

UK employment services: understanding provider strategies in a dynamic strategic action field

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Introduction

This paper adopts the framework of strategic action fields (Fligstein and McAdam, 2013) to advance our understanding of employment service provision in the UK and internationally, in countries where these services are increasingly delivered outside the traditional public sector by organisations from the third, private and public sector. To date developments in the delivery of employment services have been explored within a literature that locates them in international trends towards contractualism and managerialism, inspired by New Public Management (NPM) (Clarke and Newman, 1997; Ramia and Carney, 2000). Internationally, reforms have involved the adoption of quasi-markets in the delivery of welfare to work programmes. These reforms are, informed partly by critiques of public sector bureaucracies and partly by aspirations that competing, non-statutory providers will drive up performance efficiency, flexibility and innovation (Van Berkel and van der Aa, 2005; Bredgaard and Larsen, 2008; Considine et al, 2011). This has meshed with the reconfiguration of welfare recipients from 'passive' to 'active' participants via labour market activation policies, enshrining greater individual responsibility through greater conditionality (Dwyer 2004; Peck, 2001). In the UK the evolution of the employment services field culminated in the introduction of the Work Programme by the incoming Coalition government in 2011. The programme, replacing a range of existing schemes, involved central government contracting with 'Prime' providers who in turn subcontract to other providers, creating a web of contractual relationships across the private, third and public sectors.

However, much of the existing literature on the development and implementation of employment services has shied away from a more theoretical account of how welfare to work operates as an industry: a distinct quasi-market in which the state plays a central role. Much of the available research originates in programme evaluations, which rarely distinguish between different providers (Damm, 2012). More critical scholarly accounts have tended to portray providers as either powerless victims of Government policy (Aiken and Bode, 2009, Baring Panel, 2012), or largely uncritical accomplices of the neo-liberal agenda (Davies, 2008, Wright et al 2011). These echo a wider third sector literature which has often examined the ways in which service providers are co-opted into the Government's agenda and subject to isomorphic pressures (Carmel and Harlock, 2008). While not disputing the relevance of state agency and structural phenomena, it is argued here that the goals, strategies and choices of providers are also clearly relevant but so far under-examined. Accounts struggle to explain the variation in the experiences of providers, based on their position, role and level of power and resources. Where accounts *have* differentiated between providers they almost always privilege the notion of separate and distinctive public, private and third sectors and variation between providers in the same sector is played down (see WPC, 2011).

This article argues that developments in the structure of the employment services market, and in particular the rupture caused by the introduction of the Work Programme in the UK, raise crucial questions about the way a broad spectrum of providers deliver services. Specifically, these questions concern the (power) relationships between providers and state actors, and the agency of providers to shape and respond to their quasi-market environment. In turn, they demand a more theoretically

informed account of how organisations operate strategically and in dynamic relationship with one another. Drawing on empirical data from a study of the early period of the UK Work Programme (Rees et al. 2013), this article uses employment services as a test case for applying a theoretical framework derived from Fligstein and McAdam's notion of *strategic action fields* in order to address issues of strategy, change and power relations amongst providers (2012). We argue that the notion of *fields* – a spatial metaphor for domains where actors vie for power and advantage– sheds light on the dynamic and contested nature of the roles and relationships between providers and their strategic engagement with, and interpretation of, developments in the employment services field. In so doing the paper makes a significant contribution to two literatures. First, we advance understanding of employment services by anchoring it in a theoretical framework that allows us to explore how providers operate, strategize and maintain their position in a quasi-market operated by state actors. In doing so we provide a theoretically informed account of employment service provision that has much wider relevance to an international literature on employment services, activation policy and welfare delivery more generally. Second, by applying the notion of strategic action fields to the cases of employment services and the UK Work Programme we contribute to the development of field theory as developed by Fligstein and McAdam. Empirically testing these cases enables us to highlight the substantial utility of their account but also enriches and strengthens it.

The article proceeds as follows. We begin with a brief description of the empirical research and the methodology employed. This is followed by an account of the key tenets of Fligstein and McAdam's theoretical framework clarifying how and why employment services and the Work Programme might be constituted as strategic action fields and how providers might be actors in those fields. We then deploy Fligstein and McAdam's notion of '*episodes of contention*' to outline the dynamic nature of the employment services field in the UK over recent years, culminating in the commissioning of the Work Programme. The empirical evidence is then explored in more depth as we examine how, in the context of the commissioning of a new programme, providers with different levels of resources and from different sectors interpreted the implications for their position in the field and deployed strategies to improve on or maintain that position. Our discussion section then critically engages with our specific contributions to the two literatures; field theory and employment services.

Methods and data

The study on which this article draws, part of a wider programme of research on service delivery by third sector organisations, sought to understand the roles played by providers from different sectors in the Work Programme. The research was undertaken with the aim of exploring the sector-based rhetoric surrounding the commissioning and early implementation phases of the programme particularly in light of media reporting that third sector providers were being marginalised in favour of corporate interests (Butler 2011). Resting on an earlier evidence review by one of the team (Damm 2012) the methodology for the study consisted of two elements; key informant interviews informed an exploration of provider experiences in two localities (Rees et al. 2013). The 8 key informant interviews included respondents from third sector and employment services infrastructure organisations; private and third sector Prime contractor organisations, and mainly large national third sector organisations delivering the Work Programme. The two areas chosen as the location for an exploration of provider experiences were selected to provide geographical and labour market diversity (inner-city versus semi-rural, north versus south east) and different supply chain models. In each area a 'mapping' exercise identified the role and type of organisations in the

supply chains. A phone survey of these providers (approximately 65% were successfully contacted) ascertained their sector, supply chain position, and the nature of their provision. This enabled us to describe the types of organisations involved and what they were delivering, and to understand different supply chain relationships. The final element of this stage involved semi structured interviews with 4 of the 5 private sector Primes operating in the two sampled areas (the fifth declined to take part) and 14 subcontracted providers of whom 10 were third sector, 3 were private sector and 1 was public sector. Providers were asked about their previous experience of employment services, motivations for bidding for the Work Programme, experiences of the commissioning process and early stages of delivery and their views on sector differences in provider experiences of the programme.

Field theory and employment services

A tradition of multi-disciplinary scholarship has led to a development of the concept of *field* to understand individual-level and organisational social worlds. It draws much from social theory and particularly Bourdieu's conceptual triad of fields, habitus and capital which focused on the way individuals negotiate and utilise resources to position themselves in relation to others (Bourdieu, 1977; Bourdieu and Wacquant 1992). DiMaggio and Powell's (1983) foundational work began with the observation of organizational fields structured by state funders shaping the responses and strategies of organisations. In the decades since, field theory has reached a level of maturity as a theoretical lens drawing on traditions in organisational studies, social movement studies and new institutional theory, and now provides a sophisticated way to frame the relationships between organisations, institutions and other actors (Emirbayer and Johnson, 2008; Scott and Meyer 1983). Building on this work Fligstein and McAdam (2012) have more recently set out a general theory of fields to better account for stability and change in collective social life. Their concept of a *strategic action field* can be defined as a meso-level social order (a grouping of individuals, organisations and institutions) within which actors maintain a common set of understandings about the positions, hierarchies and the rules for what behaviour is legitimate, conceivable, and 'makes sense'. Actors are in constant competition, 'jockeying' for the strongest possible position within their field. Importantly fields are not isolated units. Each strategic action field is, they argue, embedded in a wider environment of fields in various relationships with one another; some close or *proximate* with adjoining borders or nested within one another like a Russian doll, some more distant (Fligstein and McAdam 2012). Fields as the building blocks of social, political and economic life thus exist in a web of interconnections and relationships with other fields; relationships that may be dependent and hierarchical or interdependent and reciprocal. (Fligstein and McAdam, 2012 p58)

We argue that *employment services* in the UK can be characterised as a strategic action field constituted by a diverse range of actors; providers of various sizes, sectors and interests, who are involved in the delivery of support to unemployed people. These providers jostle with one another for position, power and resources in the field which is primarily funded via contracts for delivering government employment programmes but where commercial and charitable resources are also drawn on by many. This field, we suggest, sits alongside a range of other public service delivery fields such as criminal justice and social care and in close and dependent relationship with the state field and state actors. The state may in different ways intervene in the operation of service delivery fields, potentially mediating and disrupting relationships through reforming policies, reallocating resources and in some cases commissioning and managing quasi-markets for service delivery. In employment

services in the UK much of the field is governed by a large state actor, the Department for Work and Pensions (DWP), a central government department that manages a broad spectrum (although not all) of employment service provision. Some of the delivery of that provision is devolved to statutory Job Centre Plus (JCP) offices across the country. The rest is delivered through the design, commissioning and arms-length management of individual employment programmes operated by contracted providers from the third, private and other parts of the public sector. If employment services in the UK can be conceived of as a strategic action field so too can individual programmes such as the Work Programme, each of which is effectively a managed quasi-market within which DWP controls the nature of provision, distribution of resources, and the roles of providers. The Work Programme is, we argue, effectively a strategic action field nested inside the wider employment services field, constituted by a particular group of contracted providers and a particular set of rules.

To return to Fligstein and McAdam the key strength of their framework is that it suggests a dynamic notion of fields as continually in flux and often subject to periods of contention, unsettlement and “routine, rolling turbulence” (2012, 19), more rarely crisis, as well as periods of relative stability. In part that dynamism is a product of the agency of field actors jostling for position and attempting to shape the rules of the game, promote their interests and ensure their access to resources. Power dynamics between actors are located through the positions of *incumbents* and *challengers*. The former have a greater share of the field’s resources and thus greater control over field rules and symbolic meanings that help to support their interests. To this end they tend to have particular sway with the field’s *governance units*, essentially bodies charged with overseeing compliance with field rules who almost always support the dominant (incumbent-friendly) logic of the field. Challengers on the other hand have less influence over the field’s operation; they recognise the nature of the field, comply grudgingly with the status quo, and seek opportunities to redefine the field to their own advantage. Most of the time they take what the system gives them, while waiting for opportunities to promote their preferred logic. In the employment services field we can identify how providers in the field have different levels of power, resources and interest in the field which serve to align them with incumbent or challenger roles. We argue that large prime contractors and those holding multiple contracts are the incumbents since they receive the lion’s share of the resources and have more voice in debates about the nature and role of the field. Challengers are those further down the supply chain: smaller less well-resourced providers with a smaller ‘share’ of the quasi-market who might be seeking a more powerful position through strategic development.

Change within fields comes not only from internal contention but also from external or exogenous shocks. Fligstein and McAdam describe “destabilizing change processes that develop within proximate state or non-state fields” (2012, 3) sending ripples out. Where there are strong dependent relationships these might interrupt the flow of resources essential to incumbent advantage, undermine the legitimating ideas on which the field rests or involve the movement or ‘invasion’ of actors from other fields. The result can be a crisis, or more usually an *episode of contention*, marked by a shared sense of uncertainty regarding the (new or unsettled) rules and power relations within the field. These episodes may play out as a period of sustained contentious interaction as challengers and incumbents alike mobilise to advance their interests. Often incumbents will be able to resist any resulting pressure by cultivating support from *governance units* and state actors who may impose a settlement in favour of the incumbents. In rare cases, however, challengers may be able to redefine the field with new rules, power relationships and logics or frames. In order to understand how actors influence others and legitimise their view of the field

Fligstein and Mcadam draw on the notion of social skill. *Skilled social actors*, they argue, engage in the task of *framing* a particular 'story' or view of the field and their position within it. Incumbents and challengers alike will utilise frames of reference to make sense of the field although these frames will often be oppositional.

The remainder of this article draws on our qualitative data to understand the dynamic nature of the UK employment services field with a particular focus on the commissioning of the Work Programme. In the sections that follow we look firstly at the '*rolling turbulence*' and '*episodes of contention*' that have characterised the evolution of the employment services field over recent years and argue that in 2010/11 DWP's rapid commissioning and then implementation of the Work Programme created an episode of contention for employment services providers. We then explore how *in practice*, providers navigated this episode, made sense of shifting *challenger and incumbent* roles in the field and developed strategic responses, re-orientated services and shifted frames of reference in order to secure position and resources in the Work Programme field.

Episodes of contention in the employment services field

Phase 1 – 1997-2006 The proliferation of contracted providers in an emergent field

Prior to 1997 when the New Labour government came to power the majority of employment services were provided by the public sector Job Centres, although some contracted elements of provision and support for unemployed groups also took place less formally in third sector organisations working with particular groups. From 1997 onwards substantial policy shifts promoted the expansion of services through contracting to third and private sector providers, legitimised by a dominant logic in which private sector were seen to bring efficiency and economies of scale, whilst the third sector was seen to offer 'specialist' provision for (harder to reach) groups with particular sets of needs. The range of contracted programmes grew from small scale pilots in the late 1990s to large national schemes in the 2000s, leading to a proliferation of pilots and programmes aimed at a wide range of different customer groups (e.g. the New Deals programmes aimed at, for instance, disabled people, the long term unemployed and lone parents) or support to jobseekers in particular types of neighbourhood (e.g. Employment Zones) that buttressed existing state provision in local Job Centres. This expansion of opportunities for non-state organisations to deliver services on a significant scale (Damm 2012) created an emergent if turbulent strategic action field of employment services outside, but closely aligned with, the state apparatus, constituted by providers from the third and private sector delivering a diverse range of services to different groups. Arguably the third sector's position in this field was cemented by the focus on programmes tailored to defined customer groups which dovetailed with its reputation for specialist provision.

Phase 2 2007-2010 The consolidation of the field

The second phase in the field's history occurred following DWP's introduction of the 'supply chain' model in the mid 2000s resulting in (as intended), a consolidation of the private sector share of contracted provision through larger 'Prime' contracts (McDonald et al., 2007). This phase also saw DWP embrace a model of commissioning that sought to rationalise prime contracts and increase the degree to which payments to providers were linked to employment outcomes promising a reduction in administrative burden, inefficiency and a transfer of risk to external organisations (Freud, 2007; Davies, 2008). For providers in the field these proposals and the subsequent programme that

emerged (The Flexible New Deal (FND)) signalled ongoing turbulence and contention with a shift towards outcomes based contracts, and increasing provider autonomy over services (see also Mythen et al., 2012). The increased financial risk to would-be providers also meant greater opportunity for profit. By the end of this period, the strategic action field of employment services had reached a significant level of maturity. As a field it was dominated by the evolution of DWP policy and programme design but incumbents had also established and supported a number of internal governance units such as the Employment and Related Services Association (ERSA) a trade association and policy-making intermediary with government; and field-specific think tank the Centre for Economic and Social Inclusion (CESI) that runs conferences and produces analysis and policy recommendations. Both were colonised by powerful incumbent providers, had close links to DWP and helped to produce legitimacy and authority for and within the field

Phase 3 2010- present - Contraction of the field; the Work Programme

In 2010 the field received a substantial exogenous shock following the formation of a Conservative-Liberal Democrat Coalition Government explicit in their aim of reforming welfare, particularly in light of deficit reduction measures following the 2008/9 recession. The DWP quickly set about designing and commissioning a new employment scheme that would replace a number of programmes in a relatively short time frame (NAO, 2012). The Work Programme involved incremental developments from previous programme models which amounted to substantial changes to the roles and resources available to providers and in doing so gave rise to an episode of contention in the field. Firstly the programme involved larger 'Prime' contracts than previous programmes (Lane et al., 2013) with two to three Primes managing a supply chain of subcontractors in large regional areas across the UK. The Primes would either act as delivery agencies offering 'end to end' support to move participants from unemployment into sustained work or they would subcontract some or all of this end-to-end support to a Tier One sub-contractor (see Figure 1). Where a participant required more targeted interventions, (for example for mental health or drugs and alcohol problems), Primes and their end-to-end suppliers could subcontract for additional support from specialist providers forming a Tier Two in the supply chain. Only Primes have any contractual relationship with DWP, Tier One and Tier Two providers contract with the Primes.

The second important developmental feature of the programme was that the 'payment by results' (PBR) financing model involved a significantly more 'back ended' payment structure than previous programmes. Most payments were triggered when a participant had remained in employment for around 24 months, substantially increasing the financial risk to providers. The third important feature was that the programme catered to a broader range of participants than previous programmes, in particular those on disability related benefits who had previously been served by specialist programmes. Primes were given only minimal service requirements so they could choose their own methods and tailor or personalise support to a wide variety of needs regardless of a participants formal benefit category (Newton et al., 2012) including subcontracting to Tier Two specialists. This development, part of a trend towards personalisation in employment services (Borghi and van Berkel, 2007; Toerien et al., 2013) marked a shift for providers in the field who in previous phases had delivered predefined services to participant groups within specialist programmes.

Taken together we argue that the commissioning of the Work Programme produced a sizable shift in the resources, rewards and relationships within the employment services field. It increased the financial risks for potential providers and shifted the emphasis towards large scale geographically defined generic services tailored to meet the needs of a very broad range of participants. The result from a fields perspectives was an episode of contention in the employment services field as providers sought to understand the implications of these changes for them, their position and stake in the field and ability to compete for contracts. In the next section we examine how different providers navigated the new roles, relationships and hierarchies and were able to deploy strategies to maintain or strengthen their position in the field.

Provider strategies in the employment services field

Interview data from providers of different sectors, sizes and supply chain positions highlighted considerable diversity in how they understood the risks and rewards of the new Work Programme field and navigated the commissioning process. Depending on how organisations were positioned in the employment services field they either saw bidding for the Work Programme as a choice or a necessity. This highlights the interconnections inherent in the nested nature of the two fields. As a single scheme replacing multiple programmes in the context of a wider financial squeeze on public spending the work programme was regarded by providers as one of the only sources of funding in the employment services field. The programme was referred to as ‘the only game in town’, and several providers described feeling under pressure to secure some form of involvement if they were to remain ‘*in the game*’; i.e. to maintain their position in the field. For example a provider specialising in employment and language support for ethnic minority groups had been involved in a number of previous programmes and described their response to the Work Programme commissioning and decision to approach a Prime: “*we had no choice basically because if you didn’t go with them [the Prime] then... you don’t have anything*” Third Sector Tier Two provider 17.

DWP played a central role shaping the employment services field by designing the work programme model and commissioning the Prime contractors. Providers differed in the degree to which they understood the new model, in particular the risks and rewards associated with different tiers of involvement in the supply chains. At the Prime level the risks involved in holding a contract and the financial capacity required to bid meant such contracts were not viable for many of the existing providers in the field even those with previous experience of operating prime contracts (Work and Pensions Select Committee, 2011). Third sector organisations recognised they had less opportunity to raise capital borrowing from banks or investors and fewer reserves or assets that would enable them to absorb these risks. A number questioned other facets of the Prime role particularly the requirement for sanctioning participants which they saw as contrary to their mission. Some providers, who were in a relatively secure incumbent role, realised that with Prime contracts out of reach they would struggle to maintain that position in the field. At the same time large, mostly private sector companies *from other proximate fields* or other countries saw the Prime contracts as an opportunity to move into a new field. These ‘invaders’, well endowed with financial resources and experience of managing supply chains in other fields viewed the new contract sizes as more profitable, making UK employment services a viable field to colonise. One successful Prime new to the field recalled looking at the Work Programme model and making a decision to “*do this in a big way or we don’t do it at all*” Prime 11. Their strategy in gaining entry to the field was to gain substantial market share, immediate incumbency, and there is evidence some achieved this through

a practice of undercutting DWP's suggested payment structures during the bidding stage in order to win more contracts (Simmonds, 2011). Whilst invader Primes moved directly into incumbent roles in the Work Programme field others who had been Primes in previous programmes found themselves moved down the supply chain and into more of a challenger role. This group were more critical in their framing of the programme model, for example expressing doubts that those who had discounted heavily could offer a viable service.

The assessment of risks and rewards for actors in the field was also taking place for potential Tier One contractors. Since end-to-end roles offered service contracts with Primes which specified market share and predicted a certain flow of customers over a given period they were recognised by some providers to be relatively secure and financially viable. However they favoured providers who could provide generic employment support to a wide range of customers across a relatively large geographical area. In addition providers hoping to secure one of these end to end contracts had to negotiate not with DWP but with an array of mostly private sector potential Prime contractors. These negotiations revolved around prospective end-to-end providers selling their services to prospective Primes and prospective Primes assessing which end to end providers had the capacity to operate a contract of the required size, volume of customers and geographical coverage.. Incumbent third sector providers whilst keen to be involved in end-to-end delivery (in order to stay in the field) were also worried about the implications of the 'step change' of taking mandated participants. Several noted that this was contrary to their mission statement and had struggled to resolve these tensions internally in order that they could bid. *"That's where a lot of the concerns and the conversations went, you know, internally as a third sector organisation do we want to be part of that?"* Third sector Tier One provider 26.

However end-to-end contracts were not an option for all providers. Smaller local providers and third sector providers with a specialism related to supporting a particular hard to reach group had little capacity to bid for end-to-end contracts and found they were being channelled into Tier Two positions in Primes' supply chains. Some providers noted that these roles were being offered on a more tenuous 'spot-purchase', or Service Level Agreements (SLA) type arrangement which gave no guarantee of flows or referrals of programme participants and thus any income from the programme. As this group of providers negotiated with primes in their area, some lobbying hard for their particular specialism to be included, they found considerable pressure on price for specialist services that made even a service level agreement untenable for them. One provider described how they were asked by the Prime to give a cost per learner for the English courses they provided that was 'not too high' and when they did were quickly told it was too expensive. *"they kept saying that: 'too expensive'"* Third sector Tier Two provider 17. Whilst some of these smaller specialist providers had many years of experience in the employment services field the only positions available to them in the new Work Programme field were in Tier Two roles that offered little financial reward and gave them little bargaining power or influence. Some in this group adopted a challenger frame of reference, forming consortia and asserting that without their contribution the programme was not helping the hardest to reach. However more often Tier Twos appeared to move into a marginal role in the field not wanting to complain about their position in case it jeopardised potential referrals in the future and it would be difficult to label them as challengers.

For the larger providers hoping to obtain a Tier One role strategies also differed widely. The increasing importance of being able to offer generic end-to-end support rather than specialist

provision was something some providers had noted not only in the relation to Work Programme but in other recent supply chain programmes. Several had strategically sought to re-orientate their services to make them more generic in order to bolster their position in the field and their capacity to win contracts. One organisation with a disability remit who had delivered on a previous disability focused programmes described a process of broadening out the types of clients they worked with to include lone parents and those with mental health problems. They saw this strategy as central to their success in securing an end-to-end contract in the Work Programme. This re-orienting of services also happened in the private sector. Whilst private sector providers tended to have a background in the recruitment or training fields and were more likely to be offering generic services anyway, some described similar pressure to broaden out their remit in order to stay in the market. One end-to-end provider with a training background explained that they had realised their specialist IT industry training focus meant *'we were always penalised'*. They acquired a smaller generalist employment training company that would enable them to offer generic geographical coverage in order to enhance their position in the Work Programme. *"By buying [xx] Training, it's mainstream, there's no question [for the Prime] about, 'is this the right provider'? It's generic Welfare to Work provision."* Private sector Tier One provider 25.

However reorienting services to become generic providers also required some substantial framing on the part of organisations to legitimise their changing role and position in the field. Private sector organisations were able to frame these shifts in terms of securing financial position or market share but third sector organisations were more restricted since they needed to frame their services with reference to their mission and client group. The disability provider mentioned above had effectively framed their move to generalist provision as a way for them to continue to serve their main client group. They argued that *not* being in the Work Programme would mean their services would not be available to people with particular needs (their main client groups) who would be referred as part of the general Work Programme client groups. *"So even though you can't control who's coming through the door, there'll be lots of people who benefit from [our service] and we'll have disabled people, people with mental health issues, whatever."* Third sector Tier One provider 26

For other third sector organisations, re-orientating services away from the beneficiary groups named in an organisation's mission was not deemed an appropriate strategy by trustees or senior management; it was understood negatively as mission drift. Despite being incumbents in previous programmes some third sector providers had chosen to continue to operate as specialists in order not to compromise their mission despite the fact this weakened their position in the field. One large national organisation supporting those with a particular disability had rejected a strategy of attempting to secure an end-to-end contract and opted instead for Tier Two involvement so that they could focus on serving their (low incidence, widely dispersed) client group. Whilst this forced them into more of a challenger role than they were used to they argued they could maintain their power in other ways by lobbying DWP and participating in the operation of governance units within the field.

Even when no actual reorientation of services had gone on some providers still found it necessary to shift their frame of reference - the story they told about themselves - so that they could legitimise their services in the new Work Programme field. For example there was an assumption by some Primes that third sector organisations must be specialist providers. This was problematic for third sector organisations seeking to obtain coveted end-to-end contracts. A large local provider with a

long history of providing generic employment support in their area and looking to secure an end-to-end contract recalled having to work hard during the commissioning process to distance themselves from the conflation of 'third sector' with 'specialist'. "[Primes] used to say to me, *what's your speciality? I'd say, end-to-end.*" TSO Tier One provider 24. Of course there was also a large swathe of small specialist providers from the third and private sector who had little option of diversifying or reorienting their provision even if they had wanted to they did not have the financial capacity and some had little awareness of the implications of a Tier Two contract in any case. These providers' strategies mainly involved ensuring their organisations were listed by the primes as specialist providers in the hope that this would lead to referrals.

The Work Programmes' supply chain structure, generalist/personalised delivery and PBR financing model are all central factors in defining a new set of rewards, roles and relationships in the employment services field. Provider strategies in relation to securing positions in the field or opting not to (re)enter were differentiated according to the resources, experience, size and sector of the organisation and these in turn shaped which level in the supply chain they aimed for and whether they were successful in securing a contract.

Discussion and Conclusions

This article has aimed to make a significant contribution to two distinct areas of social scientific endeavour: the policy and practice focused literature on employment services and welfare to work, and the development of a theory of fields as outlined by Fligstein and McAdam. Applying field theory to employment services and the UK's Work Programme has highlighted a number of core insights. Firstly we have shown that employment services and individual programmes are interlinked and nested strategic action fields where providers jostle for position and legitimacy, where what happens in one directly impacts on the others and where the state in the form of the DWP is a central player in defining and legitimising field positions. We argued that the broad field of employment services has undergone a number of phases in its development as a result of ongoing policy development and shifts in the funding model of programmes. These have substantially changed roles and relationships between actors in the field. Recognising these is a crucial way to understand the dynamic nature of fields, seeing them not simply as containers of organisations responding to policy agendas but as constituted by active agents operating strategically in relation to each other and their environment. Specifically we showed how the Work Programme commissioning process disturbed existing provider positions in the field with the supply chain model creating new incumbent roles for 'invader' Primes from other fields and marginalising the position of specialist providers – many of whom had a long history of providing employment services in the field. In other words the shifting role and positions of different providers has longer term implications for the constituent actors in the employment services field.

We believe the most significant insight into the workings of the employment services field provided by our application of field theory is the notion that providers are not simply interchangeable pawns deployed to implement government policy agendas. Instead we are alerted to the differentiation and strategic action (agency) of providers within the field. Providers, we have argued, are a diverse group of organisations with varying financial resources, experience in the field, missions and ethos, voice and power. These characteristics make them more or less effective in their ability to strategize in relation to the new rules of the game during an episode of contention. For example we showed

how some specialist providers strategically re-orientated their services to become generic providers both in practice and in terms of the way they framed their services as a way to ensure their continued position in the field. However some providers were less aware of the nature of changes to the rules of the game governing the field, others did not have the resources to re-orientate their services and still others were unwilling to make changes that might undermine their mission. One of our starting points for the research was a concern with the way 'sector' has been deployed in a reductionist way to understand provider differences. Instead, field theory has helped us highlight that sector is only one category amongst many which intersect to determine organisations' position in the field.

At the same time we have shown how the UK Employment services case is important for testing, and extending Fligstein and Macadam's theory of strategic action fields. Their conceptual framework proposes that dynamic relationships and change are endemic features of fields. Examining employment services an emergent field experiencing an episode of contention has shed light on the multiple and oppositional dimensions to actor's strategies, positions and interests that intersect to create a particular configuration of field dynamics. Of course not all the elements of their theory are unproblematic when applied in this case. The concepts of *challengers* and *incumbents* for example are very broad and whilst this makes them widely applicable to different field cases they do not comfortably account for the complexity of field-based hierarchies of position in employment services. Our initial interpretation was that incumbent roles were held by well-resourced Primes and larger end-to-end providers with longevity in the field, numerous Work Programme contracts and prominent roles in the governance units; smaller specialist providers inhabiting Tier Two positions in the supply chain were in a challenger position. However there are numerous providers that do not fit neatly into either position. Several invading primes from other fields apparently moved directly into powerful incumbent positions and there were local organisations with only a single Tier One contract appearing to 'punch above their weight', including occupying key roles in governance units. Similarly there were providers who might be defined as challengers but despite a relatively longstanding position in the field sat on the margins, involved but un-strategic and certainly not challenging dominant rules which did not serve their interests within the field. In other words they were challengers who did not challenge. Ultimately the diversity of providers militated against an overly simplistic attribution of challenger and incumbent roles which might more usefully be acknowledged to be internally differentiated.

This raises a second issue we have alluded to in the empirical analysis: how to account for the different levels of 'interest' apparent amongst the providers in the field? A swath of providers in all tiers of the supply chain straddled the employment services field and another or several proximate fields; a situation which appeared to reduce their resource dependency and make them less reliant upon or 'tied into' the field. Some were relatively large organisations from the private and third sector for whom the Work Programme was a 'side-line' to their main business. These providers were less dependent and less 'interested' in the programme – they aimed to participate in the employment services field but not 'at any cost'. This mediated their position as incumbents or challengers in the field. Whilst most had been operating successfully in the field for a number of years their organisation was not wholly dependent on field resources and legitimacy.

Our final analytical insight has been that, as a quasi-market in which the state in the form of DWP plays a central role in defining positions and controlling the flow of resources, the Work Programme

is a very particular type of strategic action field. In Fligstein and McAdam's model the state is effectively a separate (proximate) field. Whilst it has power to define roles, direct resources and legitimise practice, field incumbents are also seen to have considerable autonomy to set these understandings and positions. In reality, the Work Programme's quasi-market design makes the state sole commissioner; in order to guarantee incumbent status organisations must prioritise the lobbying of decision-makers in the state field in order to shape the design of programmes to serve their best advantage. Even then change in political leadership can cause ruptures in this process. Yet this relationship is not static since once the commissioning is over DWPs role is reduced and much of the power shifts to the Primes who now control the subcontracted providers in their supply chains.

Finally we want to emphasise that this article constitutes a pioneering analytical venture in the application of field theory to employment services. Employment services is a highly complex set of fields and issues; similarly field theory is a dense and richly rewarding theoretical framework. We have highlighted the value of this analytical dialogue but many questions remain for scholars in the future. Relationships between proximate and nested fields require further attention: for example how does the work programme interact with other forms of employment support in the employment services field? Whilst we were able to hypothesise about the relationship between the field and the state we did not interview state actors and could not shed light on the nuance of this relationship or unpack the workings of a quasi-market from the perspective of those actors. Also of interest would be the relationship between employment services and other proximate service delivery fields particularly where there are many organisations straddling field boundaries. There is much more work to be done in applying a theory of fields not only to employment services but to a wide range of other service delivery and other interconnected fields.

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