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The Influence of Training Providers on the Delivery of Integrated Labour Market Services in the German Welfare State

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List of Abbreviations

JC Jobcenter

FEA Federal Employment Agency

GDP Gross Domestic Product

SGB II Second Book of the German Social Security Act,
Sozialgesetzbuch II

SAF Strategic Action Field

ALMP Active Labour Market Programme

BWSA Bildungswerk der Wirtschaft Sachsen-Anhalt e.V.

BBG Bildungs-und Beschäftigungsgesellschaft mbH

BBI BBI-Akademie für berufliche Bildung gGmbH

Abstract

The German welfare state is in a constant process of transformation nowadays. The question, whether the welfare state is on a retreat or even on advance is a frequently asked one (e.g. Bahle 2003). “Although apparently ‘in crisis’ [...] welfare states have in fact changed very little in recent years” (Ferrera/Hemerijck/Rhodes 2000: 1), nevertheless there are changes visible. Especially in the area of the delivery of social services and the field of social politics itself the majority of European countries experienced a turn towards activation, and severe changes are shaping the new landscape of policy delivery. Labour-market policies and social services are not separated strictly anymore; integrated policies are emerging on the local level, blurring the boundaries between actors and policy fields. In the field of activation policies, multidimensional programs are used, broadening up the formerly narrow ways to address this topic by diversifying policies to a higher degree (Barbier 2005). This change requires the restructuring of the institution of the welfare state itself. Deduced from this general process of transformation, the question arises which actors will be the dominant ones for the delivery of social policies in the future (see Frevel/Dietz 2008: 43). A transforming system also forces the actors to transform to keep up with the change. On the service-delivery side, actors have to diversify their offers to persist in a field without yet established strict rules. In this emerging field, the welfare state faces new challenges such as privatization, deregulation and struggles to split responsibilities between actors (Olk 2000). This thesis addresses the question how this process affects the field specific interaction between training providers and public employment service. The newly emerging structures in the framework of integrated social- and employment policies are analysed using the Strategic Action Field approach (Fligstein/McAdam 2011) and qualitative content analysis (Mayring 2003)¹, offering gainful insights into the mechanisms shaping the new structures and focusing especially on the role of training providers, which are often not considered in the analysis.

¹ More specifically, it is based on research conducted within the framework of a European FP7project (LOCALISE – localise.research.eu), referring tot wo qualitative case studies.

Introduction

The German welfare state is in a constant process of transformation nowadays. The question, whether the welfare state is on a retreat or even on advance is a frequently asked one (e.g. Bahle 2003). “Although apparently ‘in crisis’ [...] welfare states have in fact changed very little in recent years” (Ferrera/Hemerijck/Rhodes 2000: 1), nevertheless there are changes visible.

“The most important changes in Europe have been increased managerialism [...]; attempts to make certain benefits (especially unemployment support) more ‘incentive compatible’; a marginal degree of privatization (mainly in health [...]), some decentralization; and attempts (largely successful) to control budgetary expansion” (Ferrera/Hemerijck/Rhodes 2000: 2).

Especially in the area of the delivery of labour market policies and the field of social politics “the majority of European countries experienced a turn towards activation” (Zimmermann/Aurich 2013: 1) and severe changes are shaping the new landscape of policy delivery. Labour-market policies and social services are not separated strictly anymore; integrated policies are emerging on the local level, blurring the boundaries between actors and policy fields. Integrated policies are “policies [which] include both traditional employment policies and social assistance policies, aimed at labour market participation” (Aurich/Zimmermann/Fuertes et al 2012: 2). Social Services are services, which need the interaction between the skilled employee and the receiver² of the service. In the analysed cases in this thesis, the institutionalised service contract of the organisation has to be personalised in the interaction between service receiver and employee: The receiver has to address the skilled employee to create a personal performance bond (Baethge-Kinsky et al. 2007:11).

Particularly in the field of activation policies, multidimensional programmes are used to approach long-term unemployed (Heidenreich/Künzel 2010) and structural unemployment in general (Neumann/Schaper 2010: 128), broadening up the formerly narrow ways to address this topic by diversifying those policies to a higher degree (Barbier 2005).

² The term customer is not used in this thesis because it simplifies the relation between institution, receiver and employee too much. However, the term customer is recognised as often used to refer to the field of social services and the marketization process in a specific type of discussion.

This change requires the restructuring of the institution of the welfare state itself: “No institution can survive without adapting: thus the European welfare state is now faced with a difficult challenge of internal restructuring, involving a ‘recasting’ of many of its traditional instruments and objectives” (Ferrera/Rhodes 2000: 2). One of the general strategies of governments for adapting to this change is the introduction of integrated policies “to adjust [...] to new social, economic and demographic conditions [...]” (van Berkel/Borghgi 2007: 278). Although the implementation of activation policies regularly happens at the local level, literature mostly leaves out the local level for further analysis, thereby losing gainful insights. Deduced from this general process of transformation happening at national and local level, the particular question arises which actors will be the dominant ones for the delivery of social policies in the future (see Frevel/Dietz 2008: 43). Obviously, a transforming system forces the actors to transform themselves and their patterns of action to keep up with the change. In particular agencies on the service-delivery side have to diversify their offers to persist in a field without yet established strict rules if they want to establish themselves as important actors. In this newly emerging field, the welfare state faces a variety of new challenges such as ongoing privatisation, deregulation and struggles to split responsibilities between actors (Olk 2000), whereas this thesis will focus on the bargaining process between different actors for the delivery of multi-dimensional integrated policies. Training providers might play a crucial role in establishing new rules, as they offer the integrated policies many a time.³ This change in the role and action of training providers is the topic this thesis wants to address, thereby taking into account the activation reforms in Germany, the role of the training providers in the national context and the importance of the local level as the preferable level of analysis for addressing the delivery and change of such policies. The term training providers is a frequently used one, but the definition is unclear. In this thesis the term training providers is used in a narrowed down and restrictive way. The term is used to refer to those kinds of agencies, which offer training and vocational training measures in the legal framework of the Second Book of the German Social Security Act II (SGB II) and cooperate with Jobcenters (in

³ This interweavement seems worth to be considered and evolved from the LOCALISE project, which also conducted several interviews with training providers and associated organisations.

the following referred to as JC) and Federal Employment Agency (in the following referred to as FEA) to deliver these measures. The field specific interaction between training providers, JC and local employment agencies and the newly emerging structures and logics are one of several points that are still to be addressed in more detail and can be substituted with empirical findings gained in the LOCALISE project.

Concluding the different points of the introduction, this thesis aims at addressing the above stated question to which amount training providers are able to influence the shape of programmes delivered in the context of activating labour market policies and which mechanisms are working during the process of service delivery. Before the in-depth analysis of the empirical data gathered in expert interviews and the junction with the theoretical background, the fundamental assumptions of this thesis are presented in the first chapter, explaining the activation reforms in Germany in detail, defining the term training providers in the specific context of the thesis and establishing the eminently important decision for the local level as the level of analysis.

Tying in with the first chapter, the second chapter introduces the aims of research in more detail. Besides the already mentioned analysis of the delivery process, a connection between the number of long term unemployed persons and the shape of measures is assumed. This hypothesis is derived from the theoretical framework of this thesis, the Strategic Action Field theory, which is also introduced in the second chapter.

The third chapter illustrates the methodological background of the thesis and gives an overview of the empirical data used, explaining the sources of data and the way it is analysed.

The fourth chapter introduces both analysed cases briefly and explains the important differences between the cases. This chapter works as a transition chapter between the descriptive part of the thesis and the analytical part.

Following up, the fifth chapter can be best described as the core chapter of the thesis. The empirical data is analysed in detail and the connection to the theoretical framework is established for the relevant points which are necessary to answer the question to which amount and in which way the training providers are able to influence the service delivery on the local level. Furthermore, the

fifth chapter offers a first attempt to a comparative discussion, leading to the sixth chapter, which presents the findings in brief.

1 Current State of Scientific Discussion

In the following sub-chapters, relevant theoretical basic assumptions are going to be explained. In addition, the current discussion is going to be described. Further, the central elements of argumentation are going to be introduced and important terms and definitions explained.

1.1 Activation Reforms – Activation Reforms in Germany

Generally, one can speak of a “trend towards activation” (Eichhorst et al. 2008a: 2) in social cohesion policies on the European level. The ‘activation turn’ is “one of the major issues in recent welfare and labour market reforms in Europe” (Eichhorst et al. 2008a: 2) and can be seen as a paradigm shift in social policy (Hall 1993). Since the Lisbon agenda “an ‘active employment policy’ is conceived as the core of the ‘active and dynamic welfare state’” (Heidenreich/Künzel 2010: 9). The paradigm of activation “ask[s] for a reconsideration of public as well as private interactions” (van Berkel et al. 2011: 3) therefore creating new patterns of interaction between different actors.

Overall, the shift towards activation is aimed at integrating formerly excluded groups into the labour market, thereby introducing new instruments for the treatment of those groups. There are various similar trends visible in European countries, which show an overall development of the activation reforms (van Berkel/ Borghi 2007: 278). Two aspects of the development are eminently important for this thesis. First of all, “the target groups of activation [were enlarged], including sick people, the handicapped, older people, highly vulnerable groups [and] single parents” (van Berkel/ Borghi 2007: 278). Activation policies aim at targeting even groups that are very far away from the labour market and have special placement barriers. Before they can work, those barriers such as “indebtedness, health [problems], alcoholism, addiction,

housing, family care, low qualifications” (Heidenreich/Künzel 2010: 9) have to be treated. For this process of integration “formerly separated policies and [...] their administrative agencies” (Heidenreich/Künzel 2010: 9) are now conjoined and integrated to address the problems of the newly targeted groups of unemployed.

“The *new policy mix* is more strongly orientated towards measures for jobseekers who proactively seek to improve their situation in a self-responsible way. There is more emphasis on measures that promote the direct integration into the labour market as opposed to training measures and public job creation schemes that keep participants out of the market for the duration of the programme” (Jacobi/Kluve 2006: 11)

Secondly, “individualization of social interventions aimed at promoting participation” (van Berkel/ Borghi 2007: 278) is becoming more and more important. The placement barriers of the new groups addressed are often multi-dimensional and complex which forces the measures to become more individual. Not only the institutional actors are offering new activating policies, but also the recipients of the benefits themselves have to become active to achieve “gainful employment instead of joblessness and benefit receipt” (Eichhorst et al. 2008a: 2). In addition, helping the benefit recipients into the labour market implicates decreasing expenditures. Former recipients get the opportunity to earn their own money and the welfare state is disencumbered. This side-effect is one of the predicted outcomes the activation reforms are aiming at.

However,

“the increasing heterogeneity of the labour market and the stronger consideration of personal circumstances of job-seekers cannot be matched with a standard solution but requires an individual co-ordinated bundle of measures” (Eichhorst et al. 2008a: 2).

To put it in other words, integrated policies and multi-dimensional measures are necessary to tackle the problems of the unemployed persons on an individual level. This also leads to new problems because “activation defies a consistent legal structure and demands a variety of very different legal regulations” (Eichhorst et al. 2008a: 2) often colliding with each other and often very complex and confusing for the actors.

In the case of Germany, the activation reforms (or the variety of steps towards this activation) are summarised and mostly discussed under the truncated subsumption of ‘Hartz’ reforms and considered as the “most far-reaching reform endeavor in the history of the German welfare state” (Jacobi/Kluve 2006: 1). A

“three part reform strategy” (Jacobi/Kluve 2006: 1) consisting of “improving employment services and policy measures, [...] activating the unemployed, and [...] fostering employment demand by deregulating the labour market” (Jacobi/Kluve 2006: 1) was implemented. Even though the German welfare state is a “ ‘Bismarckian’-type system of social protection” (Barbier/Knuth 2011: 16) which has “been depicted as particularly resistant to change” (Barbier/Knuth 2011: 16, see also Ferrera/Rhodes 2000; Scharpf et al. 2000; Esping-Andersen 2006) and even described as a “frozen welfare state” (Manow/Seils 2000), the “ ‘Hartz IV’ reform has fundamentally and simultaneously changed both the benefit system and the organisation and governance of its public employment services” (Barbier/Knuth 2011: 16). The changes in the benefit system are summarised in table I. Especially the change from the earnings related unemployment assistance to the basic income scheme for needy jobseeker is aimed at amplifying the “proactive behavior of the unemployed” (Eichhorst et al. 2010: 73) and tries to “promote their direct integration into regular employment” (Eichhorst et al. 2010: 73).

The guidelines of activation and the demanding/enabling paradigm were “explicitly fixed in the new SGB II (Second Book of the German Social Security Act, Sozialgesetzbuch II)” (Eichhorst et al. 2010: 80). SGB II contains

“enabling schemes such as labour market policy programmes (§16(1) SGB II) and other social services like child care provision or help in case of social problems like drug abuse or debts (§16(2)SGB II) that have been conceived to facilitate labour market integration of employable benefit recipients, but do not reinforce benefit conditionality”

which is also the legal framework this thesis is analysing, as the multi-dimensional integrated policies are settled in this area.

The ‘Hartz IV’ reforms are mostly discussed normatively and depicted as not focusing on the individual and the opportunities for the persons, but instead focusing on “‘work first’ policies with less emphasis on human capital formation” (Eichhorst et al. 2008a: 15), even though the individualisation of measures should be one of the main goals. Before the ‘Hartz’ reforms labour market reforms implemented in Germany were initially responding “to crises in the labour market with a policy of labour-shedding” (Fleckenstein 2012: 848). Later on, policy makers realised that this strategy was “no longer feasible

because of the final burden it imposed on the social security system” (Fleckenstein 2012: 848).

Table 1: The Old and New Benefit system

Old System (until 2004)	New System (since 2005)
<i>Arbeitslosengeld</i> (unemployment insurance benefit): funded through contributions, earnings- related, limited duration	<i>Arbeitslosengeld I (UB I)</i> : funded through contributions, earnings-related, limited duration
<i>Arbeitslosenhilfe</i> (earnings-related unemployment assistance): tax-funded, earnings- related, means-tested, infinite duration	<i>Grundsicherung für Arbeitsuchende (Basic income scheme for needy jobseekers)</i> Consisting of <i>Arbeitslosengeld II (UB II)</i> : tax-funded, means-tested, flat rate, after expiry of UB I (and temporary supplement), infinite duration (integration of “Arbeitslosenhilfe” and “Sozialhilfe” for people capable of working) but stronger principle of activation <i>Sozialgeld</i> (social allowance) especially for kids below the working age of 15 living in a household of an UB II recipient
<i>Sozialhilfe</i> (social assistance): tax-funded, means-tested, flat rate, infinite duration	<i>Grundsicherung für Erwerbsgeminderte und im Alter</i> (social assistance): means-tested, tax-funded for those working age people not capable of working and for needy persons above 65 years

Source: Eichhorst et al. 2010: 72

As a consequence of this insight “policy makers pushed for activation in labour market policy” (Fleckenstein 2012: 848). Nevertheless, attempts to activation were already visible in labour market policy during that time, but “these provisions were not systematically enforced in practice” (Eichhorst et al. 2010: 69) and because of that not comparable to the severe changes of the ‘Hartz’ reforms. The term ‘activation’ itself is hard to grasp and to define. Mostly, elaborated answers on the question what activation means are answered

recurring the two sides of activation: Demanding and enabling (table 2). On the one hand, the unemployed are supported by the institutions, on the other hand they need to put their own effort in finding a job, participating in programmes and following the rules of the institutions. Especially the point “Social Services” is important for this thesis. Integrated activation policies are on the one hand labour market related policies, on the other hand they are consisting partly of social services. The enabling side of activation blurred the boundaries between labour market related programmes and social services even more and created new, multi-dimensional measures. Those multi-dimensional measures are produced by conjoining so-called “classical” active labour market policies, such as training schemes and job search assistance with social services, for example psychological assistance.

Table 2: The Two Sides Of Activation

Demanding	Enabling
1. Duration and level of benefits <ul style="list-style-type: none"> • Lowering of insurance or assistance benefits • Reduction of maximum benefit duration 	1. “Classical” active labour market polices <ul style="list-style-type: none"> • Job search assistance and counselling • Job-related training schemes • Start-up grants Subsidised employment • <u>Mobility grants</u>
2. Stricter availability criteria and sanctioning clauses <ul style="list-style-type: none"> • More restrictive definition of suitable job offers • Punitive sanctions for non-compliance 	2. Fiscal incentives/make work pay <ul style="list-style-type: none"> • Earnings disregard clauses • Wage supplements granted in case of taking up low-pay jobs („in-work-benefits“)
3. Individual activity requirements <ul style="list-style-type: none"> • Integration contracts • Monitoring of individual job search effort • Mandatory participation in active labour market policy schemes (workfare) 	3. Social services <ul style="list-style-type: none"> • Case management, personalised support • Psychological and social assistance • Childcare support etc.

Source: Eichhorst et al. 2008

1.2 Training Providers

Most of the literature makes training providers to be understood as labour market actors with restricted influence on the delivery of social policies. They

are deemed to be the providers of training related job creation schemes and vocational training, only analysed looking at these aspects (see Hujer/Thomsen 2005, Bergemann et al., Fitzenberger/Speckesser 2005). However, taking this definition for granted, the thesis is aimed at opening up the discussion of the role of the training providers by analysing the patterns of action and the delivery of measures, because the analysis of training providers focused on the efficiency of the training measures in general. Nevertheless this sub chapter gathers the general implications connected to the term training providers and briefly introduces the landscape of service providers.

Two large parts of active labour market policies offered by training providers are vocational training and training related measures. Germany shows a “highly regulated vocational training system and strong reliance on firm and industry skills” (Hipp / Warner 2007: 95). This dominant role evolved from the industrial past of Germany. Vocational training and further training measures in Germany are traditionally an instrument heavily used by the state authorities, but now the number of participants in this measures is decreasing. A “substantial decrease over recent years” (Jacobi/Kluve 2006: 4) is visible for the eastern part of Germany, whereas the number of participants in the western part decreased only slightly (Jacobi/Kluve 2006: 8). Normally, the FEA is responsible for vocational training for youths. Though, the JC is responsible for measures during the apprenticeship, activation measures and vocational training VERBFEHLT in external institutions such as training providers (Oschimansky 2010). Job-related training schemes are part of the enabling site of the developed labour market policies: “The main purpose of ALMP is the permanent integration of unemployed persons into regular employment i.e. they should improve the matching on the labour market” (Hujer et al. 2006: 302). The main functions of vocational training are the adjustment of qualifications of the unemployed, an enhancement of the search for job opportunities of the unemployed and a substitution function for regular employment (Calmfors et al. 2001). Mostly, vocational training works by qualification transfer, thereby teaching new skills to unemployed to prepare them for new tasks. All in all “vocational training programmes have been the most important active labour market instrument in Germany in the last years” (Hujer et al. 2006: 299). Even though vocational

training remained untouched in the earlier reforms

“the Hartz reform has introduced fundamental changes for publicly sponsored training in Germany. This concerns primarily the emission of training vouchers as an exclusive allocation device, allowing potential participants free choice among training providers within a given target range” (Schneider/Uhlendorff 2006: 1).

This change⁴ shaped the way of delivery of training measures by introducing elements of marketisation and quality control to enhance the effectiveness of the measures. In addition, the FEA is not in charge of the allocation process of the unemployed anymore, because the training vouchers provide possibilities for the individuals to decide freely which training measure will be attended. Besides allocating more responsibility to the individual, the competition between the training providers ought to be increased by this change, thereby also securing the quality of measures (Schneider/Uhlendorff 2006: 5): “The introduction of market force is expected to improve the quality of services and [...] [should] break up the informal and often inefficient relationships between public employment management and private providers” (Jacobi/Kluge 2006: 8). “Public tendering became compulsory for external contracts” (Jacobi/Kluge 2006: 8) and for all measures offered by training providers. The tendering process was pre-posed to strengthen the quality management of the measures and aimed at connecting the offered measures of the training providers to the needs of the labour market (Schneider/Uhlendorff 2006: 4).

Right from the start, the area of vocational training was an area in which the state itself was not involved directly. First, voluntary funding was established; later on the funding by the state became authoritative. This funding principle was supposed to secure the development of long-term conceptual, structural and human resource development of providers (cf. Dietrich 2007: 32). Since the beginning of the development of such structures, more and more training providers entered the arena, which caused a massive increase in possibilities and propositions (cf. Dietrich 2007: 32). Besides the public providers such as municipalities and federal states, large groups in society (e.g. the church, parties, trade unions, chambers, organisations and public welfare) founded training providers related to their field and their ideas (cf. Dietrich 2007: 32). In addition

⁴ However, the introduction of training vouchers did not solve the problems: “In Germany in 2004 only 73,800 training vouchers out of 681,300 disbursed were actually used, i.e. eight vouchers out of nine remained unused (BA 2005: 99; German Bundestag 2006a, 2006b) and jobseekers had problems finding a training provider” (Hipp/Warner 2007: 86).

to this ‘classical’ training providers, a lot of private training providers entered the field in the recent past. Those private training providers work on a profit oriented basis. This leads to further marketisation in the field of training measures. In general, both groups of training providers try to transport their ideas into the society and they want to achieve their organisation’s goals, therefore using training measures (Dietrich 2007: 33).

Nevertheless it is difficult to depict the landscape of training providers in Germany in detail. Although different databases are available, the large variety of providers is not evaluated in detail. All in all, one can say that the amount of training providers is large in number and not defined very clearly.

1.3 Rescaling the level of analysis – The influence of the local level

The literature up to now mostly focused on either the programmes and targets of programmes (e.g. Bonoli 2010) or the governance in general (e.g. van Berkel et al 2012), not taking into account the procedural development and alteration of social policies on the local level and how it is influenced by the actors. The integration of social and employment policies at the local level itself is relevant for the delivery of those social policies as policies are delivered on the local level and mostly by local actors. Due to this, actors on the local level influence the way social policies are delivered to a high degree: “It is therefore the local level where distribution of social and employment services is in action” (Zimmermann 2013: 3). Since the local dimension has been neglected for a long period of time up to now, *rescaling* the research unit on the local area seems to be valuable for advanced research (cf. Kazepov 2010). *Rescaling* the level of analysis to the local level means to take into account the influence of the local level on social policies, thereby working contrary to assumptions that social policies are national policies. Most comparative studies tend to use national data, thereby not depicting incidents and structures on the local level. *Rescaling* in this case means the shift in relations and weightage of the different dimensions (Kazepov 2010: 121) the actors tend to focus their main actions on.

As a consequence of the *rescaling* process, this thesis is going to address the

local level as the main level on which the actors perform their new tasks, derived from the expansion of policy fields, such as activation of unemployed and welfare recipients (Kazepov 2010: 126). Supporting the focus on the local level, several scholars stated that the local dimension of welfare politics is the unit to consider for gaining further insight into the transforming structure of the welfare system. Künzel predicted that “the implementation of active inclusion reforms can therefore only be understood by taking into account the local level” (Künzel 2012: 3) and “welfare state reforms are increasingly becoming a local issue” (Künzel 2012:13). In addition, also the European Union itself is now aware of the influence of the local level: “[Improvements] in the area of employment cannot be achieved without greater participation of the regional and local levels” (European Commission 2003). The local level forms the basis for an efficient delivery of social services, as the local actors know the needs of the local agencies and are able to use local networks and partnerships. Nevertheless, the local level is affected by national regulations, objectives and legal regulations. All this points have to be considered, because even though there are regulations, a creative treatment of these regulations might be visible on the local level.

2 Aims of Research

The aim of this thesis is to analyse the relationship between local authorities, such as employment agencies and JCs on the one hand, and training providers (both profit and non-profit oriented) on the other hand. The thesis focuses on the delivery of integrated labour market policies on the local level. For this, the interaction and activity of the actors mentioned before in those fields on the local level is going to be evaluated in detail for answering the question how the delivery of social policies changed and which factors are influential for this change.

Training providers can be considered as key actors for addressing the local level. They are able to identify the needs of the region and the local issues, which is named as one of the important links to transport ideas to the local level (Strauss 2005: 46). Following the argumentative line of integrated policies, training providers can not be seen as restricted qualifiers for the labour market anymore.

They do not only provide services, they also shape the services that dominate the field, as it will be shown later on.

Training providers – both profit- and non-profit oriented ones – can influence the way and shape of policy delivery at the local level, competing in a virtual-market situation with other training providers. This competition and virtual-market situation changes the way social policies are delivered. Social services could become mass produced standard services, offered only because of the motivation to diversify the portfolio of the company. Nevertheless, the training providers and providers of those services cannot be perceived as strictly speaking market actors. The “introduction of market elements” (Bahle 2003: 7) added a new competitive element to the relationship between actors. In addition, the idea of a market of social policies is shown by the transformation of recipients into clients of those institutions (c.f. Hielscher/Ochs 2009). Although a quasi-market is emerging, “agents of the state [do not only] operate according to the principles of economic exchange” (Considine 2001: 171). Training providers act on a quasi-market, where profit-maximisation is not necessarily the main objective (Van Berkel/Sager/Ehler 2012), but also the relationship between actors and even the relation between the substituted persons is taken into account. Quasi-markets are “markets for products or services with a public character” (Jantz/Klenk 2012: 4) and “often highly regulated” (Jantz/Klenk 2012:4), by that never fully following the law of supply and demand.

This thesis is aimed at contributing to the scientific debate by addressing the following issues: Do local training providers shape the delivery of social policies on the local level and if so, how are they able to do that? What is the role of training providers in the delivery of social policies and why do they interfere in the delivery of social services?

One of the basic assumptions is that training providers are integrated in relevant networks at the local level. They are able to influence the process of development and delivery of social policies, even though they are categorical perceived as labour market actors. For the reduction of complexity, profit-oriented training providers are best described as labour market actors. Mostly, they offer employment related qualification programmes that are not related to social policies, but due to their position on the local and regional level they are able to influence the delivery of social policies to a certain degree. Training

providers are the providers of the goods (services) the local authorities want to purchase. Nevertheless, profit- and non-profit oriented training providers cannot be reduced to this certain part in a simplistic, economic model limited to the concept of demand and supply.

Integrated labour market policies mostly evolve when certain groups of people are defined as groups with problems and the services are aimed at those problems to activate the unemployed for the labour market. In this thesis, a linkage between the degree of long-term unemployed as a target group and the intensity of integrated labour market policies delivered by training providers is assumed to be visible. This thesis assumes that the higher the number of long-term unemployed in the SGB II area is, the larger the variety of multi-dimensional labour market policies grows. This means that there should be a relationship visible between the number of long-term unemployed and the need for integrated labour market policies, delivered by training providers. Subsequently the main assumption for the research is derived from both assumptions mentioned above: *Owing to the integrated social and labour market policies at the local level, training providers also act as providers of social services.*

This assumption is going to be addressed using the Strategic action field approach, created by Neil Fligstein and Doug McAdam, whereas the relationship between the actors and the structures of the delivery of integrated labour market policies shall be understood as a new strategic action field.

2.1 Strategic Action Fields – Theoretical Approach

The strategic action field theory generally tries to offer a model for understanding “strategic action and stability and change in emerging or established “fields”” (Fligstein/McAdam 2012: xi). Tying in with Bourdieu and Wacquant, Fligstein and McAdam “see strategic action fields as socially constructed areas within which actors with varying resource endowments view for advantage” (Fligstein/McAdam 2012: 10). The strategic action field theory suggests SAFs as the core unit of society and also the core unit of analysis (Fligstein/McAdam 2011: 3). SAF’s are “defined as mesolevel social orders, as

the basic structural building block of a modern political/organizational life in the economy, civil society, and the state” (Fligstein/McAdam 2012: 3). The strategic action fields approach tries to explain “the underlying structure of, and sources of change and stability in, institutional life in modern society” (Fligstein/McAdam 2011: 2) and is focusing on the “collective strategic action[s]” (Fligstein/McAdam 2011: 2) performed by the actors and especially focusing on the field specific roles of the different actors. In matters of the question of this thesis, the assumption is that the forming and delivery process of social policies on the local level creates a specific social field, which characteristics can be analysed. Therefore it seems to be suitable to offer a useful theoretical framework for this thesis.

The SAF’s are always connected to various other SAF’s which influence actions of actors in the SAF’s reciprocal and form the environment of the analysed SAF. Those relations to other fields can influence the stability and rules of the analysed field to a high degree: “The stability of any given field is largely a function of its relation to other fields” (Fligstein/McAdam 2011: 19), therefore SAF’s can also suffer from changes in the adjoining fields. The term “exogenous shocks” is used to refer to “a significant change in any given strategic action field [...] sending ripples outward to all proximate fields” (Fligstein/McAdam 2011: 19), which “will offer challengers opportunities to better their positions and even change the rules of the game” (Fligstein/McAdam 2011: 19).

SAF theory focuses on the “constant jockeying going on in the fields as a result of their contentious nature” (Fligstein/McAdam 2011: 5) thereby taking into account the formation process of the field. The term “institutional logics”, often used in different other theoretical approaches towards organisations and institutions (e.g. Scott 2011) is rejected in the SAF approach. The motivation for this decision is that “the use of the term organizational logics tends to imply too much consensus in field about what is going on” (Fligstein/McAdam 2011: 4). Instead of the term “institutional logics” by the members’ ‘shared understandings’ of the field is used to name the existing rules in the fields, still keeping the field dynamic and not strictly organised. Exactly those shared understandings of the field are not established in the transforming field of integrated policies yet. This is a striking argument for the SAF approach, as the delivery of integrated labour market policies is new and not rigidly regulated yet.

The SAF of integrated labour market policies is not a “stable field” (Fligstein/McAdam 2012: 9), because the actors are not “able to reproduce themselves and the field over a fairly long period of time” (Fligstein/McAdam 2012: 9). There are no “understandings fashioned over time by the members of the field” (Fligstein/McAdam 2012: 11), because it is an “unsettled field” (Fligstein/McAdam 2012: 12) and not clearly defined and not balanced yet.

Another important point becomes visible by this. Right now, actors in the field do not “understand what tactics are possible, and interpretable for each of the roles in the field” (Fligstein/McAdam 2012: 11), hence the roles are not clear. In addition, the SAF theory suggests to distinguish between different actors in a field. Two, respectively three, different groups are mentioned. On the one hand, there are the *incumbents*:

“Incumbents are those actors who wield disproportionate influence within a field and whose interests and views tend to be heavily reflected in the dominant organization of the strategic action field. Thus, the purposes and structure of the field are adapted to their interests, and the positions in the field are defined by their claim on the lions’ [sic!] share of material and resources” (Fligstein/McAdam 2012: 13).

In this thesis, the institutionalised actors, namely the FEA and the JC, are defined as *incumbents*, as they have a predominant position in the field and more resources. “In addition, the rules of the field tend to favor them, and shared meanings tend to legitimate and support their privileged position within the strategic action field” (Fligstein/McAdam 2012: 13). This becomes visible in the privileged position of offering multi-dimensional measures and using the training providers for their own purposes.

On the other hand, there are the *challengers*, which are represented in this thesis by the training providers:

“Challengers [...] occupy less privileged niches within the field and ordinarily wield little influence over its operation. While they recognize the nature of the field and the dominant logic of incumbent actors, they can usually articulate an alternative version of the field and their position in it. [...] Most of the time challengers can be expected to conform to the prevailing order, although they often do so grudgingly, taking what the system gives them and awaiting new opportunities to challenge the structure and the logic of the system” (Fligstein/McAdam 2012: 13).

Thirdly, there are the *governance units*, overseers for the whole field. They are internal to the field and are “facilitating the overall smooth functioning and reproduction of the system” (Fligstein/McAdam 2012: 14). In the case of this

thesis, the governance units are not as important as the two other groups. However, governance units, such as work-groups and associations of actors, can influence the field to a high degree.

The relationship and “structure of incumbents and challengers depends on the nature of the strategic action field” (Fligstein/McAdam 2012: 15). Fligstein and McAdam name for example the quantity of incumbents as one of the dominant variables to influence the field-specific interaction, whereas a high number of incumbents force the actors to cooperate. In the cases analysed in this thesis, the number of incumbents is low and the main focus is set on the challengers.

The next important point introduced by the SAF theory is ‘social skill’ which is important for the strategic action of the actors. Strategic action is defined as “the attempt [...] to create and sustain social worlds by securing the cooperation of others” (Fligstein/McAdam 2012: 17). To achieve this goal, the actors have to think outside the box or “get outside of their own heads” (Fligstein/McAdam 2012: 17) and “take the role of the other, and work to fashion shared worlds and identities” (Fligstein/McAdam 2012: 17). The category of ‘social skill’ in SAF theory is used to summarise the “cognitive capacity for reading people and environments, framing lines of action, and mobilizing people in the service for broader conceptions of the world and of themselves” (Fligstein/McAdam 2012: 17). ‘Social skill’ is especially important in “unorganized or unstable strategic action fields” (Fligstein/McAdam 2012: 17), as actors with a high level of social skill can reorganise the field in a new way.

Derived from this theoretical approach, the hypothesis for the thesis can be specified like this: *The amount and variety of social services delivered by training providers increases with the number of long-term unemployed, as the need for action pressures them to position themselves anew in the transforming delivery system. The higher the number of long-term unemployed in the local area (defined as a field environment), the higher the pressure for the training providers to re-construct their position in the SAF, by that forming new rules, relationships and orders for producing field-specific logics to enhance their position.*

3 Design and Methods

The empirical data gathered for this thesis is based on semi-standardised expert interviews, conducted throughout the LOCALISE research project⁵. Additionally, further documents were included if suitable and needed for information about activities mentioned in the interviews. Since the thesis is interested in the changing relationship between Public Employment Services and training providers, interviewees were chosen from both types of actors. Although a qualitative approach mostly works explorative and generating hypotheses, in this thesis the expert status of the interview partner is perceived as offering insights into the field that can be generalised to some extent. However, a more in detail analysis of more cases is necessary to verify the hypothesis to a higher degree.

The justification for the case selection is derived from both pragmatic and theoretical considerations. Firstly, as this thesis is written in the context of a project, it seems natural to decide on cases which are already familiar. Secondly, it is important to analyse the local level, because of the ongoing *rescaling* process in the scholarly discussion. In addition, shedding light on the changing process of integrated labour market policy delivery is only possible on the local level, because policy implementation happens there and “responsibilities are devolved from national to regional and local authorities” (van Berkel/Borghgi 2007: 279). The gross domestic product (GDP) labour force participation and the unemployment rate are used to form selection criteria for the different cases (Aurich 2012)⁶. The GDP is used to represent the overall economic context of

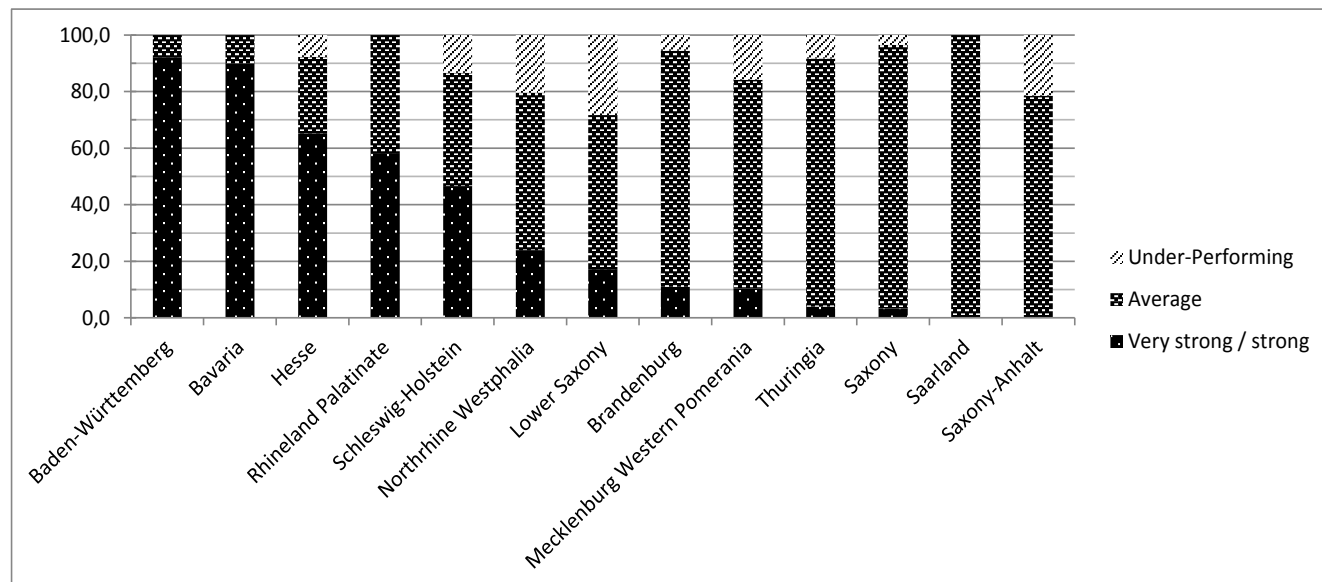
⁵ <http://www.localise-research.eu> 15.8.2010

⁶ Additionally, the case selection can be justified by referring to a typology by the Federal Employment Agency, which takes into account the overall regional performance and connects it to the surrounding area. The cases are situated in different federal states of Germany, whereupon the federal states for themselves are classified by the FEA, respective different types of performance of municipalities. The classification of FEA characterises the cases as dissimilar while taking into account the labour market situation, the share of long-term unemployed, seasonal work and the GDP. (Blien et. al 2011). GDP, labour force participation and unemployment rate were used in the LOCALISE project, dividing the cases into the above mentioned three different groups in a more simplistic way.

the case. The labour force participation rate and the unemployment rate are used to show the effectiveness of unemployment policies in the cases (Aurich 2012) (see table 4). In the two analysed cases unemployment rate, GDP and labour force participation rate highly differ.

The in depth analysis of municipalities in the German federal states helps to create three different types of possible cases by looking at the selection criteria: “Under-performing”, “average performing” and “high performing”. To create a most dissimilar case design (Mill 1865) for the study, one case is situated in a strong performing federal state, thereby representing strong performing cases, whereas the other case is situated in an under-performing region, representing under-performing cases.

Table 3: Share of Performance Type in Each Federal State



Source: Aurich 2013

Generally, one can state that the southern part of Germany is economically more successful in comparison to the eastern part of Germany. In the case of SOU, the overall labour market situation (employment rates, labour market participation, GDP) is good and the case is classified as “strong-performing” in the developed typology. On the contrary, the case of EAS displays a weak overall labour market situation. The number of long-term unemployed in the cities varies, obviously in relation to the overall labour market situation, whereas the number of unemployed is higher in EAS than in SOU. In addition, the structure of unemployment differs in the two cases (see table 5), which is going to be addressed later on in more detail.

Table 4: Socio-Economic Background Information

	Germany	EAS	SOU
Regional classification (based on unemployment, labour market participation and gdb)		<i>Underperforming region</i>	<i>Strong region</i>
unemployment rate (%; 2010)	7.1	11.4	5.2
Long-term unemployment rate (in % of total unemployment; 2011)	47.97	60.56	37.51
Youth unemployment rate (less than 25 y.; 2009)	11.2	15.7	7.6
gross domestic product (2009; euro per inhabitant)	29000	22800	43600
Population 1 January (2011)	81751602	232963	133799
At-risk-of-poverty rate (in % of population, 2010)	15.6	19.8	12.8
pre-primary, primary and lower secondary education - levels 0-2 (in % of the economically active pop 15y+, 2010)	13.67	7.14	14.63
tertiary education - levels 5-6 (in % of the economically active population 15 y+, 2010)	27.63	25.84	27.95
Economic activity rates (in % of active population, 15-64 years; 2011)	77.19	81.49	77.73
Economic activity rates females (in % of active population, 15-64 years; 2011)	71.78	78.2	72.46
manufacturing sector (percentage of total employment; 2008)	21.81	16.35	26.04
Industrial employment (in % of total employment, 2010)	0.28	0.29	0.33
Service employment (in % of total employment, 2010)	0.7	0.69	0.65

Source: Zimmermann/Aurich 2012

Table 5: Structure of Unemployment

2011	EAS <i>underperforming</i>	SOU <i>strong</i>	Germany
SGB II share (in relation to SGB III, unemployment insurance)	20.5 %	6.8 %	9.4 %
Number of beneficiaries' units, mostly households (Bedarfsgemeinschaften)	21.282	4.133	3.361.602
Beneficiaries capable of work	27.386	5.267	4.519.505

Source: Zimmermann/Aurich 2012

The sample of interviews consists of eight interviews. Each case study is based on four (plus one additional interview in one case due to lack of information) interviews and document analysis, divided into two groups. One group is formed by local authorities (respectively the chief executive of local Federal

Employment Agency and the Jobcenter), the other one is formed by local training providers. In this thesis the term training providers is used to refer to all kinds of agencies, which offer training and vocational training measures in the legal framework of SGB II and cooperate with Jobcenter and Federal Employment Agency to deliver these measures. Documents were added if the interview partners referred to them or the information were necessary for the analysis. The interview partners are defined as experts, because they have an expert access to the field and the ongoing activities in it (Meuser/Nagel 2009). Their answers to the questions are treated as expert answers, thereby depicting the real situation. In addition, they also have access to special knowledge of the field (Bogner/Menz 2002). The interviews were recorded and transcribed, all quotes were language-polished and translated from German to English.

For the analysis of the empirical data gained from the interviews, a software based qualitative content analysis is executed (Mayring 2003). This method is used to abstract from the individual level of the interview partners, so that the specifics of the local cases mentioned by the interview partners can be generalised (Flick/Kardorff/Steincke 2008: 472). The codebook is derived from the hypothesis. The main focus of the codes is the way how policies are shaped, the multi-dimensionality of the policies, the interaction between the partners and codes concerning the position of the training providers on the local level. In addition, codes concerning the overall labour market situation are necessary to give examples for anchorage of assumptions according to the hypothesis.

4 Case description

This part briefly examines the two selected cases, especially focusing on the socio-economic background and the development of unemployment and the amount of measures provided by training providers. Other noteworthy specifics of the cases (such as local characteristics of the labour market and historically background information) will be added in the next chapter, connected to the in-depth analysis of the empirical data. However, the description of the two cases is kept brief and simplified in both sub-chapters, as the deeper investigation of the

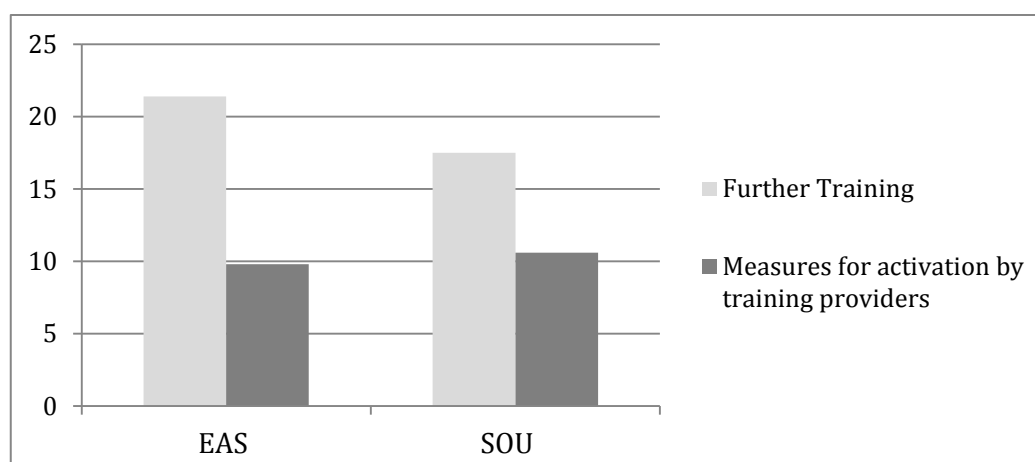
cases on a broader basis is not necessary for the research question. In addition, there is no need for further examination because the cases were already evaluated more detailed.⁷

4.1 Case 1 – The city of SOU in Bavaria

The city of SOU is located in the south of Germany in an economically strong performing region in the federal state of Bavaria. In the year 2010, the city had 133.799 inhabitants. In a nationally comparative perspective the region is one of the most wealthy parts of Germany, as “the South of Germany is very much characterised by traditional German industry, such as automobile manufacture, and is generally known as a more prosperous region” (Aurich 2012). As visible in table 3 “both Baden-Württemberg and Bavaria have almost a 90% share of strong municipalities and not one under-performing case” (Aurich 2012) according to the socio-economic data used for forming the typology developed above.

Further training measures provided by training providers are frequented to a high degree in SOU. Also, expenditures for these measures are high (17.5%). Measures for activation by training providers are used less frequently and expenditures are lower (10.6 %). However, this leads to the assumption that training providers are relevant for the delivery of activation measures in general, as expenditures in this area are overall high (see table 6).

Table 6: Share of Further Training Measures/ Measures provided by Training Providers of all Measures



Source: Own depiction, Federal Employment Agency

⁷ For further information about the cases see the case studies quoted.

4.2 Case 2 – The city of EAS in Saxony-Anhalt

The city of EAS is located in the east of Germany in an economically low performing region in the federal state of Saxony-Anhalt.

“With the restructuring from a socialist planned economy to a Western market economy, the East has seen rising unemployment rates and high degrees of emigration to the West since the beginning of the 1990s. Of these new Länder (sic!) Saxony-Anhalt is the one with the highest share of underperforming municipalities” (Aurich 2012).

In 2001 the population of EAS was about 245400 persons. In 2010, the city of EAS had 233.000 inhabitants. This number is constantly decreasing due to the low job opportunities in the region. This development is visible for a lot of cities in the eastern part of Germany, as emigration is one of the strategies of young people to raise their chances for employment and a subjectively better living standard (Mai 2004). As visible in table 3, the federal state of Saxony-Anhalt shows no high-performing cases and more under-performing cases than every other federal state. Measures for activation and advanced vocational training provided by training providers are minor used (9.8 %), whereas further training measures are most frequently used (21.4 %). This leads to the assumption that training providers are not the most relevant actors for the delivery of activation measures in general, as expenditures are relatively low in this area if you take the high number of unemployed persons into account, referred to later. (see table 5/6).

5 Empirical Analysis

In this chapter the cases are going to be evaluated in more detail. To begin with, further important information about the local specifics and the local structure is given, appending relevant facets to the cases already described in 3.1/3.2. . Subsequent to the information, the empirical findings are analysed and arranged in order to the developed theoretical framework, using the vocabulary and assumptions of the strategic action field theory. The focus of analysis is set on the position of the training providers and their role on the local level. Additionally, the different modes of interaction between training providers and

local authorities regarding the delivery of integrated labour market policies are deconstructed and classified, again, according to the SAF theory.

5.1 Case 1 – SOU

SOU can be best described as a so called ‘high order’ centre which means that it performs functions within the wider region in regard to the delivery of specific goods and services (Christaller 1980). The tertiary sector (services) is particularly strong in SOU and offers the most working possibilities. SOU is a university town with a lot of jobs in administration. As the secondary sector is not very strong in comparison to the national average of Germany, there are not many positions for low-skilled workers available in the industry or production, which causes problems regarding the placement and matching process for this group of unemployed persons.

Table 7: Employment by Economic Sector SOU (2001-2008)

	Agriculture, Forestry	Industry & Construction	Services
SOU	0.2	16.3	83.6
National Average	0.8	30.4	68.8

Source: Employment Survey on Country Level and Federal Level (Erwerbstätigenrechnung des Bundes und der Länder)⁸

The labour market situation in SOU as a whole is high above average and the amount of unemployed persons in the SGB II acquisition is low with an overall share of 6.8 %. It is even lower than the national average of 9.4 % (see table 5). The overall trend for the development of unemployment in SOU shows a slight decrease of the unemployment numbers in the last years. Now, the level of unemployment is stable. In addition to the low level of unemployed persons in the SGB II acquisition, the overall unemployment rate with 5.2 % is lower than the national average of 7.1 %. The GDP of 42.405 €per inhabitant is higher than the national average of 29.000 € This leads to the assumption that the city of SOU is situated in a prosperous region and is prosperous itself.

The interviewed actors in SOU on the side of the authorities were the head of the local JC and the head of the local FEA. On the side of the training providers the head of the local branch of the “Kolping Bildungswerk”, a training provider with

⁸ http://aketr.de/tl_files/aketr/DATA/Downloads/ETR_R1B1_2012FS_hj.pdf 16.08.2013

large regional and supra-regional influence and the managing director of the “Bildungs- und Beschäftigungsgesellschaft” were interviewed. In addition, interesting quotes from the case study on SOU, written in the LOCALISE project, were used whenever offering possibilities to strengthen the argumentation.

Even though SOU is described as a prosperous region by the interview partners, the problems evolving from this situation are clear for the providers of the services, especially for the training providers.

„However, one has to recognise that the number of unemployed persons is really low by now. You can speak of full employment by all means. My greatest concern while monitoring the scene is that even with this low amount of unemployed persons there is still a high number of persons with handicaps which are [...] not supported in an optimal way. When the number of unemployed persons decreases, the funding also decreases.”[Head of the Kolping Bildungswerk]

The overall labour market integration programme of SOU does not directly aim at the integration of the group of unemployed, who are far away from the labour market. This group of clients is perceived as too far away from the labour market to be integrated. They are left behind by the market and even the authorities think that there are no positions available for them even not in times of vital economic activity. Instead of targeting this group of people, skilled workers are the main focus of labour market policies.

I: “The complex of problems is mostly related to the shortage of skilled workers?”

P: “The shortage of skilled workers is the key question. And there is the question of our demands. There is a certain clientele which can’t be reached anymore, even when the economic activity is on a pick-up.”[Head of the FEA SOU]

This is strongly connected to the multi-dimensional needs of the unemployed in the SGB II area, because those individuals are the ones who are not activated that easily and would need special, individualised measures to cater for their needs. Although individualised measures should be common in the SGB II area, mostly standardised measures are demanded by the local authorities. This demand is criticised by local training providers, because standardised measures are not effective enough and do not match the local needs. Instead of addressing those needs, the authorities aim at activating unemployed with less market distance.⁹

⁹ This finding is also superimposable to recent findings of the Bundesrechnungshof, published in German media. However, this is no empirical evidence as it is not evaluated yet and might only

“I am aware of the fact that [the authorities] aim at integrating the strongest actors on the market. The consciousness that there are still other people who probably are not able to do the things the law wants them to do was not accomplished yet.”[Head of Social Services]

The individual needs of the benefit recipients are recognised by the training providers. The strict regulations in the tendering procedure for measures largely prevent individualised measures and restrict the training providers to the delivery of standardised programmes, therefore limiting them to the role of the henchman and provider of the demanded services. This restricted interaction depicts the limited understanding of training providers, displayed by the local authorities. Not taking into account the efforts of the training providers, the local authorities only use them as mere providers for the measures and do not acknowledge their endeavour to shape the mechanisms of integration by offering the required multi-dimensional programmes.

Nevertheless, the training providers in SOU are integrated in the process of service delivery to a high degree. They participate in networks and are considered as important actors because they know about the specific problems in the area and approach the authorities with programmes and suggestions, even before the authorities know about the need for those programmes.

“Frequently the training providers already know if there are problems before we know about the problems. They approach us on their own terms.”[BCA FEA]

Especially the cooperation with institutions in the social services area, such as ‘AG AJSA’, a working group concerned with work related social services which acts as an umbrella brand in the local area and the ‘BAG ÖRT’, a provider concerned with social services for young people fosters the position of the training providers in the local area and enhances their potential for fruitful cooperation with other actors.

Recurring to this finding, the training providers can be characterised as showing a challenging behaviour and breaking out of their role restricted to the provision of simple training measures. They want to achieve a position, in which they can influence the field and want to break out of their role as henchman. This behaviour maneuvers them in a difficult position, because to some extent they are dependent on the local authorities.

I: "You are talking about dependence [from the authorities]. Is this problematic?"

P: "Of course. The changes, which often happen due to political causes, happen so abruptly that they are an economical risk. We are dependent on the local authorities, because they have a monopoly. If you sell cars, you have a lot of customers. If you sell training measures you only have one customer: The Federal employment agency, no matter if it is called Jobcenter or otherwise." [Head of BBG]

However, training providers that decide to withdraw from the field of labour market policies and cooperation with the local authorities also put pressure on the local authorities, because without the training providers there would be no effective measures.

I: "How strong is the problem of dependence [on the local authorities]?"

P: "The problem is a really big one. Imagine the German school system tendered out every year. Think about the quality of the school system and what would happen [if the school system would be tendered out every year]. Exactly this happens to the whole field of training because of the labour market instruments. The prices are permanently going down. The providers have to decide whether they want to maintain in this process or withdraw. We decided to set borders and even to stop offering measures in certain fields." [Head of BBG]

One of the explanations for this withdrawal from cooperation is the unclear hierarchical order in the field. The training providers demand to be actors on a level playing field and to be treated as equally ranking actors. The local authorities neglect this demand and restrict the training providers to the role of the henchman. The local authorities, respectively the incumbents, want to maintain the normal understandings of the field specific rules to ensure their position and the stability of the field: They want to keep the roles of actors in the field stable and use their position to control the level of autonomy the challengers can obtain.

The training providers express disapproval with the predominant role of the incumbents.

P: "We appreciate it to be treated and to work on eye level, because we want to yield our competences. Right now, we are only henchman. Everything is prescribed [by the authorities] and we have to face the problems when the concept goes wrong. I often tell my colleagues that we have prostituted ourselves in this so much that we have to raise the question whether this is still accordable to our self-concept. In my opinion not. In this respect we reduced [the amount of measures in this area]. In my opinion this is no way to organise education in the medium term qualitatively good." [Head of BBG]

By this behaviour the training providers pressure the authorities to either change their behaviour and accept the changing position of the challengers or to abstain from the cooperation with them. As already mentioned above, the relationship of dependency between training providers and local authorities is a reciprocal one and both sides have to face problems when they end the cooperation. The

training providers try to shape the field by offering measures designed for the field specific problems, thereby using resources not available for the local authorities. They use informal contacts to counseling services and infrastructure for the effective production of measures, such as rooms, equipment and expert staff. The training providers are working in the local area for a long period of time. Because of that, they can use those established structures and contacts for the delivery of multi-dimensional measures and effective measures in general:

- I: "You already told me that you send the unemployed to different other institutions. For that, you need contacts and knowledge about the local are."
 P: "Exactly. We have contacts to counseling services. For example the drug counseling service and the educational counseling, and also the youth welfare office." [Head of the BBG]

This is a sign for the high level of social skill on the side of the training providers. Besides the intelligent and strategic usage of resources, they also understand why the local authorities are using standardised measures and try to change their own action pattern to claim a new niche in the field for themselves. Particularly this ability to comprehend the behaviour of the incumbents again hints at the high level of social skill the challengers' exhibit, since they know that especially the delivery of multi-dimensional measures is not on top of the incumbents' agenda and can be claimed as a unique feature of the services provided by training providers.

The problem of unemployed with multiple integration barriers is not tackled by the local authorities yet, although it is noticed.

- "We have to implement labour market policy in a way it suits the addressed group. This gets more difficult by now. The most central point is that distributional issues arise: social policies against labour market policies." [Head of the FEA SOU]

As already mentioned above, they aim at activating people who are integrated easily, blanking out the unemployed with multiple integration barriers and raising the question if addressing this group of persons is necessary.

- "We have a JC with roundabout 700 unemployed. In other major cities the number is around 40.000 to 50.000 persons. The question arises what we can do now. Where does labour market policy end and where does social policy start? Where does youth work start and where does social work start? What do we do to integrate somebody who is handicapped in different and extreme ways [...]" [Head of FEA SOU].

- "For me the central question is if we can afford [addressing] those issues and if we want to address those issues." [Head of the FEA SOU]

The training providers integrated an amount of multi-dimensional measures into

their portfolio to answer the question where labour market policies end and social policies start: A clear cut between policy fields, especially in the SGB II sector is not possible anymore. This change has to be represented in the concepts of measures. In case of the local authorities this question is not answered yet and the problem of a large number of unemployed persons with multiple barriers of integration is not perceived as a pressuring issue, as the number of unemployed in the SGB II area is relatively low.

Multi-dimensional measures combining labour market instruments and social services are created as projects to address the needs of the unemployed in a highly individualised way, in response to the problems the training providers detected in the local area. Besides the idea of integration into the labour market, the decrease of barriers for integration is the main goal of those measures; psychological problems are considered the main barrier for integration.

“One problematic group which recently participated in our measures and for whom we created specific measures now are persons with psychological problems. This [development] can be easily explained by the rising pressure on the labour market and the way this pressure was treated in the last years [...]. A lot of persons blame themselves [for their situation]. This crystallises in certain attitudes or [psychological] deficiencies.” [Head of the JC SOU]

To approach these barriers, social services are included in the measures. One project designed by a training provider in SOU is a very good example for the combination of social services and labour market instruments. It is called ‘HOPLA’¹⁰ and is situated right at the borderline between those policy fields and is aimed at addressing individual barriers for integration. ‘HOPLA’ can be best described as an holistic approach towards the different aspects of unemployment, focusing on the individual and the process of strengthening it, rather than integrating the person into the labour market as soon as possible.

“The first aim of the measures is to decrease the placement barriers. In addition, traineeships are included and job interviews [are practiced]. The participants must have the heart to apply for jobs and to participate in job interviews.” [Head of the BBG]

Those measures are used to give the unemployed the possibility to abolish the severe problems they are facing every day and should open up a wider space of possibilities for the unemployed. The enhancement of the subjective live quality of the unemployed person is the main goal of the measures, providing a structured day for the individuals and raising their motivation to become active

¹⁰ <http://www.bbg-wue.de/hopla.shtml> 7.8.2013 12:30

again. The concept of the 'HOPLA' programme avoids classical training situations and offers workshops for the participants. On a voluntary basis the participants can decide which workshops they want to visit. Besides the obligatory meetings between psychologist and participant, in which the participants are treated individually, the programme works on a voluntary basis. Besides the 'HOPLA' project, other programmes are offered by training providers, also conjoint social services and labour market instruments. The project 'AQtiF' for example offers a highly individualised measure package for persons with psycho-social problems combining training and traineeship elements and including socio-paedagogical elements.¹¹ The role of the psychologist and the psychological assistance is named as the most important part of the measures: Raising motivation and gaining self-esteem are named as the archimedical points of the measures, also recognised by the local authorities.

“The psychologists are really important. You have to empower somebody without motivation who experienced failures to get the person away from the attitude that they do not want to be addressed. [The psychologists] have to reassure the persons and turn them around. If this works, the whole process is self-sustaining. A succession rate [...] of 40 % for persons with complex barriers of integration is noticeable.”[Head of the JC SOU].

The overall interaction between the incumbents and the challengers in SOU is characterised by conflicts induced by different definitions of aims and responsibilities. This conflict can be best described as the struggle for finding shared understandings of the rules of the field and the mechanisms that work in the field. The common sense of the way the field works is not established yet and the actors do not know in which way they could achieve their goals. Interaction patterns are perceived as restricted although the challengers try to change the mode of interaction and try to become more influential thereby facing an immense resource problem mentioned by both groups of actors.

On the one hand, the challengers try to establish a functioning measure system to integrate the unemployed with diverse integration barriers. On the other hand, the local authorities struggle to find a cost efficient way to cater for their recipients, thereby focusing on 'easy targets' for integration. This conflict is not solved yet. As shown by the analysis of the interviews, training providers attempt to integrate the participants of their measures in an individualised way

¹¹ <http://www.bbg-wue.de/aqtif.shtml> 8.8.2013 11:35

by offering the described multi-dimensional measures, whereas the local authorities do not see the need to do so because the general market situation in SOU is good.

The main finding in the case of SOU is the special way the challengers try to re-position themselves in the field. They approach a group of persons with their measures which is not easily activated and put their efforts in constructing useful measures for these persons. In the case of SOU, the multi-dimensional measures arise even with this low number of unemployed in the SGB II. Connecting this finding to the SAF theory, the delivery of multi-dimensional measures in the case of SOU is used as a way to claim a part of the field that is not rigidly assigned and is the main strategy of self-assertion performed by the challengers.

5.2 Case 2 – EAS

EAS can be best described as a ‘high order’ centre (Christaller 1980). The city of EAS is important for the wider regional context and offers possibilities for work and education for the inhabitants of the region. The tertiary sector in EAS is very strong and offers most of the working possibilities. On the one hand, the service sector in EAS provides jobs in research for high qualified workers and, on the other hand, a large quantity of jobs for low-qualified persons. The jobs for low-qualified workers are call-center services which are low paid and do not need an excessive amount of training or specific qualifications. The availability of these jobs is relevant for the city of EAS, because a lot of unemployed persons can be placed in call-centers. In addition the oil-processing and chemistry industry is strong in the area of EAS and also provides an amount of jobs for low-qualified workers in the industry.

Table 8: Employment by economic sector EAS (2001-2009)

	Agriculture, Forestry	Industry & Construction	Services
EAS	0,04	12,2	87,8
National Average	0,8	30,4	68,8

Source: Employment Survey on Country Level and Federal Level (Erwerbstätigenrechnung des Bundes und der Länder)¹²

The labour market situation in EAS is very poor in a national comparative

¹² http://aketr.de/tl_files/aketr/DATA/Downloads/ETR_R1B1_2012FS_hj.pdf 15.08.2013

perspective, as it is in most cities in Saxony-Anhalt and the eastern part of Germany. The overall unemployment rate is 11.4 % and higher than the national average of 7.4 % (see table 4). The amount of unemployed persons in the SGB II sector is very high with an overall share of 20.5 % (see table 5). By that it is over twice as high as the national average of 9.4 %. This leads to the conclusion that the number of long-term unemployed and persons with multiple barriers to integration into the labour market is very high in EAS. The overall labour market development in EAS shows a decrease in the number of unemployed for the last years, but the number of unemployed persons is still high now. The GDP of 22.800 € per inhabitant is lower than the national average of 29.000 € (see table 4), which leads to the assumption that the city of EAS is not a city with high-income households and a deprived overall economic situation.

The interviewed actors in EAS on the side of the local authorities were the head of the local JC and the head of the local FEA. On the side of the training providers the regional representative of the “Bildungswerk der Wirtschaft Sachsen-Anhalt e.V.” and a representative of the local branch of the “Bildungs- und Beratungsinstitut” in EAS were interviewed.

The general perception of the labour market situation in EAS can be divided in two different predominant points of view on the situation. On the one hand, interview partners stated that the local area is becoming economically stronger and is increasing its potential. On the other hand, a large amount of people who are unemployed for a long period of time is existent, which is congruent with the descriptions above. The high number of long-term unemployed is depicted as the main problem of the area of EAS. However the local authorities and the training providers both stated that the long-term unemployed do not have to be addressed because it is too hard to activate them and they do not want to be activated. This statement works as an excuse for blending out the large number of unemployed and not providing effective measures for them.

“The labour market offers possibilities but I do not want to state particular areas of business. There are possibilities [for employment] but not for everyone. [...] A lot of high qualified young people move away, because the potential earnings are higher in the old federal states even after such a long time. There are certain groups of people, subsumed under the term long-term unemployed, who arranged themselves with their situation of unemployment and do not want to work anymore.” [Head of the BWSA]

“One point [...] is the large number of families who are already recipients since a long time. Without imputing anything to them I think that [...] they arranged themselves with their situation” [Head of the JC EAS]

Even though there is a high number of long-term unemployed, this critical group is not addressed by the conceptualised labour market integration programmes – the whole measure system in EAS provided by the training providers is very one-dimensional and limited to the delivery of training programmes to integrate persons who can be easily qualified and placed at the labour market.¹³ For example the call-centers offer possibilities to integrate low-qualified unemployed into employment, even if only for a short time span. The integration of social services into the measures is not perceived as necessary or useful.

“Further professional content [such as training job specific skills] is more important and demanded by the Jobcenter. Social services are not coercively in the foreground.” [Head of BBI]

Nevertheless, unemployed with multiple integration barriers are also joining the measures, though programmes do not support them in an individualised way. Though, sometimes the training providers offer some information about contacts to address the special needs on their own, however not integrating those services into the measures to sustain them on a regular basis.

“If we see that the participants need special services we inform them [about] contact points. [...] In the worst case we even make appointments [for them]. However, they have to go there on their own. We cannot do that with the money we are paid [for our programmes] and the rigid time schedule.”[Head of BBI]

Cooperation between local authorities and training providers is visible at the local level. Both training providers and local authorities form a close network to deliver labour market services that stabilise the labour market and aim at integration of persons near the labour market: A positive economic development in the city of EAS is the shared understanding of the main goal to achieve in the field. This interaction with a clear goal, the economic development, and a positive outcome for both parties fosters the good relationship, although the predominant mode of interaction is characterised by mutual indifference and casualness. The local authorities and the training providers act the way they always acted in former times and do not seem to change their behaviour even though the measures system is not effectively targeting all groups of persons.

¹³ This process later referred to as creaming and parking is going to be evaluated in more detail in the comparative discussion of the cases.

“We cooperate with the Jobcenter for many years and provide different training measures with different concepts.“ [Head of BBI]

“We have a very good contact to the Jobcenter and to the Federal Employment Agency. Each year there are meetings for local authorities. The training providers are also invited. In addition, in this case I can speak for all training providers, there are meetings for the exchange of information with the management of the Federal Employment Agency and the Jobcenter on a regular basis. Those meetings take place at least one time a year. In addition, there are meetings with [...] the case managers of the JsC. This helps coordinating the measures and detecting the demands of the labour market [...].” [Head of BWSA]

In addition, the training providers cooperate with local businesses to further strengthen the already employed persons via additional vocational training measures. The training providers act as labour market actors and deliver measures to raise their profits and to ensure their safe position in the network of economical actors. They understand and construct themselves as economical actors and stated that a close linkage between companies and their own organisations is one of their main goals.

“[Service Delivery] only works with companies. The classical training provider which is known from former times is going to get extinct.” [Head of BWSA]

“[A training provider that provides a certain type of measure] is going to get extinct. You have to watch the funding, which diminished $\frac{2}{3}$ since the last 5 years. Qualification in companies is now the main focus. Those qualifications are very specific and can't be offered by classical training providers. [...] Classical training measures, commercial basic skills, with roundabout 15 – 20 members are going to get extinct.” [Head of the BWSA]

The aspired close linkage between economy and training providers restricts them to the delivery of basic training measures and further training measures especially aimed at the needs of the companies. Social services are not integrated into the measures because they are not necessary for a fruitful cooperation between the partners of choice and the training providers. In addition, the focus group of the measures in EAS does not need the multi-dimensional measures, because they can be activated by simple training measures. The local authorities in EAS agree with this idea of the role of the training providers and support the restriction to training measures.

“I think that the connection to the business development [department] is important for us. We have to know where businesses want to settle and where we can develop activities. [...] I do not see myself as [responsible] in the social sector. Of course, we have our duties in the social sector which we have to fulfill, but this is not as important for me as occupation and vocational training. I think of it as a flanking area.” [Head of the JC EAS]

In addition, the local authorities demonstrate a desire to be closely linked to the

economy in the city of EAS, too. A clear disaffirmation of the former institutional assignment to the social services department is stated by the local authorities, backing up the assumption that the idea of market efficiency is influencing and dominating the behaviour of the authorities in EAS.

“Yesterday the future mayor visited me [...] and asked in which policy sector I picture myself. I emphasised [that] our transition to the economy department [was the right idea]. Before that we were subordinated to the head of social services. I understand the transition as a signal from the municipality. They realised that we are a part of the economy. I argued that we would like things to stay the way they are because I think we are right where we are now [in the economy department].”[Head of the JC EAS]

Because of this general agreement about the understanding of the field, there is no conflict between the training providers and the local authorities. The training providers do not challenge the authorities in any way, but they want to chum up with the businesses in the area of EAS to keep their position in the field stable. The local authorities also do so and try to avoid getting involved into social politics. They draw a clear border between labour market policies and social policies, whereas their position is that it is their first task to bring unemployed persons into work the fastest way possible. A conjunction of social services and labour market policies is non-essential for them. Decreasing the barriers of integration for people who have multiple issues is only pictured as a minor task and even a topic that can be disregarded.

The overall interaction between the local authorities and the training providers is shaped by the shared goal of increasing the economic situation in EAS. Social problems, such as the large number of long-term unemployed, are surely recognised by all actors but there is no pressure that enforces them to take action. Due to this relatively conflict-free field environment the supposed clash between the challengers and the incumbents is not visible as there is no challenging behaviour of the training providers and they work closely together with the local authorities to keep the field stable. A clear definition of the tasks and a non-challenging attitude of the training providers further enhances the stability of the field.

5.3 Comparative Discussion and Findings

The comparison of the two analysed cases SOU and EAS offers gainful insights into the mechanisms that shape the field of the delivery of integrated labour

market services on the local level. Also, it helps to explain how and when integrated labour market services emerge and hints at the possible foundations for the emergence of integrated labour market services in general.

The city of SOU can be circumstantiated as a city with a sound labour market situation and extra-ordinary wealth. Therefore, the actors in the field, on the one hand, do not see the need to take action to generate multi-dimensional measures, whereas on the other hand, multi-dimensional measures are created. Those measures are designed by the training providers to tackle the specific issues of unemployed with multiple integration barriers, thereby changing the whole measure system and their own role in the field in a challenging way.

The city of EAS can be characterised as a city with poor labour market conditions, but actors who want to sustain a strict hierarchical field structure to keep the economic development on track. The linkage between actors, both local authorities and training providers, and the economy on-site is aspired to be as close as possible, in doing so neglecting a large amount of the social problems not solved yet and restricting the interaction patterns and the measure system to market conformity and hierarchical distribution of repetitive and not innovative tasks.

Referring to the strategic action field theory obvious challenging behaviour of the training providers is visible in the case of SOU. The multi-dimensional programmes were created to react on the number of unemployed who could not be activated by normal measures. By this behaviour, the training providers try to capture a niche for themselves and stabilise their own position in the field. In addition, the challengers answer a question not asked yet: Even a good labour market situation does not remove the problems of the unemployed in the SGB II area from the agenda. Therefore, integrated social services are the reaction to further demands of workers and integration to the labour market, demanded by the market and the objectives formulated by the national authorities. The training providers act self-confident and do not let the local authorities restrict them in their role. In addition, the training providers use their resources in an efficient way and demand to be treated as equally important and not only as henchmen. An unsettled field is not perceived as a threat but as a chance to establish new structures and positions.

On the contrary, the training providers in EAS do not show a challenging

behaviour towards the incumbents and cooperate with them in aid of a stable field. The shared understanding of the limitation of measures on training and further training is shared by local authorities and training providers: No conflict arises and no changes in the field position are visible. Although, the training providers in EAS can be understood as challengers as they have “little influence over [the fields] operation” (Fligstein/McAdam 2012: 13) and cooperate with the local authorities on a subsidiary basis, though criticising the actions of the incumbents sometimes.

The interaction of the actors in the field also differs in the two cases. In SOU, the incumbents are bound to interact with the challengers if they want to tackle the problem of unemployment in depth, thereby accepting the challengers as important actors in the field. This helps the challengers to establish a better position in the field, leaving behind the role of the henchman by offering the needed measures. The role of the henchmen, which is criticised by the training providers in SOU, is accepted in EAS, further stabilising the field as the roles of the actors are clearly defined. The hierarchical order established in EAS also keeps the field stable (Fligstein/McAdam 2013: 14). Admittedly, the training providers in SOU show a more challenging behaviour towards the defined actor positions and roles in the field, thereby changing the field specific concepts.

Another important finding derived from the comparative analysis is the different level of field stability visible in SOU and EAS. SOU can be best described as an unsettled field with challengers striving for more spheres of authority and acceptance and incumbents slowly realising the change and adapting to this diversification of possible modes of interaction and positioning. On the contrary, the stability of the field is high in EAS. All actors share the same understanding of the field and try to reach a common aim. These different levels of stability can be connected to the way the training providers use the social skill they possess. In the case of SOU, the training providers show a high level of social skill, interacting in networks and forming cooperations inbetween other actors, whereas in EAS the training providers use social skill to further strengthen the cooperation with the incumbents which already exists. They use social skill to maintain the stability of the field and their stable and safe position.

The already mentioned relationship to the economy in the two cities can also be considered as an important finding. A close relationship between economy and

the analysed actors is not visible in SOU. However, this can be explained by the good overall economic situation: For the actors in SOU there is no need to chum up with the economy, because they are already part of economic networks and have a large quantity of connections and cooperations with important businesses and actors in SOU. Especially the training providers emancipated themselves from the restricting guidelines of economically motivated demands and natural consumer monopoly of the local authorities. By contrast, the actors EAS use the cooperation with the economy to gain further orders. They totally rely on the businesses in the area of EAS and create special measures for them, thereby increasing the level of dependence and restricting their own options. As the overall labour market situation in EAS is poor, the training providers themselves have to look for profits to stabilise their position. They cannot challenge the economy, because they have to rely on them. All in all the pressure and influence of the economy and the local and national business situated in EAS seems to be far more influential than in SOU.

The thesis also pointed to further topics that should be evaluated in more detail. Firstly, the tendering process for the measures was often criticised by the training providers. The aspired positive outcomes of marketization were not achieved, neither in EAS nor in SOU: Neither do the education vouchers work correctly nor does the virtual market situation secure the quality of the measures. A standardised measure system, regulated with tendering processes and calls for measures seems to be unregulated and unsafe for the training providers. This was especially mentioned in SOU, whereas in EAS the training providers have not emancipated themselves from the close connection to the local authorities. This is strongly connected to the second point: The financing structure of projects and measures. Mostly measures are designed as projects. The projects are designed for a short period of time and are only funded for this short period. This funding structure is evaluated by the training providers as arguable and not optimal for establishing an efficient and long-term measure system. Particularly the training providers in SOU stated that an efficient measure system can only be created by long-term cooperation and safe funding. On the contrary, the logic of project financing works in the city of EAS, because the unemployed can be activated easily and by simple measures.

The most important finding in the comparison of these two cases is the

falsification of the hypothesis. It was hypothesised that a large number of unemployed persons in the SGB II causes the formation of multi-dimensional labour market policies which integrate social services to address the unemployed. This hypothesis was derived from the assumption that the need for action, induced by the high unemployment numbers, pressures the training providers to position themselves anew in the field to keep the field stable. The high number of unemployed was also seen as a possibility for training providers to capture a new task for themselves and shape the field according to their ideas and concepts. In contrast to this hypothesis, measures with integrated social services are only evident in the case of SOU. On the contrary, no multi-dimensional programmes were mentioned by the interview partners in EAS, even though the number of unemployed persons far exceeds the number of unemployed persons in SOU. In EAS only one-dimensional training measures were mentioned as useful and relevant by the interview partners. Following the hypothesis, programmes integrating social services should be evident in the case of EAS because the number of unemployed is higher than in SOU. Although the hypothesis developed in the first part of this thesis was not proven throughout the analysis of the interviews, a connection between the number of unemployed persons and the emergence of multi-dimensional measures seems to be visible. In the case of SOU the number of unemployed persons in the SGB II area is low. However, the overall market situation in SOU is good and the city is prosperous. It is assumed that the amount of unemployed who could be activated by simple training measures is now very low and that there is a need to create multi-dimensional measures to approach unemployed with multiple issues. These unemployed can be best described as the base unemployment which can only be addressed by new measures tackling the individual in a holistic way. In addition, the market still demands workers. Answering this call for workers, multi-dimensional measures are created to activate even the unemployed which have multiple integration barriers.

In contrast, the number of unemployed in EAS is very high. Anyway, only training measures are used to address the unemployed persons because there are still a high number of unemployed persons available, who can be easily activated by one-dimensional training measures. Right now, the local authorities and the training providers do not see the need to put more effort in the activation of

difficult cases, because they can use so called 'creaming' effects, activating unemployed persons that are easy to activate. As long as there is still a high number of unemployed who can be activated by training measures and other one-dimensional measures offered by training providers, there is no pressure to change the measures and to risk the stability of the field.

Concluding these findings, the hypothesis has to be refused and reversed, in order to capture the negative linkage between the number of unemployed persons in the SGB II area and the emergence of multi-dimensional measures.

Conclusion

The initial question concerning the role of the training providers and their influence on the formation and delivery of integrated labour market services can be pictured more clearly now, recurring to the empirical findings. In addition, the circumstances that facilitate the formation of integrated labour market services can be explained in more detail. The interesting and also surprising findings of this thesis can add fruitful new strings of argumentation to the general discussion about the structure and the development of the welfare state.

The two cities show significant differences in the patterns of interaction, the role of the training providers and the stability of the field. In the case of SOU, the low number of unemployed persons in the SGB II and the demands of the market offer the training providers the opportunity to challenge the local authorities. They provide multi-dimensional measures and thereby affect the conceptualisation of the whole measure system on the local level. On the one hand, they address the individual needs of the unemployed persons; on the other hand they help to provide measures demanded by the activation paradigm, rather than the local authorities. The training providers in SOU are able to produce complex multi-dimensional measures, because they show a high level of social skill, forming alliances with other partners and acting in a wider context. They challenge the local authorities by withdrawing from established cooperation. Thereby they refuse the dominant position of the local authorities and risk the stability of the field and their safe position in the cooperation with the authorities. Furthermore, measures addressing multiple issues of the unemployed

are contrary to the standardised measures often demanded by the local authorities. The training providers again challenge the local authorities by not following the rules the local authorities want to maintain in the field. The low number of unemployed leads to the assumption that the unemployed in SOU are part of the base unemployment which cannot be tackled with one-dimensional measures. So, the multi-dimensional measures are necessary to activate those persons and can be considered as the next step in the activation process: If there are still demands of the market, the base unemployment has to be addressed with multi-dimensional measures, delivered by specialised training providers.

In the case of EAS, no multi-dimensional measures are visible and the training providers do not show a challenging behaviour towards the local authorities. Instead of challenging the position of the local authorities, they respect their role as henchmen and provide the demanded, standardised measures for the local authorities. The high number of unemployed persons in EAS does not necessitate the integration of social services into the measures, because there are enough unemployed in the SGB II area who can be activated easily and without addressing specific activation issues.

Integrated labour market services are a way to address unemployed with multiple integration issues and are delivered by training providers. The role of the training providers in this process is a very important one: Their behaviour and idea of their own role influences the foundation of such measures. Training providers that follow the fields' authorities and the shared understandings of the field are more unlikely to conceptualise multi-dimensional measures, whereas challenging training providers who want to shape the field according to their ideas conceptualise multi-dimensional measures. The training providers in SOU want to change the field and their own role. For this reason they break away from the appointed spheres of competence and challenge the local authorities by changing their actions. The training providers in EAS do not challenge the authorities in an offensive way. They aim at the stability of the field. Thus, the emergence of multi-dimensional measures becomes unlikely, as the delivery of integrated labour market services is not part of the restricted role of the training providers.

Derived from all these differences in the two cities, a new hypothesis can be stated, thereby rejecting the first one stated as the initial point of this thesis:

A positive link between the number of unemployed persons and the formation of multi-dimensional labour market policies does not exist in the analysed cases. Rather than the assumed positive link, a negative link seems to be visible, by that falsifying the hypotheses.

The question how and in which way training providers are involved in the delivery process of integrated labour market services is answered in this thesis. However, the landscape of training providers in Germany is diverse, crowded and confusing. There is nearly no useful literature about the recent development of training providers in Germany. Definitely, further research is needed to classify the training providers to understand their patterns of behaviour in an adequate way. But for all that, training providers can be considered as important actors of the activating welfare state which are responsible for the way the paradigm of activation is implemented in reality. They have to be taken into account as unrestricted and transformable actors that can change the field itself and wield a lot of influence, though they are not the main actors. Training providers are crucial stakeholders on the local level and reflect the structure and understandings of the field by their behaviour and patterns of action. Therefore, the training providers have to be understood as protagonists with far more influence on the delivery of integrated labour market services as assumed before. The restricted and narrowed down understanding of training providers does not grasp the full sphere of possibilities open to the training providers as depicted by the scholarly debate up to now, which this thesis hopefully identified and highlighted.

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