ (Page and Goldsmith 1985, p.179). In a group approach, by contrast, good practice will be co-produced in joint conferences and workshops. Central government will acts a broker voluntarily communicating knowledge through practitioner and professional networks and communities. The competitive model suggests that central government will encourage local service provides to compete in terms of their ability to innovate and develop best practice. Competition between providers has been stimulated in the UK by the introduction of a number of public service award schemes which
presume that services will be improved by competition over the definition of best practice (Entwistle and Downe 2005). With considerably autonomy local managers will be free to get on with the job.

Managing Performance

High grid approaches to performance management require first and foremost the collection of large amounts of reliable standardised performance information which can then be used to identify performance targets or floors. UK governments have made heavy use of the hierarchical approach to performance management across the public services although critics have claimed that centrally defined indicators and targets inevitably lead to a host of dysfunctions (Smith 1995; Pidd 2005). In place of the logic of objectively reliable measurement and control, the high group approach to performance management suggests that performance indicators and targets are best negotiated between partners. Mark Friedman (2005, pp.12-13), the doyen of the network approach to performance management explains: ‘By using common sense measures, we can be honest with ourselves about whether or not we are making progress’. The competition mode suggests that straightforward and comparable performance information – league tables, star ratings and so forth – can foster user choice and intra-service rivalry. Adab et al (2002, p. 96) explain, that the advocates of these approaches ‘believe their publication stimulates competition, and that, as each provider adopts “best practice,” the quality of services will improve’. In a world of high autonomy, local governments will be free to manage their performance in any way they please.

Fatalism

Reasoning that fatalism could not be researched in quite the same way as our other modes of coordination, we measured its polar opposite: managerial efficacy. As psychologists have it, ‘individuals with a high external locus of control are fatalistic, believing that life events are determined by fate, or powerful others’ (Corcoran, Pettinicchio and Young 2011, p.576). By contrast, those with ‘an internal locus of control’ are efficacious ‘because they perceive change as coming primarily from their own actions’ (Corcoran, Pettinicchio and Young 2011, p.576). Accordingly we asked respondents whether they thought senior managers and local strategies have ‘a very significant impact on my service’. Managers inclined to fatalism should give a lower rating to their impact in comparison to those who feel more empowered.
Following Griffiths (1966) and Rhodes (1988) we have pitched our analysis at the service level, rather than individual, local authority or country level for the simple reason that existing work in intergovernmental relations provides little reason to think that either individuals or local authorities will experience different relationships with their respective central governments. Since devolution, it is possible that different countries will exhibit important differences in policy style (Cairney 2009; 2011). Reflecting the devolution of the responsibility for these services to national governments, we asked respondents to consider the relationship with their respective government whether it be in London, Edinburgh or Cardiff. However, a comparison of the means scores for grid and group between England, Scotland and Wales suggests that the country effect is small (England has slightly lower scores than Scotland and Wales for group, but there is no significant difference between them on the grid scale). Consistent with Griffith’s work, however, differences between services are large suggesting that there is not one central-local relationship but many (Entwistle 2010).

We captured the different service perspectives on intergovernmental relations by calculating an average score across all respondents for each of our fourteen services. The number of respondents in each service category varied from 21 in housing to 113 in the corporate category. We present these data in two scatter plots (figures 3 and 4) where the mid-point of the scale (4) is used as the intersection of the x and y axes. In such a way we took scores of less than 4 (on the disagree side of the line) as indicative of low grid and low group. The scores for managerial efficacy are presented in a bar chart (figure 5).

While our analysis is based on a good response rate from a survey of the whole population of service managers, the descriptive reliability of perceptual research is sometimes questioned particularly when all of the data is drawn from the same survey. Social desirability bias suggests that respondents may give higher ratings or a more positive assessment – particularly to things like partnership – which they take to be the desirable answers (Spector 2006). Response bias may however work the other way – through so called negative affectivity – where respondents might, for example, give an unduly pessimistic account of the nature of the central-local relationship (Spector 2006; Conway and Lance 2010). Indeed, the local government respondents may purposively exaggerate the extent to which they are controlled by their respective Government in a bid to increase their autonomy. Finally and perhaps most importantly, common source bias can ‘either inflate or deflate observed relationships between constructs’ (Podsakoff et al 2003, p.880).
While these problems were anticipated and countered through the wording and sequencing of questions, they suggest that data of these sort need to be interpreted with caution. Accordingly, we present our findings as the first steps in a theoretical exploration into ways of describing, understanding and perhaps explaining patterns of governance.

**FINDINGS**

The combined service averages for group and grid are reported in figure 3. If we can take agreement or disagreement as equivalent to strong and weak on the grid and group scale then all 14 services are located on the left hand side of the chart indicating low group scores. The combined mean for the performance management question – at 4.53 was in positive territory – but this was more than outweighed by strongly negative scores for the other three elements. Overall, democratic services (mean 2.64), sport and public protection occupy the most sceptical positions on our group scale, while education (3.79), housing and planning fall only a little short the agree part of the scale.

The grid scale prompted a broader range of responses with 8 agreeing (albeit in some cases quite narrowly) with the grid statements and 6 services falling into the disagree part of the scale. Again performance management was somewhat out of kilter with the other elements in the index with a disagree score of 3.73. Overall regeneration managers reported the highest grid score (4.63) whereas sport registered strongest disagreement (3.30). Aside from performance management – which registers something of the negotiation and compromise that weak centre theorists suggest – the data contradict the suggestion that central governments work in partnership with local government. The central-local relationship does not apparently feel like a partnership for any of the 14 services or in any of the three countries we studied.

**FIGURE 3 GRID AND GROUP**

The arguments developed by strong centre theorists find more support in these data. More than half of the services we surveyed agreed – on average – with our grid statements, suggesting that from the service perspective at least, central government makes policy, directs practice and allocates funding in relatively grid like ways. Without high group scores, however, the Douglas framework suggests that grid type instruments will deliver not bureaucratic compliance but fatalism or competitive rivalry. We consider each of these possibilities in turn.
Douglas suggests that a high grid/low group position will be associated with fatalism. Although fatalism is difficult to research particularly amongst managers appointed to be effective, differences in perceived efficacy may provide an indication of fatalist tendencies. Figure 4 reports the managerial efficacy scores for the fourteen services. Although the scores are quite high there are reasonably large (and significant) differences between the highest (adult social care on 6.31) and the lowest ratings (democratic and legal services on 5.17). The Douglas model would lead us to expect that fatalism would be highest amongst those services reporting the highest grid scores (children, adults, waste, education and regeneration). However this is not the case. With the exception of waste, which comes second in the fatalist league, the high grid services have higher managerial efficacy scores. Indeed, a positive correlation between grid scores and managerial efficacy suggests that managers might be empowered, rather than disempowered, by grid. The more bossed around local government managers are the more effective they seem to feel.

FIGURE 4   MANAGERIAL EFFICACY / FATALISM

It is possible, of course, that we have misclassified this group of services as high grid. While agreeing with our grid statements these services do not locate themselves at the top of our scale. At 4.64 the very highest grid scores are a long way short of the top of the 7 point scale. The dysfunctions of grid – in terms of its tendency toward fatalism – may only be measurable at the higher end of the scale. A low grid score together with a non-linear relationship between grid and fatalism would be consistent with our data. It is also possible that senior managers – by virtue of their personality and job descriptions – are unlikely to confess to fatalist inclinations. The same questions pitched to frontline professionals, or street level bureaucrats – as Weatherley and Lipsky (1977) describe them – may well suggest much higher levels of fatalism.

If then we set the low/high grid border at five rather than four then the Douglas framework would suggest that these services were in an individualist or competitive position rather than a fatalist one. Similarly we would now expect those which we previously classified as low grid (democratic services, sport and so forth) to be in a zero grid or autonomous position. We tested this hypothesis in figure 5 by plotting the mean scores for our competition and autonomy questions (on the x axis and y axis respectively). Although far from perfect the data lend some support to our revised hypothesis. The mean competition scores for five services (education, adults, waste, housing and regeneration) were indeed in positive territory suggesting, in these areas at least, the new governance takes on something of a competitive air.
The autonomy test works much less well however. We would expect those services that disagreed with both the grid and group statements to agree with the autonomy questions. While this was true of sport which is in the agree part of the graph, a large awkward group of services including – democratic services, HR & ICT, finance, transport, planning, corporate, public protection and children – disagree with both our competition and autonomy questions. While some of these show some agreement with the grid statements, it is not clear how intergovernmental relations can be characterised in these service areas.

FIGURE 5 COMPEETITION AND AUTONOMY

DISCUSSION

Based on a survey of 488 service managers in local authorities across England, Scotland and Wales, this paper has used the Douglas grid-group framework to understand the way in which local managers perceive their relationship with their government. Overall, the results are mixed. The data do not sit comfortably with the weak centre theorists who suggest that the new governance is characterised by interdependence, diplomacy and partnership. None of our services chose to describe their relationship with government in a manner consistent with these terms. While there is more support for those who have diagnosed a continued reliance on grid type instruments, the Douglas framework suggests that grid in the absence of group will translate into competition or fatalism rather than hierarchy.

For some of the high profile and expensive services – education, housing, adult care, waste and regeneration – these data suggest that this may indeed be the case. Managers in these services describe a world in which policy, practice, performance and funding are determined through competitive rivalry. While this finding is entirely consistent with the types of instruments deployed by governments in recent times, it is not a model that we understand very well. From one perspective it suggests that central government may enjoy a relatively powerful position. By procuring services from competitive markets, governments may be able to rely on market forces to control costs and drive innovation. Markets do not however always work in this way. Imperfect competition together with the principal agent problems of information asymmetry and moral hazard might mean that service providers start to manage their work in a bid to beat the
competition rather than deliver a service. Work on the way in which public services responded to performance indicators and league tables suggests that this may indeed be the case (Hood 2006).

A second group of services – democratic, back office, finance, transport, children, public protection and planning – fall between the cracks of this analysis. Disagreeing with all five scenarios we have presented to them, it is not clear how these services perceive their relationship with their respective government. There are three possible explanations for this state of affairs. The first is simple measurement error. It is not clear that our statements adequately capture grid and group and if they do, how the categorical distinction between high and low can best be drawn. A problem exacerbated by the inevitable tendency for services to cluster around the midpoint of these scales making classification problematic. Relatively small changes in the position of a service would in some cases suggest fundamentally different forms of classification. It is also possible that perceptions of central government will be affected by other factors – from the state of the local economy to the party allegiance of ruling politicians – that we have not taken into account. If measurement is the problem, it may be that another survey with different sample of respondents or different questions and appropriate controls would produce a classification in which all services sat clearly within one box or another.

The second problem focuses on our units of analysis. In conducting our analysis at the service level we have presumed that the most important differences in intergovernmental relations are demarcated along service boundaries. While there are some reasons to think that this is likely to be the case, it is also possible that important differences might occur at the sub-service level. Governance sub cultures within departments and agencies (Marsh et al 2001) might mean that colleagues working on different tasks, but within the same service, experience very different type of relationship with central government. In asking managers to give an overall picture of their service we may be asking them to generalise to the point of meaninglessness. A finer grained analysis pitched at level of very specific functions, programmes or initiatives may pick up important differences in intergovernmental relations.

Finally, fault may lie not with measurement or the unit of analysis but with the suitability of the framework for the analysis of intergovernmental relations. It may be the case that governance operates as Thompson (2008, p.139) puts it in the ‘grey mish-mash’ – the boundaries between grid and group and high and low such that irrespective of their level within the organisation, managers will find it impossible to characterise their relationship with central government in the
relatively simple terms required by the grid-group framework. Elements of hierarchy, partnership, competition and autonomy may hold sway in different parts of a service variously cancelling each other out or at least confounding classification. Then again it is possible that intergovernmental relations might best be described in entirely different terms to those suggested by the Douglas framework. Symbolic politics, nudge or even Foucauldian ideas of governmentality may prove more appropriate to the task. Certainly the data analysed in this paper suggests that intergovernmental relations is too complex for a hierarchy or networks type analysis, but it may be that it is too complex for grid and group as well.

REFERENCES


FIGURE 1 THE FIVE SOCIAL STRUCTURES OF CULTURAL THEORY

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## FIGURE 2 MEASURES

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| Group          | 1. The Government usually develops policies in partnership with my service  
2. The Government helps my service to tackle practical problems  
3. The funding which my service receives is decided through negotiation with the Government  
4. Performance indicators in my service reflect a balance of national and local priorities |
| Grid           | 1. The Government makes policy in my service area without proper consultation  
2. The Government places a lot of restrictions on my service  
3. My service benefits from specific and/or ring fenced grants provided by the Government  
4. The Government’s performance management frameworks lead my service to focus on national priorities rather than local ones |
| Competition    | 1. My service has to compete to ensure that its voice is heard in the Government’s policy process  
2. The Government uses performance indicators in my service to encourage competition between authorities  
3. The funding that my service receives is allocated through bids we make in competition with other authorities  
4. The Government encourages my service to compete with others for recognition as an example of best practice |
| Autonomy       | 1. The Government has no direct policy influence on my service  
2. The Government allows my service to work out the best way to deliver policies at local level  
3. The Government doesn't have a major say in the allocation of funding between services  
4. Performance indicators in my service are determined locally |
| Managerial efficacy | The following have a very significant impact on my service:  
1. Local strategies (eg community strategy, service plans etc)  
2. Senior managers |
FIGURE 4  MANAGERIAL EFFICACY

democratic & legal
waste & environment
finance
public protection
transport
planning
sport & leisure
housing
regeneration
corporate
education
HR & ICT
children
adults
FIGURE 5 COMPETITION AND AUTONOMY