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## **Mercados en disputa: Respuestas organizacionales de las universidades chilenas a la agenda de empleabilidad**

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## Summary

### **Contested markets: Organisational responses of Chilean universities to the employability agenda**

This research explores the relationship between universities and the world of work. It does so by examining the dynamics of adaptation and organisational change adopted by Chilean universities over the last two decades, focusing on the study of the set up, development and functioning of new organisational capacities at universities in the framework of the institutionalisation of a global employability agenda.

The relationship between universities and the world of work has been chosen as the starting point for this research to demonstrate how new and historic forms of institutionalisation have interacted in contemporary higher education development. Examining this relationship means that the social position and meaning that the roles and functions university is given in specific historical-social contexts can be identified. It also provides an opportunity to reflect on the nature and value of knowledge in society.

An approach that involves higher education as a thematic interdisciplinary research field is used. Specifically, this research feeds off developments in the study of the relationship between higher education and society. Over the last two decades, this study has included contributions from disciplines and sub-disciplines like sociology, psychology, education sciences, administration, historiography and economics, among others.

One of the main considerations for this research is the global phenomenon of higher education expansion over the last 70 years. This trend has put pressure on universities as a result of the creation of more and more external requirements aimed at guiding what they do to demonstrate their place in society. As a result, governments worldwide have passed modernisation policies to increase higher education's efficiency, quality and accountability. These policies were mainly drawn up using the prevailing economic doctrine and both influenced and continue to influence the rapid and significant modifications made to the belief systems and practices that have been associated with universities as institutions for centuries.

Implementing these policies brought with it an enormous amount of change, challenging universities to be flexible and to adapt how they operate, are organised, define themselves and the scope of their field of action in order to move forward and become competitive rational actors.

For this research, the changes that contemporary universities undergo from a management and administrative point of view are of particular interest. Specifically, the setting up and functioning of new capacities added to their organisational structure worldwide should be mentioned, as seen in areas such as international relations, technological transfer, communications and marketing, quality assurance, student development and employability, among others.

Specifically, this phenomenon encompasses the main focus of this research because it represents the differentiation and professionalisation that has led to a radical change in these organisations' transversal development - mainly the need to come up with internal capabilities to overcome the sector's complex challenges. These challenges are not only posed by universities themselves but by the environment.

In the creation of new organisational capabilities, one of these capabilities is particularly interesting as far as this research is concerned, since it is associated with higher education results and a possible expansion of university functions. It is aimed at improving students' and graduates' preparation for work, an area that has acquired global visibility over the last two decades, with the aim of boosting employability.

Employability as a notion emerged during the first half of the twentieth century in the context of economics. The field of higher education as part of public policy was incorporated at the end of the nineties. This concept has spread rapidly and widely due to the introduction of the premise that students and graduates lack some of the abilities, skills and attributes needed to meet job market requirements. As a result, employability has been encouraged and promoted as a global aspiration by supranational, international and national bodies with a wide media coverage.

Just over 20 years since it emerged, employability as a concept, political instrument and higher education practice has been turned into a reference point for the university-world of work relationship. As something highly desirable for universities, it has gradually become part of the international agenda specifically applied to higher education (Arora, 2015; Artess, Hooley and Mellors-Bourne, 2017; Cole and Hallet, 2019; Diver, 2019; Higgs, Letts and Grisp, 2019; McQuaid and Lindsay, 2005; Matherly and Tillman, 2015; Wharton, 2017).

Broadly understanding the concept as a group of measures that have to be carried out, it can be seen that the employability agenda is currently recognised and analysed as one of universities' guiding principles. Generally referred to as common sense, it is operationalised as an instrument of external pressure that different higher education systems react to.

Its roots in higher education are usually expressed through two types of initiative. On one hand, there are the initiatives aimed at strengthening the educational experience and/or providing what is missing, in order to achieve positive results in the graduate job market. On the other hand, others are aimed at becoming higher education performance indicators. All of this occurs in a highly competitive institutional environment.

All this is taking place at a time when higher education is advancing towards mass universal access in different parts of the world, consolidating its importance to nations' development. At the same time, there is increasing uncertainty associated with the changing dynamics of the job market, involving the elimination, creation and modification of jobs and occupations as a result of the technological advances integrated into society.

As has occurred internationally with the spread and insertion of employability into higher education, this has turned into something that is of real public interest, going beyond what is political, academic or organisational. As a result, it exists in a wide range of different areas

of everyday life, such as the media, as part of student demands and as something that concerns families.

However, on a national level, there are no empirical studies that analyse the insertion and development of employability in Chilean higher education or its specific implications for universities' organisational development.

As a result, the main aim of this research is to help understand the dynamics of change and organisational adaptation in Chilean universities by analysing the insertion, development and functioning of new organisational capabilities to boost employability.

Three main aims are tackled. The first involves the conceptualisation of the main aspects of the relationship between higher education and the world of work in Chile. This helps portray and understand its rationales and how it is incorporated into university development. The second specific aim involves developing a framework of analysis to study how university organisations respond to the changing environment and their relationship with the world of work, in order to contribute to the systematic study of the effects of university employability agendas. The third specific aim involves identifying the organisational aspects and mechanisms that significantly affect differentiation between appropriation of the employability agenda in Chilean universities and its implications at an organisational level.

Therefore, this research is framed in a context that contemplates three factors: a) the commercialisation of higher education as an international trend and its specific development in the case of Chile, b) the hegemonic discourse about the functions of higher education in the world of work in a framework in which the notion of employability is becoming more and more relevant and c) the dynamics of organisational change in Chilean universities from a *managerialism* and management professionalisation perspective.

The questions driving this research are as follows. Why have new organisational capacities been introduced to improve university concerns for graduate employability? To what extent is this response related to the organisation's internal and external aspects and which adjustment mechanisms does it use to operate? Does the insertion of these new capabilities express the institutionalisation of an employability agenda at Chilean universities? Does a concern for employability indicate universities have taken on a new function?

The study involves several different research phases. A revision was carried out of the main aspects of the emergence and spread of employability as a concept, practice and political instrument in higher education worldwide. The Chilean case was looked into as an iconic example of the economic transformations that the global university sector is currently experimenting. A detailed empiric examination of the main aspects of the discourse on the employability agenda in Chile was carried out. The national scenario was described in terms of the insertion and functioning of new organisational capacities to boost employability at universities. Finally, the origin, development and status of these organisational capacities in relation to the evolution of the formal structure of said organisations was studied in depth.

As a result of this research, an analysis of the role of the employability agenda in positioning universities as something decisive when accessing graduate employment and work is

provided. In addition, the effects of this agenda on the provision of specialist organisational responses is described and problematised as one of the characteristics of modern universities with mass access.

Chapter 1 goes over the main aspects of the debate involving the relationship between higher education and the world of work, aiming to put the emergence of employability in higher education as a concept, practice and political instrument into context. In this area, there is a contradiction between its widespread and effective international spread and the fact that the mechanisms that condition how it is interpreted and the lack of interdisciplinary dialogue about how it is dealt with it have been highly criticised. The conclusion is that employability in this context tends to present itself as an instrument for university accountability in teaching and learning processes. At the same time, it indicates that the notion of employability is usually based on weak and disassociated concepts taken from educational research.

The first section of Chapter 1 argues that employability as a higher education concept, practice and political instrument is the indicator of an expected state that implies the adaptation of both universities themselves and their students and graduates. This translates into organisational changes meaning employability can be operationalised. These changes are mainly based on human capital theory guidelines, in which the economic returns of formal education and its link to an increase in individual productivity and economic growth is emphasised. The aims of higher education are usually subordinated both to employers' expectations and to the individual characteristics that make a person successful in the job market.

The second section focuses on examining the notion of employability in the framework of research into higher education from an international perspective. A change to the main guidelines of human capital theory is identified, with a move towards a more complex understanding of this relationship. The conclusion reached indicates that employability in higher education has specific roots, characteristics and implications. On one hand, this requires specialist research to avoid a lax and decontextualized use of the concept and, on the other, an increase in interdisciplinary dialogue. This dialogue is needed to strengthen the basis of knowledge about the special features of employability as a concept, practice and political instrument. In addition, there is seen to be international consensus on the relevance of enriching educational processes and the integrity of students' experience in order to improve graduate opportunities and performance in society and knowledge economies.

This chapter's third section examines the problematic aspects of the notion of employability and the debates arising from it as a result of the instrumental component associated with the knowledge's extrinsic value. It includes an international revision of the answers universities have provided, developing organisational capabilities to strengthen employability. In addition, it is concluded that the conceptual basis linked to premises from human capital theory is insufficient to be applied comprehensively.

Chapter 2 depicts Chilean higher education as an iconic example of the economic transformations the sector is currently undergoing globally. It can be seen that the relationship between higher education and the world of work is strongly mediated by institutionalised ideas of university. It is concluded that recent developments in the Chilean

system have helped bring significant new meaning to this relationship by homologising its status. What was previously considered a social institution or exceptional organisation is now just another actor in the market. All this occurs in a highly commercial environment where the premises of human capital theory are hegemonically positioned.

Chapter 2's first section puts the situation of universities in Chile into context. The developments and adjustments the higher education system has experienced are examined. Special attention is paid to the effects of the expansion, privatisation and modernisation reforms launched in the eighties. From this period onwards, the notion of Chilean universities is framed by the need for strategic development for their adaptation and survival. This has led to transformations directed at creating integrated organisations with a focus on results and a competitive edge. To achieve this, management and leadership have come to play ever more important roles.

The second section explains the neoliberal Chilean university consolidation process. This is the result of unregulated expansion and late regulation that improved the consolidation of system commercialisation. In addition, the role of the state as an agent in these processes is dealt with, including the insertion of modernisation mechanisms. These have strengthened competition by implementing and consolidating a competitive financing system and exploiting quality as an indicator. All this has occurred in the framework of university accountability and vertical differentiation processes on a scale from high to low quality.

The chapter's third section examines the university-job market relationship through the tension created between Chilean universities and their relationship with state and society. Recent transformations in the neoliberal Chilean system underscore the dominant aspects of human capital theory. This has led to the role of knowledge and its function as a source of economic competitive advantage positioning themselves as a priority. This has occurred both in the national political agenda and through the actions of the system's coordinating bodies. In this section, it is stated that the insertion of the employability agenda into Chilean higher education has been highly influenced by supranational policies. These influences have contributed to the conceptualisation of employability as a mono-dimensional indicator of desired quality.

Chapter 3 examines the main aspects of the employability agenda in Chile. To this end, its discursive construction is analysed in collective actors that have a high influence on its institutionalization. These actors correspond to the government units and professional groups of academics and journalists that this research has conceptualised as being part of the official, expert and media discourses. This analysis shows that there are hegemonic discourse guidelines, which reinforce the status quo in Chilean higher education by presenting it as a commercial environment for social action, based on the economic vision of its subjects' educational and work trajectories.

Chapter 3's first section is focused on expert discourse through a bibliographical revision. This includes 66 national publications that explicitly tackle employability and/or graduate employment and work as a main or secondary topic. This discourse shows that employability tends to be tackled as an educational matter linked to both education and certain learning capabilities. These works are mainly focused on studying the factors that influence graduate

performance.

Chapter 3's second section explores the official discourse, considered as such because it has legitimate state recognition and acts in compliance with the current legal framework. This discourse is compiled using texts and materials such as laws, guides, decrees, resolutions, norms, terms of reference and annual accounts from the system's coordinating bodies. In this discourse, the aspects related to employability are quantitative, such as employment status, employment rate, time taken to find work and graduate salaries. Employability is assigned a relevant role as a performance indicator for higher education organisations.

The third section comprises the media discourse, with 94 press and television articles explicitly tackling employability as a main or secondary topic in higher education news. The aspects the media discourse associates with employment include professional success and the quality of both study programs and educational providers, as well as information related to employability and decision making. In this context, employability is relevant because of its key role as an indicator of quality. This discourse normalises the fact that the academic offer can be *good* or *bad* and that graduate employment results are very much linked to the qualification obtained. Therefore, this treatment of the discourse tends to overshadow student agency.

Chapter 4 takes a look at the national scenario and the insertion and functioning of the new organisational capabilities that tackle boosting employability in Chilean universities. In research, these are generally called 'career services'. It is stated that, despite spreading rapidly and widely through the system, career services have organisational legitimisation difficulties. The shared need (at a macro, intermediate and micro level) for a comprehensive understanding of employability is also revealed. On one hand, this means the topic is dealt with uniformly within the higher education system. On the other hand, it facilitates their administrations' interaction and integration with more traditional university tasks (for example, education and research).

This chapter's first section puts the influences from universities' institutional environments when demonstrating the notion of employment at an organisational level into context. In their appropriation by universities, it can be seen that career services have tended to disassociate from educational components, in the framework of the dominant economic discourse's functional impact and their diffusion as an agenda. In addition, it is argued that career services at universities exhibit institutionalised and widespread taxonomy in different education systems. Therefore, global spread of this type of service is a trend that shows isomorphic impulse strength.

The chapter's second section shows how career services have come to be part of a highly specialised and widespread kind of organisational development at Chilean universities. This is closely related to multiple requirements, such as curriculum feedback, establishing links with graduates and marketing. This is usually manifested by carrying out recompilation and information analysis initiatives on graduate employment, loyalty activities and initiatives supporting insertion into the job market. It can be seen that these services mainly focus on the end of studies and on the period after graduation. However, they do put an emphasis on action and heterogenous strategies.



In Chapter 4's last section, it can be seen that career services exhibit organisational legitimisation problems. These difficulties are associated with three factors: 1) the tendency to limit their scope to initiatives after completion of the student life cycle, 2) the academic body's resistance to working with career services and 3) the absence of a shared understanding of employability between the relevant actors (students, academics, other professionals in university administration, former students and workers). In addition, the development described shows that career services set themselves up as an opportunity to make university management more professional. Therefore, there is room for new specialised non-academic professional identities to emerge, whose tasks are situated somewhere in the crossover between traditional teaching and research activities.

Chapter 5 looks deeper into the origins, development and status of employability as part of the evolution of university organisations' formal structures. This emphasises participants as key elements to the organisation. This task is carried out by selecting three cases for theoretical comparisons and proposals. The focus of the analysis is on the dynamics of change and on organisational adaptation, using a notion of organisational change that emphasises legitimacy and isomorphism. This research slant is motivated by the intention of looking further into the processes that define structure and organisational action.

Chapter 5's first section provides case context from a sociological organisational analysis perspective. The aim is to create a conceptual framework in which to analyse the dynamics of change and organisational adaptation in relation to improving employability. As a result, it can be seen that the three cases come from universities that, compared to their peers in Chile, have already made advances in inserting and implementing career services. These three universities have organisational arrangements whose shared aim is to boost employability and operate within a common framework of rationality, despite the fact that their needs and triggers have different emphases.

In the second section, the organisational position of each of the case studies in the world of work and employment is put into context, with two organisational positions recognised. One goes beyond external demands to mainly respond to the idiosyncrasies of their individual missions and characteristics. Another organisational position is conditioned by the environment and faces the challenge of responding to the requirements this establishes for it, showing a willingness to subordinate itself to these requirements.

Finally, Chapter 5's third section examines career services' organisational assimilation. It is evident that this type of capability involves a weak kind of organisational interaction, as well as legitimacy and organisational integration difficulties. These are related to the fact that managing employability is not an organic development but rather a resource for legitimacy at an organisational field level. It concludes that the main underlying motivation is provided by the external requirements of employability institutionalisation as an imperative of higher education in general.

In summary, beyond the philosophical positions held on the functions of higher education, positioning them as a determining factor for graduate employment and work has become one of the characteristics of modern universities with mass access.

The conceptualisation of university as a social institution and of the world of work as a widespread notion in people's everyday life does not currently allow for a situated analysis that requires relationship observation, due to the fact that the characteristics of knowledge and work in contemporary economies and societies have given new meaning to these fields of social action as markets (namely the *university market* and the *job market*). This is in a scenario where the instrumental valuation of knowledge and the economisation of different spheres of social life predominate.

All this implies that the historical tension and disputes in the relationship between university and work have not ceased to exist, either on the plane of the ideas that are based on them or on a material plane. However, giving them new meaning as markets brings about a relevant change: status standardisation, with what was previously considered a social institution or exceptional organisation now considered just another market agent in a commercialised socioeconomic environment.

In this scenario, the notion of employability has been inserted as a reference point within the educational-world of work relationship, becoming highly visible and having definite organisational effects. However, this does not imply the addition of a new university function, due to the fact that this aspect has historically been integrated into its development.

Given the homologation of universities and the world of work in market terms, this research proposes that the effects of the employability agenda should adjust to the higher education unbundling phenomenon. This refers to adopting an appropriate commercial strategy consistent with separating constitutive elements into multiple products or services with the aim of increasing opportunities for commercialisation.

Irrespective of the level of rationality in Chilean university actions, from this perspective it can be seen that these operate in a market related to other markets, in dynamics shaped by the commercial rationalisation of dominant aptitudes or behavioural blueprints. From this comes the notion of the contested market that is in the title of this thesis, representing the tension between the different forces that try to impose themselves over others. The word contested is used to mean a struggle and the discussion of ideas or thoughts about something. Therefore, it implies that the actors in dispute - whether individuals or groups - enter into confrontations to achieve and/or impose whatever they want.

In this sense, the fact that the hegemonic notion of employability is constructed and put into operation using the dominant premises of human capital theory symbolises the contested aspects, based on the idea of the modern university with mass access and also on the aspects that are in crisis in the Chilean system. Therefore, this examination of universities' organisational responses - using a specific and extremely defined approach - allows for the visualisation of the significant effect of the pressure that comes from universities' institutional environments. At the same time, it reveals the ways in which these disputes become invisible and are ideologically neutralised under the blanket of supposedly shared global aspirations, such as what occurs with the employability agenda.