**Diversity as Job Quality:**

**Unions’ possibilities in public procurement of social services**

Orly Benjamin, Bar Ilan University, Israel

Orly Benjamin (DPhill Oxford, 1995) is an Associate Professor at the Sociology and Anthropology department and at the Gender Studies program, Bar-Ilan University. She is the author of two books: Feminism, Family and Identity in Israel: Women's Marital Names was published (2011) With Michal Rom, introduces her theory on couples’ negotiation and the power relations between feminism and familism in Israel. Her second book, Gendering Israel’s Outsourcing: The Erasure of Employees’ Caring Skills (2016), introduces a feminist perspective on public procurement in welfare, education and healthcare services and elaborate her perspective on precarious employment as a feminist issue. She is currently involved in studies on public procurement as a policy kit, on the managerialization of the welfare ministry, on emotions (particularly resentment) and intersectionality, on economic violence, on mothers and daughters’ relations in the context of poverty and on sexual subjectivity. She chairs the Ministry of Education committee for updating the sociology curriculum for Israeli high-schools and she’s an activist at the coalition for direct and fair employment.

**Diversity as Job Quality:**

**Unions’ possibilities in public procurement of social services**

**Abstract**

**Purpose:** Informed by an institutional work perspective, this paper investigates the possibilities for extending diversity enhancement in the workplace through the introduction of the *job quality* parameter to evaluations of diversity. Because diversity is a defining characteristic of the lower echelons of labor market hierarchies, public procurement procedures for the delivery of social welfare services provides a suitable arena for considering the extent to which trade union campaigns, advocating for consideration of the job quality parameter in public procurement processes, influences diversity.

**Design** As part of a broader project, the researchers conducted interviews with 6 budget administrators and 16 occupational standards administrators employed in the Israeli ministries of Welfare, Education, and Health, and with 8 trade union activists. The interviews were analyzed using a grounded theory approach.

**Findings** The administrators succeeded in preserving low job quality, by means of only partially supporting trade union demands for enhanced job quality, vis-a-vis service provider requirements. Trade union gains were dropped whenever expedient, particularly during the appointment of new service providers. Consequently, the diverse labor force was excluded from the ostensible promotion of “diversity.”

**Implications** Unionization, and trade union participation in social welfare procurement processes, is a potentially effective path to improving job quality and enhancing workplace diversity. However, more must be done to develop the institutional-level processes that will ensure that this potential is utilized to the full.

**Originality** Engaged with the implementation of diversity regulations and guidelines, this article uses an *institutional work* perspective to contextualize the stagnation in workplace diversity, using it to clarify the role played by public procurement processes in the delivery of social welfare services. By identifying three social processes deployed to side-track trade union campaigns for improved job quality, this research shows that the implementation of organizational change can defeat the proven benefits of workplace diversity when diversity is conceptualized as distinct and separate to the issue of job quality.

**Key words** diversity, inclusion, unions, job quality, public procurement

**Paper type** Research Paper

**Introduction**

It is commonly acknowledged that diversity is a defining characteristic of the lower echelons of labor market hierarchies (Hopkins, 2012). This phenomenon manifests most clearly in workplaces which hire employees from disadvantaged social groups, groups who often experience discrimination and oppression (Prasad et al., 2006), to low-status occupations and positions. This common reality indicates that diversity enhancement should be extended, to ensure that the diversity-informed recruitment practices in place for higher-status jobs are supported by directing attention to the issue of job quality with lower-status jobs. Such an extension underlines the importance of analyzing diversity through the lens of power relations, as proposed by the pioneering scholarship of Linnehan and Konrad (1999) in this field. Using the concept of power as an instrument for analyzing workplace diversity draws from the perspective of *Institutional Work*, a particularly effective tool for examining responses to organizational change (Cloutier et al., 2015). Institutional work refers to “the purposive action of individuals and organizations aimed at creating, maintaining and disrupting institutions” (Lawrence and Sudabby, 2006:215). In this paper, I examine the power relations manifested in the performance of institutional work related to the dimension of *job quality*, a workplace parameter championed by trade unions situated outside the immediate organizational or workplace context. The institutional work perspective is applied here in the specific context of the participation of trade unions— at the invitation of workplaces and organizations— in the design and fulfilment of public procurement procedures. This participation is secured with the tacit understanding that the unions will thus be able to contribute to the enhancement of workplace job quality, specifically with regard to the jobs typically held by marginalized categories of the population.

The potential relationship between diversity and job quality has been explored in studies such as Buksbaum et al. (2009), focused on the female managers of a chain of clothing shops in Israel. The researchers established that the managers’ actual material remuneration was lower than that of their subordinates. In other words, while the composition of the management level of the chain was indeed diverse, the essential objective of workplace diversity was not achieved, because underlying job quality for the managers remained very low. Power relations remained unchallenged, and material privileges were not extended to the managers.

Another example, closer to this paper’s core interest in the field of public procurement of social welfare services, is that of childcare workers. A particularly diverse and community-specific category, childcare workers—who run home-based nurseries for children aged 0-3—are defined by the Israel's Ministry of Economy and Industry as self-employed. However, the representative trade union for the sector rejects this definition, because the Ministry of Economy and Industry imposes limits on the fees that childcare workers may demand for their services, and sets diverse requirements for the occupation. These income restrictions contribute to very low levels of job quality, all the more so because this category of workers does not qualify for participation in a pension programs beyond the minimal compulsory one. Following a strike by workers in this sector, their trade union tabled their demand for an appropriate pension program for the sector. If this demand is ultimately honored, then it can be stated that workplace diversity will be enhanced through inclusion.

Job quality is typically evaluated according to extrinsic (remuneration, stability, available training, union protection) and intrinsic (satisfaction, direct participation, autonomy, discretion) Job characteristics. These factors are shaped in the context of policy and organizational financial considerations. Often, job quality is designated as high-level when occupations deemed to require scarce skills, and such skills are directly relevant to the core activity of the organization. Conversely, job quality is typically designated as low-level when the workplace skills required are not scarce and are not seen as intrinsically necessary for the job (see Lepak and Snell, 2010 for the full HR architecture). In the context of service and care occupations, a feminine image of the jobs that defines these sectors creates a dominant institutional framework that assumes that employment in the sector requires few skills, and that these relevant skills are not scarce. Consequently, very low levels of extrinsic job quality characterize many social welfare services positions (Hebson and Rubery, 2015; Hasle et al., 2004). In line with this, the categories of workers who “opt” for employment in these sectors are often ethnically and racially diverse, and a significant proportion are socially excluded “working poor” (Jacobs and Padavic, 2015).

This article contributes to recent debates concerning the stagnation and even retrenchment of diversity related practices, by directing attention to the question of job quality as a crucial indicator of actual workplace integration and inclusion. Distancing itself from the “either/or” employment dichotomy, this paper instead conceptualizes job quality as a necessary component of non-exclusionary employment. The research presented in this paper locates the social forces whose power relation structures are manifested in routine institutional work, and which shape—or stifle—opportunities for enhancing diversity. I identify the crucial issue of the marginalization of trade unions in public procurement procedures as an explanation for this stagnation.

**Literature Review**

Privatized and marketized social services, where trade union action has been limited by fragmentation and competition, tend to be workplaces defined by very low-quality jobs (e.g. Stecy-Hildebrandt et.al., 2018). Consequently, the workforce tends to be defined by high levels of ethnic/racial/national/religious diversity, alongside high levels of poverty among employees or financial dependency on other family members (Peña-Casas and Ghailani, 2011; Jacobs and Padavic, 2015). In other words, if workplace or employment conditions are exclusionary (such as through high physical risk, or low remuneration, respectively), then the core aspirations of diversity cannot be achieved. Significant scholarly emphasis has been placed on workplace integration and inclusion (e.g. Kogan, 2016); however, until relatively recently little attention has been given to the issue of the parameter of job quality as relevant to diversity. If diversity is to be understood as meaning more than mere numerical representation, then the quality of jobs available must be a prominent aspect of evaluating diversity initiatives.

This insistence on the relevance of job quality in evaluations of diversity and inclusion is consistent with Pringle’s (2009) argument that diversity should be driven by a dual-track motivation: the managerialist orientation towards economic outcomes, together with social justice reflected in the redistribution of power and resources. Such a dual conceptualization embraces Dickens’ (1999) focus on non-managerial employees and trade unions. A research focus on job quality, aligned to trade union campaigns for enhanced job quality for non-managerial employees, thus seems an apposite contribution to the growing number of conceptual frames for analyzing workplace diversity, and more so for research informed by local nuances and conditions.

As an example, a research study showed that unionization did have some relevance and impact in the call center employment sector (Schönauer, 2008); however, its impact on job quality specifically was shown to be limited if trade union activism was not backed up by the wider national context (Doellgast et al., 2009). The authors who reported this finding considered three dimensions of job quality: dismissal rates, use of high involvement work practices, and performance monitoring. The dimension of dismissal rates is particularly relevant to diversity, essentially relevant to issues of inclusion under conditions of discrimination.

One example of the potentially influential role that can be played by trade unions occurred in 2014, when the United Kingdom’s Unison trade union prevented the imposition of “zero-hour” contracts on employees in the long-term elderly care sector by two employers. This huge victory echoed unionization achievements in Ireland, where the Service Industrial Professional and Technical Union (SIPTU) succeeded in organizing employees with the objective of championing decent and secure employment conditions. Murphy and Turner (2014), who reported on this 2004 struggle, explained that despite the successful negotiations between the union and employer that led to the 2004 agreement, the improved terms and conditions of employment were not honored until 2013 “when binding [Labour Court] judgment ultimately secured victory for the union” (2014:7). The application of this agreement, late though it was, did improve job quality for the diverse workforce—mainly immigrants—of the care sector.

**Public procurement of social services**

One of the most prevalent trends among welfare states in the Western world over the last few decades has been the increased marketization of social welfare services (e.g. Bode, 2009; Pollit & Bouckaert, 2011). This marketization of services has transformed the role of the state as an employer in the public sector (Mandel & Shalev, 2009), and has changed opportunity structures for the ethnically diverse workforce reliant on employment in the welfare service and care occupations. Thus, the marketization of services is closely associated with occupational segregation, and with the reduced availability of quality employment in public services where human resources (HR) practices are driven by cost reduction (Rubery et al., 2013). This financialization-driven cost reduction of services (Fine and Davidson, 2018) has a negative impact on salary scales, and over time curtails opportunity structures for both certified and uncertified labour forces, even in countries with strong union traditions like Germany and Sweden (Theobald and Luppi, 2018). Furthermore, it has been shown that beyond the detrimental effect on job quality, job stability and salary scales, marketization and managerialization also have a negative impact on workplace training and skill development opportunities (Baines et al., 2014). Indeed, the high turnover of workers is a defining characteristic of marketization, and is the case even when intrinsic job quality levels are high (Craft-Morgan et al., 2013). Most of the studies that have identified this trend did so empirically and within the context of long-term elderly care service providers (e.g. Charlesworth and Malone, 2017; Ravenswood and Harriss, 2016; Lewis and West, 2015). Other services, including nursing aides, childcare, welfare, education and healthcare services, and employment activization among other social welfare services generally, are equally vulnerable to the vicissitudes of public procurement procedures and the knock-on, negative, impact on employment quality (e.g. Author, 2013; Stecy-Hildebrandt et al., 2018; Bernhardt et al., 2016).

Public procurement mechanisms are an underlying principle of European Union (EU) treaties and directives, that has introduced competition into service delivery. In order to benefit from the international trade agreements that would allow their exporters and corporations to compete for tenders issued by other sovereign states, governments must design contracts for the provision of social welfare services based on competition and an open bidding process. Such contracts define the amount of money the government is willing to spend on the provision of the service in question, and the specific service model(s) which the government will fund. To calculate this sum, the required labor force must be defined, alongside the service operation routines and practices. Public procurement procedures thus renders service delivery into a procedure composed of four stages: (1) Contract design; (2) Request For Bids (RFB); (3) Selection of service provider (profit-oriented corporation, non-profit NGO); (4) Contract management. The last is the regulation stage, where the commissioning agency determines whether the selected bidder, the service provider, meets the requirements of the contract. The quality of jobs for those employed by the service provider—that is, the quality of the jobs which have a direct interface with service users—is usually defined at the contract design stage, together with parameters regarding the quality of the service, the extent to which the service deliverer attends to the various needs of the target service users. Therefore, the integration of the input of trade unions at this preliminary stage can be crucial for job quality and, ultimately, for service delivery and the wider context of the provision of social welfare services.

Trade union activity has played a particularly important role in raising women’s wages and job benefits to respectable levels. Beyond the advantages secured by union action on behalf of low-skilled categories of women employees, trade unions had historically promoted collective agreements, as with the establishment of the payment ladders, which have in effect become a means of skill recognition in the area of care work.

One recent example of such union activity, described by Ravenswood (2017), was in New Zealand, where 55,000 care workers (out of a national population of 3.2 million) won a landmark pay equity case, guaranteeing them pay raises that will eventually bring them all above the poverty line (pay rises of between $4 - $9/hour + paid travel time between work locations). Kristine Bartlett, the union leader who started this case with the full support of her union and fought it for five years, noted that the pay equity raise lent dignity and social recognition the care work profession and to those who work in it. Moreover, she continued, it will give them the credibility, as workers paid a fair wage, to provide a level of care in line with their professional and ethical orientation, and would confer respect on all those working in the field of care work. This example illustrates the collective and democratic pursuit of improved work conditions for all involved in care work. Led by very poorly paid care workers, the campaign successfully asserted that they did not wish to compromise on the care for service users, while simultaneously advancing a united strategy for improved working conditions for themselves.

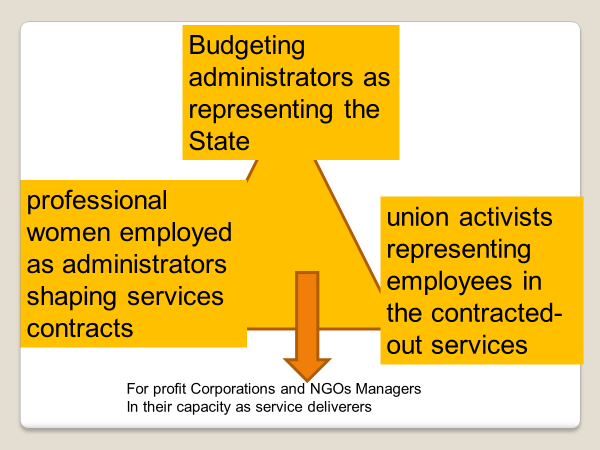
At the same time, there is little doubt that public sector reforms and downsizing, together with the spread of non-standard employment in the care work and service occupations, have weakened union power (Ravenswood and Kaynes, 2015). This is particularly the case with public sector unions in the areas of healthcare, social work and education; this trend has left many women exposed to the undervaluation of their workplace contributions (Rubery, 2013). Women generally, were on the fringes of trade unionism during specific historical periods; however, the self-organized groups that have emerged during the recent renaissance of the trade union movement are often led by women (Healy et al., 2006; Zacharias-Walsh, 2016). With the transformations that have occurred in this area more recently forcing the emergence of a new unionism, empirical questions have been raised regarding the ability of trade unions to protect the principle of equal pay for women in the context of contracted-out services.

In the context of EU directives related to public sectors reforms and management, the intersection between the implementation of “diversity” regulations on the one hand, and public procurement policies on the other hand, has created a simultaneous social process of interaction between forms of implementations, a phenomenon that is yet to be explored. While the implementation of regulations has engaged the interest of activists and academics championing change in the public sector (Hupe and Hill, 2016), the possibility that the implementation of one policy may impede the implementation of the other requires deeper consideration. For this purpose, the theoretical approach of institutional work is adopted here for the analysis of the specific set of circumstances created by the concurrence of “diversity” regulations and “public procurement” policies. The relationship between these two projects of implementation is assessed here in the context of its impact on women. While “diversity” regulations directly focus on the recruitment of women into higher-quality jobs (Hopkins, 2012), “public procurement” policies, particularly those related to the service and care work occupations, indirectly effect the exclusion of women from quality jobs, creating a dependency on part-time, low-paid, flattened (without benefits) employment (Hebson and Rubery, 2015). Another dimension linking the two implementation projects is that both are top-down forms of organizational transition, where decisions made by the organizational elite are expected to be applied by employees positioned lower in the workplace hierarchy. One dimension separating the two concerns the relationship of each—and their influence as organizational transforming forces—with the existing organizational culture. While the implementation of workplace diversity demands that management must reverse past practices and preferences, and go against a common tendency to apply *homo-cracy* (Kanter, 1973) to recruitment and promotion practices, the implementation of public procurement policies for the delivery of social services is highly consistent with financialization and best-value managerialist orientations.

To examine the relationship between the two processes of implementation, I turn to a public administration theoretical framework of institutional work (Lawrence & Suddaby 2006). This is a framework that allows researchers to consider how managers, budget administrators, HR managers and other workplace and recruitment professionals promote or resist institutional change (Cloutier et al. 2016). Recent studies (Pemer & Skjølsvik, 2017) have emphasized the importance of looking at this dynamic from the perspective of the knowledge held by those at the lower levels of institutional spaces, rather than just those in power positions. Their active part in institutional change is reflected in their negotiated, debated and endorsed positions, and their participation in discursive processes (Greenwood, Suddaby & Hinings 2002; Lawrence, Leca & Zilber 2013).

To identify the relevant forms of institutional work undertaken in the encounter between public procurement policies and diversity policies—represented here through a focus on job quality—I consider the interaction between three social forces: budget administrators, representing the state; professional women employed as administrators, who draft and formulate services contracts; and, union activists, representing the employees of contracted-out services. Figure 1 expresses my understanding of the mutual interplay between these forces, and how they shape the employment practices of service providers.

Figure 1: ***Institutional work between procurement and diversity***



Taking contract design procedure as the outcome of the encounter between budget administrators, professional administrators, and union activists, I pose two questions regarding the analysis of the institutional work performed by the administrators. The first concerns the implications of the emerging phenomenon of institutional work for enhanced diversity, primarily in the sense of the level of inclusion (=protection of exclusionary poverty) that can be assumed to fulfilling the requirement of positive workplace diversity. The second question considers how the input of trade unions is treated in state procurement procedures, in the context of its potential contribution to job quality, enhanced diversity, and inclusion.

**The Israeli case**

The Israeli transition from a state-sponsored mode of service delivery to a mixed economy of service delivery organized by public procurement—specifically with regard to outsourcing, requests for bids (RFBs) and contracting-out—has progressed incrementally since 1977. It has intensified since 1985, and reached its peak in 1996. Since then, a significant range of education, welfare, and health care services have been fulfilled on the basis of contracts with independent service providers (State of Israel, 2017). This change diversified the nature of quality employment in these services, a form of employment hitherto characterized by union membership, and which had historically shaped local opportunity structures for Israeli women—albeit, one must acknowledge, opportunity structures that themselves reflected ethno-national discriminations (Ehrlich, 1984).

In Israel, contracting-out as part of the trade in service delivery has exacerbated the fragmented character of the state (Mundlak, 2007). Disparities are frequently reported, specifically with regard to the service providers who seek to extend their control over profit margins when the state does not fully cover the expenses of the procured service (Nisim, 2015).

**Methodological approach**

Part of a broader research project, the core of this paper is a series of semi-structured interviews conducted with actors involved in the process of issuing and approving tenders commissioned by Israel’s ministries of Health, Education, and Welfare. Of the 35 interviewees, six were budget administrators; one was a representative of a firm that draws up tender contracts; twelve were occupational standards administrators; four were public sector administrators in charge of long-term contract management, responsible for evaluating service delivery and performance; four were representatives of service provider organizations; and eight were union representatives and members. Interviewees were asked to give information about the people who worked with them, which extended the scope for additional interviewees. Relatively few administrators were willing to be interviewed however, possibly due to the sensitivity of the issues at stake and their relatively low positions in the overall hierarchy. The interviews lasted approximately one hour on average. The interviewer, a research assistant[[1]](#endnote-1) familiar with tender processes thought his activism in the area of the compulsory tendering of cleaning services, took notes during the interview, and transcribed the notes immediately after the interview.

**Managerialist indifference to job quality**

Institutional work, as used by the administrators interviewed for this project, is anchored in a duality. On the one hand, it relies extensively on standardization processes and legal requirements. But it also produces and reproduces an attitude of indifference towards care work employees.

We will determine things like 1 ½ positions for a social worker, and ½ a position for a manager. All this is standardized according to the Ministry’s tables. But the ministry does not dictate to the service providers the specific job sizes, income etc. We give them full freedom of choice. The labor force for care work that we give is under our control; that is, if we require four teachers’ assistants, we will make sure that four full-time teaching assistant positions are personalized and operational. We call this the strict standard. At the same time, we don’t mind, and we don’t care about the size of the specific job to which these teaching assistants are employed; and we don’t know, and we don’t care, about their exact income.

The dualist manifestation of institutional work can be seen in the simultaneous adherence to a “strict standard” and an emphasis on indifference: “We don’t mind, and we don’t care.” In this form of institutional work, the extent to which the speaker and his colleagues maintain indifference to issues relating to job quality is separated from the implications which the duality bears for actual people, the care work employees. Standing in contrast to this indifference towards employees is the administrator’s commitment to the manager of the service provider firm. The latter is seen as deserving what is assumed to be a necessary condition for managing the business: lack of surveillance and thus the full freedom to promote profitability, despite the clear awareness that the service provider may actively consider reducing the labor force—with a concomitant impact on service delivery. Beyond this, the administrator promotes a type of institutional work that holds back from asserting control or responsibility over the workers’ rights, a mode of behavior consistent with his neo-liberal credo:

It is our policy not to examine what happens in the area of workers’ income. In the past, there were those who thought we were wrong for taking this approach. My “credo” is that we don’t assume control over employees’ income. This is because we don’t know how; we are not good at managing services. If at one service, the management believes they should pay the social worker less and the manager more, that’s their right. I don’t interfere with their considerations. You’ve got to give the manager space for discretion and independent decision-making... I mustn’t intervene with his business

Institutional work blocks opportunities to question this indifference towards the issue of the employees’ income. The complete indifference towards the employment conditions of social workers is assumed, by this form of institutional work, as consistent with the service provider’s profitability. Employment rights become a private matter; intervention would definitely be wrong, as it would demand intervention in the private affairs of another entity.

Indifference towards job quality is also manifested through institutional work directed towards replacing certified employees with uncertified employees, and which blocks attempts to introduce certified employees into the contract design:

A service that is based on skilled workers only is very expensive, it’s also unrealistic … When this happens, we ask the occupational standards people to justify why their requirements are so high … we don’t give a Mercedes, we give an old Mazda … one has to balance between quality and quantity … sometimes we're dictators

This form of institutional work manifests through statements like “sometimes we’re dictators”; the understanding is that demands to include certified employees in the funded model are blocked. Despite the appearance of dialogue, when such requirements are presented and supported by professional justifications, the decision to block job design with a more qualified—and more expensive—workforce is made forcefully.

**Managerialist hostility towards unions**

When asked whether the trade unions are part of the process for setting the basic standards and labor force aspects of the tenders, the administrator unveils the type of institutional work that he has developed for this purpose, in the forms of actual procedures to block this possibility:

There aren’t any union representatives on the tenders committees. No dialogue. No communication. Nothing! We have no relationship with the unions. We don’t communicate with them on any subject and in any way related to determining tenders or tenders’ models. The one occasion when a union got involved was on the tender for [the name of a project where employees had recently unionized]. The employees’ delegates invited the union in. We didn’t treat them and their rights as an issue but only used their input concerning the service and what we wanted it to include. They were an inciting and provocative factor. We didn’t have any negotiations with them. They were left in the background. The Minister at that time had a conciliatory approach, but that was a political matter.

Clear explicit institutional work is detailed in the routine of the committee responsible for developing the conditions of the contract governing service delivery. The routine does not include union participation; even in the face of political pressure to involve the trade unions, they are not allowed to contribute their insights regarding job quality, and are allowed to contribute regarding service quality only. The interviewees embraced such routines for union marginalization, emphasizing their trust in the contracted NGOs and their employment practices as a premise of outsourcing:

There are market forces that play the game. I cannot interfere with what a service provided does. They know how to regulate their activities; that’s why we turned to outsourcing in the first place. There are many who argue that we have responsibility for workers’ rights, and they may be right. But we don’t do that. There is a difference between cost calculation and forcing the service deliverer to pay a specific wage to a specific employee. There isn’t anything that should be obligatory like that. I calculate the cost, but I cannot determine how much the NGOs will pay. I cannot interfere with their expenses composition, as this goes against the basic idea of outsourcing.

NGOs are trusted as legal employers, facilitating a form of institutional work that protects managerial practices, despite the strong likelihood that workers’ rights will be institutionally marginalized. However, high workforce turnover necessitates some more accurate institutional work; this is especially so in the face of a combination of the shortfall in the desired labor force, and low job quality required to appoint suitable workers (with “suitability” tilted towards the service providers, rather than either service users or the workforce). This becomes particularly important when the employment practices of the service providers expose their employees to consistent violations of their rights, specifically regarding remuneration, in ways that are acknowledged by all involved parties. Against these procedural drawbacks, the role of the union, and its potential positive impact on issues relating to job quality and diversity, emerges as even more significant in the process of the contract design. A health professional described it thus:

And then the union entered and demanded employment conditions, days off, training … then threats began to arrive from the service provider … the service provider convinced the ministry that they had experienced difficulties in recruiting nurses, so they were given authorization to recruit non-qualifies personnel to 28% of positions.

While the role of the union may be crucial, it nevertheless is prevented from operating on its own terms. Thus, the institutional work as described takes the form of setting the service provider’s demands, with profit concerns as a central consideration. Stifling the impact of the union, the evidence suggests, impacts negatively on service quality in forms that equally impact on job quality. Furthermore, the administrators also place emphasis on the profit orientation of the service provider:

The service deliverer first thought that the nurses would only be employed between September and June; but the union resisted this, and ensured the nurses' stable employment. But this only relates to the [certified] nurses and not to the [uncertified] others... The others are aware of their temporary status and their motivation remains low…

Union action was powerful in the described case, to the extent of overcoming the range of institutional work practices directed toward marginalizing the requirements of enhanced job quality. The union was successful in demanding that nurses should be employed for the entire year, without a seasonal break in their employment. Nevertheless, the enhanced job quality condition secured was only partially effective in ensuring diversity, because the union only managed to protect job quality for the certified nurses. The uncertified nurses, in the main women from stigmatized ethno-national categories, including immigrants from the former Soviet Union (FSU) and Ethiopia, were left with reduced job quality in the form of fixed-term employment contracts for 8 months only. It can be seen that the struggle to delimit the power position of trade unions has direct ramifications for the class of worker who would otherwise benefit most from diversity-related policies.

**Training as a risk; training as a void**

On-the-job training is a particularly salient component of both extrinsic and intrinsic definitions of job quality. However, in the context of contracted-out services, the state and service providers have conflicting ideas with regard to funding occupational training, each seeking to place the financial burden on the other (Grimshaw et al., 2005). If there are several potential service providers bidding for a tender, then the institutional work that occurs during the bidder selection stage typically transfers training costs to the service provider . If such competition does not exist, then no institutional work can block the responsibility for training:

Theoretically, the way we see it is that the service providers should make sure that the labor force they are using has already had its training and is already skilled. It’s not our role to train. In practice, we do conduct specific forms of training here and there, but basically our expectation is that this falls under the responsibility of the service provider.

Justified in the sense that it avoids a situation where service providers use funding in unintended ways, public sector administrators believe that no harm is done if responsibility for training falls between two stools. The view that is reflected in this last excerpt is commonly encountered by the new trade unions emerging in the employment areas of assistant-social workers and assistant-teachers, when they have sought to demand skill recognition, as well as acknowledgement of the importance of training for income prospects, salary ladder progression, job stability, and overall recognition of their skills. The fierce opposition which trade unions have encountered regarding their request for skill recognition has a particularly fascinating meaning when it comes to how the demand was rebuffed:

If you ask managers at our service to explain this complete lack of training, they will tell you that it’s the result primarily of the historically blurred division of responsibility between the Ministry and the NGOs operating the services and all that, but I believe that’s bullshit. Yes, there are now a few more training courses than what we originally had, but these changes are minimal.

The trade union negotiating team recognizes the causal relationships between skill recognition, training and development, and quality of the service. At the same time, they seem to be aware of the cost-reduction orientation that keeps workplace training to a minimum. The belief in this causality shaped additional demands, as the speaker explains:

Q: So you haven’t demanded to change that?

A: It was going to be settled after I left, but it never happened. Our demands included a range of occupational issues. We demanded a cluster of compulsory training courses to be taken by each social worker assistant during the first year ... Our perception was that the guide/the social worker assistant should be trained to deliver first aid to victims of sexual assault or abuse. Allow them to develop a skill, not just an understanding of the implications. We were trying to actually develop the cluster of occupational skills that being a guide in our hostel requires.

The unionization process develops into a scholarly process, in which care work employees establish the ways in which they believe that their skills should be developed, if the quality of the service is to be improved in the sense of the youth (the target client group in this case) receiving better responses to their needs.

Q: And then you brought all that into the negotiation?

A: Yes. We had our financial demands, occupational demands and demands related to working procedures and relationships. As a part of our occupational demands, we also asked for training hours for the team as a whole.

With the emerging pride associated with becoming the experts on the topic of service needs, the union could now develop an elaborate understanding of the different factors that shaped and influenced job quality at the hostel: financial, occupational, work processes, and relational aspects. Equipped with this elaborate and contextualized understanding, they felt able to insist on their participation in workplace condition negotiations.

Q: What did you base your occupational demands on?

A: We didn’t have any particular source for basing our occupational demands on, there wasn’t any occupational book or known method; it was just what we thought was the right thing, or simply pursued what we felt was needed. For instance, we didn’t know that before the privatization, there been a college for guides working with juvenile youth, and we didn’t have any successful models to follow. We had no communication with the experienced staff in the system, so we based all of it on intuition and personal experience.

The report of no communication with earlier generations of people working in the service is surprising, given that the occupational standards administrators whom we interviewed had been, in several cases, the representatives of these earlier generations. However, the administrator in charge of the particular service told us that he didn’t believe in union action. In his interview, he admitted that in the past, with better employment conditions, employees held on to their jobs at the hostel for periods of over 3 years. The result was a high quality, more effective level of work with the client group, juvenile youth. Nevertheless, even though at that point the average tenure of a guide was too short for any such effective outcomes, he did not support returning to past employment patterns. Thus, the union leadership was obliged to develop, by itself and without guidance, its own knowledge base about the past and about the needed future of the service. Nevertheless, the lack of connection with the past provides the speaker with more pride: pride in independently developing a substantive body of knowledge.

Q: And did your demands proved to be effective during the negotiation?

A: Well, we did manage to achieve an increase in our income. About 25% of an increase which is still respected… what was not effective at all was the occupational demands related to the occupational training, they somehow misled us. They rejected our suggestions regarding the occupational needs, and at one point they just made us believe that they will set up a committee on the topic of occupational training which they never did and that’s how all our work was lost.

The union’s power position was not strong enough to override the administrators’ power position. The reluctance to recognize a connection between employment conditions and quality of the service remained dominant. The struggle between the ministry and the service providers, concerning responsibility for occupational training remains in place. As a result the training courses, together with the possibility of introducing a salary ladder linked to training , fell into a void, despite the efforts by the union to promote an alternative understanding of service needs.

**Discussion**

The principles of marketization and managerialization are an integral aspect of contemporary public administration, held applicable throughout the provision of social welfare services: education, welfare, healthcare. Research into applications of this marketization and managerialization toolkit show that the applied practice of quasi-marketizations reduce levels of professionalization and knowledge preservation across various services (Pavolini and Klenk, 2015). Further, it has been demonstrated that contract design is based on a gender-neutral rhetoric of dialogue, and often excludes the knowledge and expertise of unions with regard to employment conditions (e.g. workloads); this leads to an inevitable deterioration in job quality (author, 2016). However, these issues have not been assessed in relation to their implications for diversity policies. This is somewhat surprising, given the chronological compatibility between these policies. with both sets of policies evolving over the same time span (the 1990s).

Above, I have argued that policies of diversity are particularly fragile in the context of public procurement. The policy tools that have proven most decisive in introducing principles of marketization, including competition, cost reduction, and quantitative measurement of effectivity, are all antithetical to diversity. The contract-based delivery of services enabled by public procurement has been found to have detrimental ramifications for job quality for women (Rubery, 2013), and particularly for women from ethno-national-racial minorities, who tend to be the most vulnerable employees in the care work and service occupations (Zeytinoglu and Muteshi, 2000; Jacobs and Padavic, 2015).

The deterioration of job quality and service quality that takes place in the context of marketization and public procurement raises two important questions. The first concerns the implications for enhanced diversity, primarily in the sense of the actual level of inclusion (=protection of exclusionary poverty) that can be assumed to fulfill the diversity requirement. The second relates to the role played by trade unions in government procurement procedures, in the sense of their potential contribution to job quality, enhanced diversity, and inclusion.

However, the relationship between public procurement policies and diversity policies, specifically the possibility that diversity is neglected when public procurement predominates, remains somewhat blurred, This is due to a failure to assess the vantage points of the state, the trade unions, and bureaucrats vis-a-vis the process. In this paper, I have addressed this oversight by incorporating these three stand points into my analysis of contract design and related negotiations. Three processes emerge from the analysis of the interviews, which was informed by grounded theory. Firstly, budget administrators, who were found to occupy the hegemonic power position in the contract design procedure, expressed indifference towards the issue of job quality. Secondly, budget administrators also expressed their abhorrence of trade unions. Finally, while union activists did succeed in securing several job quality-related achievements, these did not include the right to occupational training. Each of these processes shed a somewhat different light on my research question. Further, each bears two distinct theoretical and practical implications for enhancing diversity: the forms in which institutional work currently stifles the potential of diversity, and the extent to which each of them may potentially benefit from incorporating the language and practice of workplace diversity. Before discussing these issues, I will first underline the limitations of my study.

My study was conducted in Israel, where public procurement procedures of this nature—mainly affecting the service and care work industries, who mainly employ women from marginalized communities, reliant on employment in these sectors—have been in place since 1977, following the introduction of neo-liberal socio-economic policies to the country. For many years, public procurement practices operated with little union interference. This may mean that the opportunities of the field in the Israeli case, are somewhat more radical, in comparison to other welfare states, with regard to initiatives to stifle or block trade union mobilization. Thus, the main limitation of my study is a defining feature of the opportunity that I identified in this Israeli field. Nevertheless, questions concerning trade unions and their potential contribution to conceptualizations job quality are relevant in all countries where bureaucratic regimes have introduced marketization principles to the delivery of welfare services.

Highlighting the centrality of job quality to diversity, the indifference of budget administrators towards job quality completely ignores the commitment to diversity. Failing to recognize job quality as a factor capable of mitigating the ceaseless drive to minimize operational costs serves to reproduce power structures and forms of exclusion. Indifference towards job quality is also consistent with the clear tendency to ignore the potential contribution of trade unions to promoting job quality as a crucial aspect of overall service delivery. Awareness of the ways in which budget administrators treat the crucial link between job quality and diversity substantiates Pringle’s (2009) argument that diversity must be advanced through a dual motivation. The first is the managerialist orientation towards economic outcomes, interpreted here in the context of public procurement as cost reduction. The second is the concern of social justice, reflected in redistribution of power and resources—which, as shown above, is lacking in the present case. The absence of this dual motivation is reflected in the emerging phenomenon of institutional work, which operates to prevent changes in procurement organizations, concurrently maintaining institutional power privileges and marginalizing concerns regarding genuine workplace diversity. The low level of job quality reproduces the position of women from stigmatized communities and neighborhoods as excluded, unable to exert any influence on their mode and manner of participation in the labor market. From an action-focused perspective, it appears that introducing the language of diversity into the professional practice and operation of budget administrators involved in public procurement could be an important tool for resisting the current manifestations of institutional work, which serve to block diversity-related workplace transformations. Tackling procedures that take place within the governmental bodies responsible for procuring services and contract design procedures presents a broad arena of diversity related action, one that has so far been somewhat neglected.

With regard to the second finding—which underlines how budget administrators, acting on their abhorrence of trade unions, were reluctant to acknowledge the role that the latter could play in contract design procedures—somewhat different answers to my research questions arise. The main justification against the participation of trade union representatives in the process is the impulse to benefit from the utilization of collective contracts guidelines, but without the need to actually negotiate with the unions; to this end, an array of “tricks,” with the overall effect of reducing job quality, are enabled. This became particularly obvious in the “Findings” section of this paper: budget administrators together with service providers expressed a preference for uncertified employees, unprotected by the collective contract, manifestation of a dominant form of institutional work. If uncertified employees do not belong to a union, and are not able to draw from the benefit of collective contract bargaining, then their job quality stands to be impaired—in this case, through the loss of the protection of fixed-term, year-round employment. What particularly substantiates the critical weight of this form of institutional work is the manner in which it reproduces of the hierarchical relationship between the budget administrators and the other participants in the negotiation procedures—assuming that they are even invited. As Linnehan and Konrad (1999) have argued, it is crucial to analyze diversity-related policies through the lens of power relations. In the current case, the analysis made it clear that the structure clearly worked to the benefit of the budget administrators. Such power relations forcefully negate the potential contribution of the trade unions to the process, and thus preserve low job quality with little possibility of dialogue or negotiation. Beyond theoretical clarification of the specific forms of institutional work involved in maintaining the institutional position and preventing improvement consistent with diversity consideration, this finding has significant practical implications. In essence, it calls for a synthesis of two schools of research, that of scholarship on diversity with scholarship on unionization and union power. Unionization appears to be salient to the process, and justifies the participation of union representatives in contract design procedures. But once their participation is secured, union representatives must still circumvent the institutional work practices that could marginalize their contributions. If unions representatives were to succeed in circumventing this form of institutional work, enhanced job quality would converge with diversity policies.

Finally, I reach the finding that occupational training is generally seen as an expensive component of service delivery, with a cost-related risk: appropriate training and salary scales in line with diverse levels of training. The current practice, through which wages are flattened by ignoring levels of knowledge, experience, and seniority, is contingent upon the absence of appropriate training programs for workers. Thus, we have seen the determined institutional work that serves to prolong negotiations with the union until training demands can be negotiated away—by presenting them as demands to be dealt with at a later stage, for example. Occupational training is a crucial measure in the implementation of diversity policies, because they create a path towards promotion and higher positions in any organizational setting. The institutional work that is embedded in actions to block the issue of training serves to maintain the low level of job quality for the jobs offered by the designed service, leaving the potential contribution of the union in the distant margins. If applied in the context of public procurement and particularly at the stage of contract design, the language of diversity can protect the issue of training. In other words, substantial funding for training as an aspect of job quality, when protected in the contract design stage of public procurement procedures, could be construed as an effective diversity policy. Rather than examining each of these policies separately, their convergence could actually work towards championing the inclusion of women from diverse social locations in respectable ranks and roles in service delivery firms. Future research should examine the role of diversity in contributing to enhanced job quality, the inclusion of trade unions as a matter of course in contract negotiation, and of appropriate funding of training.

**References**

Baines, D. (2004). Caring for Nothing: Work organization and unwaged labour in social services. *Work, Employment and Society*, 18(2): 267-295.

Baines, D., Charlesworth, S., Turner, D., & O’Neill, L. (2014). Lean social care and worker identity: The role of outcomes, supervision and mission. *Critical Social Policy,* 34(4), 433-452.

Bernhardt, A., Batt, R., Houseman, S., & Appelbaum, E. (2016). *Domestic outsourcing in the US: a research agenda to assess trends and effects on job quality*. Working paper of CEPR center for Economic and Policy Research, Washington.

Bode, I. (2009). On the road to welfare markets: Institutional, organizational, and cultural dynamics of a new European welfare state settlement. In Jason Powell and Jon Hendricks (eds.), *The Welfare State in Post-Industrial Society,*  (pp. 161-177). Springer, New York, NY.

Briskin, L. (2011). The militancy of nurses and union renewal. *Transfer: European Review of Labour and Research*, 17(4), 485-499.

Buksbaum, Y., Dagan, M. & C. Nishri (2009). *Managers in Chains.* Haifa: Mahut Centre.

Charlesworth, S., & Malone, J. (2017). Re-imagining decent work for home care workers in Australia. *Labour & Industry: A Journal of the Social and Economic Relations of Work*, 27(4), 284-301.

Cobble, D.S. (1993). Introduction: Remaking Unions for the New Majority. In D.S. Cobble (ed.), *Women and Unions: Forging a Partnership* (pp. 3-18). Ithaca, New York: ILR Press.

Cloutier, C., Denis, J. L., Langley, A. & Lamothe, L. (2016). Agency at the managerial interface: Public sector reform as institutional work. *Journal of Public Administration Research and Theory*, 26, 259–276.

Craft-Morgan, J., Dill, J., & Kalleberg, A.L. (2013). The quality of healthcare jobs: Can intrinsic rewards compensate for low extrinsic rewards? *Work, Employment and Society*, 27(5), 802-822.

Dickens, L. (1999). Beyond the business case: a three‐pronged approach to equality action. *Human Resource Management Journal*, 9(1), 9-19.

Doellgast, V., Holtgrewe, U., & Deery, S. (2009). The effects of national institutions and collective bargaining arrangements on job quality in front-line service workplaces. *Industrial and Labour Relations Review*, 62(4), 489-509.

Fine, M., & Davidson, B. (2018). The marketization of care: Global challenges and national responses in Australia. *Current Sociology*, 66(4), 503-516.

Greenwood, R., Raynard, M., Kodeih, F., Micelotta, E. R. & Lounsbury, M. (2011). Institutional complexity and organizational responses. *Academy of Management Annals*, 5, 317-371.

Grimshaw, D., Marchington, M. Rubery, J. & Willmott, H. (2005). Introduction: Fragmenting work across organizational boundaries. In M. Marchington, D. Grimshaw, J. Rubery, and H. Willmott (eds.), *Fragmenting Work: Blurring Organizational Boundaries and Disordering Hierarchies* (pp.1-31). Oxford: Oxford University Press.

Hasle, P., Hohnen, P., Tovatn, H., & Di Nunzio, D. (2014). New challenges for working conditions in European public services: A comparative case study of global restructuring and customization. *E-Journal of International and Comparative Labour Studies*, 3(1): 1-23.

Healy, G., Lise, H.L., & Ledwith, S. (2006). Editorial: Still uncovering gender in industrial relations. *Industrial Relations Journal,* 37(4), 290-298.

Hebson, G., Rubery, J., & Grimshaw, D. (2015). Rethinking job satisfaction in care work: looking beyond the care debates. *Work, Employment and Society*, 29(2), 314-330.

Hopkins, B. (2012). Inclusion of a diverse workforce in the UK: the case of the EU expansion. *Equality, Diversity and Inclusion: An International Journal*, 31(4), 379-390.

Hupe, P. L., & Hill, M. J. (2016). ‘And the rest is implementation.’ Comparing approaches to what happens in policy processes beyond Great Expectations. *Public Policy and Administration*, 31(2), 103-121.

Jacobs, A. W. and Padavic I. (2015). Hours, scheduling and flexibility for women in the US low-wage labour force. *Gender, Work & Organization,* 22(1): 67-86.

Kanter, R. (1973) *Men and Women of the Corporation: New edition.* Basic books.

Kogan, I. (2016). Integration policies and immigrants’ labor market outcomes in Europe. *Sociological Science*, 3, 335-358.

Lawrence, T. B., & Suddaby, R. (2006). Institutions and institutional work. In S. Clegg, C. Hardy, W. R. Nord & T. B. Lawrence (eds.), *Handbook of Organization Studies* (pp. 215–254). Thousand Oaks, CA: Sage Publications.

Lawrence, T. B., Suddaby, R. & Leca, B. (2009). Introduction: Theorizing and studying institutional work. In T. B. Lawrence, R. Suddaby & B. Leca (eds.), *Institutional Work: Actors and Agency in Institutional Studies of Organizations* (pp. 1-27). Cambridge: Cambridge University Press.

Lepak, D. P., & Snell, S. A. (2002). Examining the human resource architecture: The relationships among human capital, employment, and human resource configurations. *Journal of Management*, 28(4), 517-543.

Linnehan, F. and A. M. Konrad (1999). Diluting diversity: implications for intergroup inequality in organizations. *Journal of Management Inquiry*, 8, 399-414.

Lewis, J., & West, A. (2014). Re-shaping social care services for older people in England: Policy development and the problem of achieving ‘good care’. *Journal of Social Policy*, 43(1), 1-18.

Mandel, H., & Shalev, M. (2009). Gender, class, and varieties of capitalism. *Social Politics*, 16(2), 161-181.

Murphy, C. and Turner, T. 2015. Organising non-standard workers: Union Recruitment in the Irish Care Sector. *Industrial Relations Journal*, 45(5):373-388.

Peña-Casas, R., & Ghailani, D. (2011). Towards individualizing gender in-work poverty risks. In N. Fraser, R. Gutierrez, & R. Peña-Casas (eds.), *Working poverty in Europe* (pp. 202-231). The Work and Welfare in Europe Series, New York: Palgrave-MacMillan.

Pemer, F. & Skjølsvik, T. (2018). Adopt or adapt? Unpacking the role of institutional work processes in the implementation of new regulations. *Journal of Public Administration Research and Theory*, 28, 138-154. doi:10.1093/jopart/mux020.

Pollitt, C., & Bouckaert, G. (2011). *Public Management Reform: A comparative Analysis – New Public Management, Governance, and the New-Weberian State*. Oxford: Oxford University Press.

Prasad, P., Pringle, J. K., & Konrad, A. M. (2006). Examining the contours of workplace diversity: Concepts, contexts and challenges. In A. M. Konrad, P. Prasad, & J. K. Pringle (eds.), *Handbook of Workplace Diversity* (pp. 1-23). London: Sage Publications.

Pringle, J.K. (2009). Positioning workplace diversity: critical aspects for theory. In M.F. Özbilgin (ed.) *Equality, Diversity and Inclusion at Work: A Research Companion*, Pp, 75-87, Cheltenham, UK: Edward Elgar.

Ravenswood, K., & Kaine, S. (2015). The role of government in influencing labour conditions through the procurement of services: Some political challenges. *Journal of Industrial Relations*, 57(4), 544-562.

Ravenswood, K. (2017). “Improving Care Worker Conditions for Aged Care Workers in New Zealand.” Paper presented at the 1st care work Summit, U. Mass Lowell.

Ravenswood, K., & Harris, C. (2016). Doing gender, paying low: gender, class and work–life balance in aged care. *Gender, Work & Organization*, 23(6), 614-628.

Rubery, J. 2013. Public sector adjustment and the threat to gender equality. In D. Vaughan-Whitehead (ed.) *Public Sector Shock: The impact of policy retrenchment in Europe* (pp. 43-83). New York: International Labour Organization.

Rubery, J., Grimshaw, D., & Hebson, G. (2013). Exploring the limits to local authority social care commissioning: competing pressures, variable practices, and unresponsive providers. *Public Administration*, 91(2), 419-437.

Schönauer, A. (2008). Reorganising the front line: the case of public call centre services. *Work Organisation, Labour and Globalisation*, 2(2), 131-147.

Stecy-Hildebrandt, N., Fuller, S., & Burns, A. (2018). ‘Bad’ jobs in a ‘good’ sector: Examining the employment outcomes of temporary work in the Canadian public sector. *Work, Employment and Society*, 0950017018758217.

Theobald, H., & Luppi, M. (2018). Elderly care in changing societies: Concurrences in divergent care regimes—a comparison of Germany, Sweden and Italy. *Current Sociology*, 66(4), 629-642.

Zacharias-Walsh, A. (2016). *Our Unions, Our Selves: The Rise of Feminist Labor Unions in Japan*. Cornell University Press.

Zeytinoglu, I., & Muteshi, J. (2000). Gender, race and class dimensions of nonstandard work. *Relations Industrielles*, 55(1), 133-167.

1. I am indebted to Martin Villar, of the ‘Kav La’Oved’ organization, for conducting the interviews analyzed in this chapter. Without his activist determination and extensive social network, the institutional ethnography would not have materialized. [↑](#endnote-ref-1)