Hochschule für
Wirtschaft und Recht Berlin
Berlin School of Economics and Law

Institute for International Political Economy Berlin

Emotional regimes in the political economy of the 'welfare service state': The case of continuing education and active inclusion in Germany

Authors: Sigrid Betzelt and Ingo Bode

Working Paper, No. 178/2022

Editors:
Sigrid Betzelt, Eckhard Hein (lead editor), Martina Metzger, Martina Sproll, Christina Teipen, Markus Wissen, Jennifer Pédussel Wu, Reingard Zimmer

Emotional regimes in the political economy of the ‘welfare service state’.

The case of continuing education and active inclusion in Germany

Sigrid Betzelt, Ingo Bode

Abstract

One of the most prominent trends in Western welfare capitalism during the last decades has been the expansion of welfare services as an outcome of the transition from the Fordist to a ‘post-industrial’ settlement, driven by changes in the wider society and the economic system. The advent of what has been called a ‘welfare service state’ is part and parcel of a broader transformation propelled by the paradigms of ‘activation’ and ‘social investment’, with all the ambiguities endemic to intentions to ensure a more egalitarian distribution of human capital by an increased commodification of labour. These ambiguities impact upon the universe of welfare service provision which must deal with incompatible rationales, that is, a market and business logic on the one hand, and ‘professional’ and ethical norms on the other. Inspired by the ‘cultural political economy’ approach, we contend that insights into the ‘mental processing’ of human services by specialised organisations under these institutional conditions are crucial for understanding the chemistry of contemporary welfare capitalism more generally. To capture the role of the welfare service sector in the current settlement, we draw on findings from the field of continuing and vocational education for jobseekers and young people – a sector which has been largely neglected by the public debate in recent years, despite its growing importance in times of ongoing technological change. Our paper is based on qualitative case studies conducted in two regions of Germany, and our research concept borrows from different bodies of theory that deal with the political economy and sociology of the welfare state, human service organisations, and with emotional work. First, we explore the organisational dynamics of welfare service providers in their interaction with a quasi-market-based governance model; secondly, we scrutinize the sense-making of the service-providing personnel with an eye on how it is influenced by the conflicting rationales mentioned above. More specifically, we argue that emotional dynamics within the organisational settings under scrutiny are an important catalyst in the transformation of the political economy of contemporary welfare capitalism, moderating the interplay of institutional governance, organisational steering, and individual self-management. The mechanisms at play are conceptualised as *emotional regimes* which make the welfare service sector work despite its institutionalised precarity – even during the Covid-19 pandemic that can be seen as an ‘eye-opener’ to longstanding problems of the sector under study. Our analysis also suggests that there may be a tipping point at which these mechanisms cease to accommodate the post-industrial settlement of a ‘recommodified’ welfare capitalism.

Keywords: welfare state; labour market; human services; continuing education; governmentality; NPM

JEL codes: I21, I38, J08, J81, L84, P16

Acknowledgements: This Working Paper is based on an empirical study conducted in collaboration with Andreas Albert and Sarina Parschick. We are grateful to the two colleagues who have largely contributed to the development of our argument.

Contact:

Sigrid Betzelt, Professor of sociology of work and organizations at Berlin School of Economics and Law, Germany. Email: sigrid.betzelt@hwr-berlin.

Ingo Bode, Professor for social policy, organization and society at the University of Kassel, Institute of social work and social welfare, Germany. Email: ibode@uni-kassel.de.

Introduction

For scholars studying the evolving assemblage of modern capitalism, it is commonplace wisdom that the welfare state constitutes a cornerstone in the latter's political economy (Gough 1979; Offe 1984; Hay & Wincott 2012; Bayliss et al. 2017). Welfare state institutions moderate, and contribute to, the making and re-making of the political economic order. As with other components of the political economy, they accommodate both economic transactions and non-economic human arrangements. In this universe, insights into the role and development of relevant institutions inform functionalist explanations of welfare state expansion and change which have always been a building block of political economy scholarship and continue to engage the latter (Przeworski 1973; Jessop 2002; 2022). In general, academic work in this universe pictures the political embeddedness of wealth distribution, as well as the modern state's role in regulating economic transactions, concerning issues such as consumption, investment, or financialization (see for instance Hein et al. 2019).

In doing so, this scholarship foregrounds non-economic foundations of capitalist market economies, for instance when dealing with their social reproduction regime and interface with democratic politics (Streeck 2013). The place of welfare state institutions in the wider economy, so the argument goes, cannot be understood without decoding the interplay of articulated interests and ensuing power arrangements in the political system (Ringen 1987; Goodin 1998; Iversen & Soskice 2019). This includes the mechanisms by which economic elites maintain or defend their hegemony in policy-making processes (Morgan 2016; Palley 2020). Thus, the advent and resilience of neoliberal approaches to welfare state governance in the new Millennium have been an eminent topic of the wider debate (Crouch 2011). In this vein, a critical political economy perspective on modern societies is geared towards understanding the making and unmaking of the social conditions which make welfare capitalism(s) work and change, to unveil the complex dynamics at work in this very process. Throughout this paper, we argue that the 'emotional factor' is an important component of these social conditions. Moreover, we show how this factor affects a particular set of welfare state institutions, that is, those concerned with publicly funded vocational training and continuing education services for jobseekers and young people. These service activities are conceived of as being emblematic of recent trends in what some scholars have labelled the 'welfare service state' and have grown in importance over the last decades (see below).

Our analysis falls into four sections. First, we elaborate on the development of publicly regulated human service sectors and emotional dynamics therein, discussing their relevance for a

political economy approach towards developments in contemporary welfare capitalism. Second, we portray the wider context of our case studies, illuminating the hybrid character of the aforementioned 'welfare service state' and the inherent governance agenda exposing the *publicly funded continuing education and active inclusion* (PCI) sector to what we refer to as 'institutional precarity'. This will also be illustrated by summarizing findings about the repercussions of the COVID-19 crisis breaking out in early 2020. The third section sheds light on the organisational dynamics associated with this transformation, in particular the role of 'emotional regimes' when it comes to coping with the tensions that the sector is facing. We will point out in what ways these regimes accommodate the institutional regulation of the sector, arguing that the latter's core functions are destabilized by the emotional mechanisms in play. Finally, we draw conclusions concerning the value that our analysis adds to the political economy scholarship.

1. The political economy of the 'welfare service state' and its non-economic foundations

As is well-known, a critical conjunction in the development of Western welfare capitalism has been the transition from the Fordist to a post-industrial settlement.[1] Early assessments of this movement (see for instance Gough 1979; Offe 1984) have paved the way for capturing the chemistry of new welfare state arrangements under (more or less) 'neoliberal' regulatory frameworks. These frameworks have altered the interlinkage between social policies and the regulation of the wider economy (see, for instance, Jessop 2022) and have markedly transformed the welfare state's infrastructure (Bode 2003; Bayliss et al. 2017; Betzelt & Fehmel 2022). In this context, one should account for the fact that, with the aforementioned transition process taking place from the 1990s onwards, *welfare services* have developed into a key component of this infrastructure. The related set of activities – also referred to as social or human services – has long been neglected in studies on the political economy of welfare capitalism and the welfare state literature more generally, even though human services developed as a strong pillar of the 20th century welfare state and received a strong boost from the 1990s onwards.

During the last two decades, however, this universe has attracted greater attention in the wider literature (see, for instance, Anttonen et al. 2003; Martinelli et al. 2017). Given its rapid growth, scholars have developed an increased interest into studying 'organised' social reproduction in state-regulated worlds of welfare, in part because new gender and family models have triggered

[1] By using the notion of *post-industrial* society we do not imply that industrial forms of waged work have disappeared or become marginal in current Western economies. However, over the last decades, the latter have seen strong trends of tertiarisation which have not only strongly affected the manufacturing industries but also entail the large expansion personal services provided through interactive work. While some of these services are low-skilled, many others (like in health care or education) require higher qualifications.

dynamics of change across various welfare state models (Aulenbacher et al. 2018). Moreover, the mantra of 'social investment' (Hemerijck 2013), cherished by centre-left politicians (and academics sympathetic with them) including at EU level, has directed attention to the potential of welfare services when it comes to a more egalitarian distribution of human capital. This holds notwithstanding the fact that this mantra – and attempts to defend it on academic grounds – appear flawed in various respects (see the recent comment by Parolin & van Lancker 2021). Relatedly, critical assessments of qualitative change in welfare state approaches towards (re)shaping social rights and the access to human services have illuminated the rise of 'activation' policies with a potential to discipline or (re-)'commodify' certain welfare state stakeholders (Betzelt & Bothfeld 2011; Pinto 2019; Dukelow 2021). This work suggests that service-based operations of 'people changing' (Hasenfeld 1983)[2] have adopted a new character which deserves academic scrutiny to better understand the contemporary political economy of Western welfare capitalism.

These dynamics, aligning with changing economic environments such as the rise of a knowledge society in most advanced Western countries (Jessop 2022), are featuring both new types of low-skilled jobs and knowledge-intensive employment opportunities. This development has bred types of social intervention which tend to "refunctionalize the inherited welfare state to serve economic interests" in new ways (ibid: 110). Activation policies – also referred to as welfare-to-work and social inclusion schemes – are a case in point as they are often aimed at adapting the workforce to transformed labour markets, concerning (in particular) low-skilled jobs. Besides other varieties of human services such as elderly care and support to chronically disabled people, social intervention propelled by these policies has become an important agenda of 21st century welfare states internationally (see below). A group of scholars dealing with social work and work-related empowerment has argued that this agenda has led into the formation of what they label a *welfare service state* (Bonvin et al. 2018). In stating that social and human services have grown into an important pillar of contemporary welfare states[3], they somehow put old wine in new bottles, given that this movement had been identified long before they have invented this notion (Anttonen et al. 2003; Jensen 2011; Martinelli et al. 2017). However, their discussion has some merits as it highlights the inherently ambivalent character of state-regulated human services in 21st century welfare capitalism. On the one hand, a good deal of these services are imbued with commercial or authoritarian spirit, while, on the other, some pro-

[2] According to Hasenfeld, 'people changing' is, broadly speaking, a major function of social intervention processes in modern welfare states, aimed at making target groups adapt to societal expectations.
[3] In the wider welfare state literature, it is common to distinguish monetary social benefits and human services based on interaction work, with the former having long been the central focus of the related scholarship.

grammes have been instigated with the promise to improve social integration and the empowerment of disadvantaged citizens. While related promises sit uneasily with inconsistencies in prevailing policy designs (Bode & Moro 2021), they nourish hopes of the human services infrastructure to provide new opportunities to people facing problems on the post-industrial labour market. Thus, the notion of the welfare service state not only stresses the critical role of human interaction work in contemporary worlds of welfare capitalism, but it also makes us aware of the fact that related settings are infused with *contradictory* orientations, including those of the workforce providing such services.

We contend that the 'processing' of services by the providers has become a crucial factor in the transformation of the political economy of contemporary welfare capitalism. Importantly, the welfare service state exhibits a political economy on its own, encapsulated in a governance model which channels resources to specialised organisations and establishes power relations in the sector in which these organisations operate. However, to really capture this sector's role and the ongoing dynamics at the interface with the welfare state, we need to dig deeper and go beyond the traditional political economy literature dealing with the economic role of welfare states.

A good starting point here are pleas articulated by current political economists who want us "to expand what counts as political economy so that we are capable of seeing the things that truly matter in the lived experience of real-world subjects" (Best et al. 2021: 219). This implies acknowledging, first of all, that *organisational dynamics* operate as a *regulatory force* (for a similar observation, see Nunn & Morgan 2020). In particular, these dynamics include *inter-organisational governance processes* which involve public agencies and (formally independent) welfare service providers, thus constituting an important mechanism in a welfare service state's political economy (Smith 2010). Such dynamics and processes can be viewed to reflect the political economy of the welfare service state. Secondly, we should pay credit to *non-economic elements of political economy arrangements*, as these elements help damp tensions arising from contradictions in welfare state regulation – bearing in mind that they may also distort the latter. Recently, such elements have gained attraction in some parts of the political economy literature. For instance, Sum and Jessop (2013), discussing the foundations of what they refer to as *cultural* political economy, argue that the sense-making around economic processes is of utmost importance to the regulation of modern welfare capitalism. Thus, a certain hegemonic discourse or the ideological loading of distinctive regulatory concepts may have a huge impact on economic transactions or organisational behaviour, including when it comes to human service provision. In this context, the sense-making of involved managers and frontline agents may matter greatly, for instance when being imbued with governmentality (see below).

More generally, related transactions and processes are rife with *emotional dynamics* susceptible to impinge on the implementation of welfare state programmes. Until recently, emotions have been a blind spot in scholarly work engaged with welfare state issues (but see Betzelt & Bode 2017; De Sena & Scribano 2020) while being widely ignored by the literature dealing with the political economy of welfare capitalism (but see van Winden 2015). More recently, they have been included into studies on welfare bureaucracies and agencies for human service provision (Penz & Sauer 2019; Winter et al. 2019; Turtiainen et al. 2022), yet this research is still in its infancy. When accounting for insights from economic sociology more largely, there are good reasons to assume that the processing of welfare state programmes is influenced by emotional factors, most prominently in settings with intense human interaction. What is more, as will be spelled out further below, these processes – and, by extension, the implementation of mandates from the welfare service state – can be supposed to take shape with what can be named *emotional regimes*, that is, a set of mechanisms governing organisational behaviour in systematic ways (although this set is based on a complex *mixture* of feelings, as we will further explain).

We reckon that the nature of these regimes is critical to the role of people-changing organisations and should be scrutinized with a focus on their interlinkage with the political economy of contemporary welfare capitalism. The case under study in this paper is the field of *publicly funded continuing education and active inclusion* (PCI) as an increasingly important subsector of the welfare service state. Basically, two regulatory agendas are associated with this sector. On the one hand, it has, or is to, become heavily involved in the life-long education and training of the wider workforce of contemporary economies, due to ongoing technological change, unleashed digitalization, and pending needs for the ecological transformation of the economy (Guile & Unwin 2019). On the other hand, programmes of post-school training and 'organised' labour market integration are high on the agenda of European welfare states for some time now, with various initiatives geared towards what is referred to at EU level as 'active inclusion' (Scalise 2020). In most Western societies, such initiatives are intertwined with the aforementioned activation policies and welfare-to-work schemes through which distinctive sections of the working population are led (or urged) to improve their 'employability'. While related forms of social intervention often exhibit disciplining functions and are expected to 'grease' the capitalist economy, some of them are (also) aimed at developing the human capital of citizens excluded from secure employment and a 'standard' life course. Related activities are run in special settings offering various types of vocational education and training of work-related skills (broadly conceived). Thus, at least in official terms, the mission devolved to the PCI sector embraces elements of personal empowerment which are contained in role scripts for so-

cial workers and pedagogical staff more generally. These elements can be assumed to be ingrained in the mind-set of the workforce of typical service providers – which is highly relevant to organisational dynamics of the sector, as we shall see below.

While the overall field has received little attention in the wider literature dealing with work and welfare, it has come to form a central pillar of the labour market policy infrastructure in Europe. Therefore, an in-depth inspection of institutional as well as organisational dynamics in this pillar promises interesting insights into the evolving political economy of the welfare service state. This also holds for Germany, the country on which the subsequent analysis will concentrate. Drawing on evidence from case studies conducted over the last two years in two regional settings[4], this analysis has a two-fold focus. On the one hand, it portrays the precarious circumstances under which organisations in this field are delivering their services, also with a side glance on what organisations in this field were experiencing during the COVID-19 crisis. On the other, we illustrate how these circumstances take shape with economic transactions and power relations within the field, that is, the political economy of the sector or the welfare service state more broadly. In essence, we picture how the related governance model translates into emotional regimes that govern relevant organisational and work processes in that field.

The inspection of experiences made by the sector's workforce enables us to shed light on major implications of altered institutional regulations in post-industrial welfare states. *Emotional regimes* are shown to be non-economic mechanisms through which the sector implements an overarching economic order. More specifically, our analysis brings to the fore how organisational agents are involved in 'emotionalised' activities of management and self-management, including by becoming immersed in a governmentality which contributes to reproduce the adverse conditions under which services are provided.[5] We argue that the overall configuration stabilises the entrenched political economy of the sector in many ways, for instance by consolidating the extant governance model and inbuilt power relations, as our evidence illustrates for a number of cases. At the same time, the established organisational settlement also builds on 'idiosyncratic' orientations engrained in professional ethos and public welfare norms. While often contributing to stability, these orientations can also sit uneasily with hegemonic economic

[4] We are drawing on a research project funded by the *Hans Böckler Foundation* (*„EmoSol - Emotional regimes and solidarity in interaction work"*), conducted at the Berlin School of Economics and Law and at the University of Kassel. The qualitative material used consists of problem-centered interviews with employees, middle and top managers as well as focus group discussions with members of nonprofit providers in two regional settings. It is complemented by results from expert interviews with professional associations and trade unions. The interpretation of the data was partially hermeneutic in kind, with a focus on the sense-making of interviewees. The quotes in section 3. (translated from German by the authors) serve as an illustration, reflecting evidence from further statements contained in our material. An overview of the acronyms used throughout can be found at the end of the article. Direct quotes from interviews are indicated by double quotation marks.

[5] Scholarly sociological work (mainly) from Germany has illuminated such strategies and mechanisms of 'self-rule' by portraying the so-called 'subjectivation of work' (Kleemann & Voß 2018; Matuschek 2021) and related patterns of governmentality (Bröckling et al. 2000; Bonvin et al. 2018).

logics and be susceptible to produce emotion-driven organisational tensions – which, under certain conditions, can *undermine* the sector's functionality in some instances.

In the remainder of this paper, we elaborate on this configuration by dealing with the example of publicly regulated activities of continuing education and (vocational) training activities outside the 'mainstream' educational system, targeted at unemployed people and young adults. Drawing on empirical results from our own field work, we will sketch the general characteristics of the sector under study and what we refer to as emotional regimes in relevant organisational settings. This will feed into a final discussion of our findings in the light of the observations made in this first section of the working paper.

2. The field under study: General characteristics and dynamics

2.1 Hybrid governance: Structural tensions produced by the 'welfare service state'

As noted, the term '*welfare service state*' has been used to illuminate the expansion of publicly regulated, person-related social services since the 1990s (Bonvin et al. 2018). Germany is a case in point (Bode 2013: 83; 95ff; 2017a). This expansion is often viewed to signal the end of the Fordist-Keynesian model of welfare capitalism and related social policies with their focus on redistributive benefits to combat poverty and unemployment. The subsequent agenda is the one of an *'activating' welfare state* focusing on 'social investment' (Hemerijck 2013). Notwithstanding international differences, this agenda is aimed at increasing the human capital of citizens and adapting them to the requirements of post-industrial labour markets as mentioned above. At the same time, the agenda is expected to prevent social risks prior to their emergence. The new approach, taking shape in the 2000s, was associated with the curtailment of cash benefits on the one hand, and a deregulation and (re-)commodification of paid employment, on the other (Betzelt & Bothfeld 2011a; Dukelow 2021). Entitlements to jobseeker allowances have been transformed into welfare-to-work benefits as an offer major target groups could hardly refuse (Lødemel & Trickey 2001). In part, this came with an increased social and behavioural control of the workforce, especially at the lower-end of the status-order of Western labour markets (Betzelt & Bothfeld 2011b). Among other things, this materialized in obligations of jobseekers to enter vocational training programmes and continuing education based on a welfare-to-work rationale. Otto et al. (2020) have referred to this overall movement as the 'educationalisation' of the welfare state (for a similar reading, see Valiente et al. 2020).

A further movement associated with this trend has been the transformation of the supply structure and governance of social service provision (Martinelli et al. 2017). Most notably, typical service providers have restructured their internal processes in accordance with the requirements

of *New Public Management* (NPM).[6] In the German PCI field, this has been particularly blatant. The Federal Employment Agency (FEA – *Bundesagentur für Arbeit*) is responsible for implementing the legal frameworks of labour market policies, including occupational education and training schemes for jobseekers, regulated by the German Social Code II & III (*Sozialgesetzbuch II & III*).[7] Through its regional procurement centres, the FEA invites applications for different types of fixed-term vocational training schemes for certain target groups (like young and adult jobseekers) in a sophisticated public tender procedure. When bidding for contracts, PCI service providers submit detailed proposals for such training schemes, yet without having any information about competing proposals in terms of prices or concepts. This opaque market situation sets strong cost pressures concerning the prices charged for a given service (say, a training course). Providers are thus exposed to permanent competitive stress and, moreover, subject to meticulous output control, measured by highly standardized performance indicators (e.g., numbers of participants successfully completing courses, or job placements). This quasi-market exposure incentivises internal cost-cutting operations and results in poor employment conditions throughout the sector, combining with a propensity to accept lower skills among the personnel and with constant economic uncertainty concerning a provider's order volume (Brenke et al. 2018).

Internationally, providers in this area have become 'activated' in the sense of being urged to comply with externally set conditions – similar to what has happened to users of employment services (Bonvin et al. 2018; Betzelt 2019; Pinto 2019). The paternalistic orientation contained in the aforementioned policy agenda lends itself to *disciplining* both the clientele addressed and the organisations entrusted with making it fit for a labour market which is increasingly demanding and replete with precarious jobs (Atzmüller & Knecht 2016). In this vein, current PCI schemes also encourage some groups of users to understand themselves as competition-driven consumers of work integration services – which implies that providers and their agents are led to conceive of themselves as business-oriented market actors (Korczynski & Bishop 2008; Hasenfeld & Garrow 2012; Penz & Sauer 2019). This overall governance model is widely based on standardized tools for performance measurement which put strain on professional and ethical orientations of social service systems more generally (Mik-Meyer 2018; Bode 2019).

---

[6] NPM is a specific doctrine of public administration which has taken shape as a paradigm opposed to the classical bureaucratic model since the 1980s. Inspired by neoliberal thinking, this paradigm – which began to proliferate in the U.S. and the U.K. (under Prime Minister Thatcher) – proposes a governance model and a set of management techniques for public administration which resemble practices established in private business organisations. Typical hallmarks of this approach include cost-efficiency; numeric effectiveness; customer focus; and market-like regulation including by contracts. See e.g. Kapucu (2006).

[7] In Germany, the *Federal Employment Agency* is constituted as a tripartite arrangement involving employers, trade unions and the state. In operational terms, the related infrastructure is decentralized and based on regional and local jobcentres which implement legal frameworks according to federal law, with some leeway concerning their implementation according to local or regional circumstances.

That said, findings from various welfare sectors suggest that – in contrast to what the welfare service approach seems to assume – these systems and their agents do not always internalize the economic logic imposed from outside. Rather, this logic collides with an *emancipatory rationale* which is part of the official mandate of human service providers and has often been found to be instilled in mission-driven providers and their agents as well. As findings from various areas of human service provision indicate, many organisations in the field have remained committed to empowering users and to enabling them to live a self-determined life (as far as possible). In their work context, professionally and culturally anchored notions remain largely effective (Gottschall et al. 2017; Penz et al. 2017; Will-Zocholl & Hardering 2018; Jacobsson et al. 2020). These normative ideas reflect an emotionally underpinned moral order characterized by norms of care, fairness and loyalty (Klatetzki 2013: 197ff).

Against this backdrop, organisations and employees operating in the area of organised welfare provision – including the PCI sector – are faced with conflicting requirements and their implications concerning their occupational identity. In other words, the welfare service state develops under conditions of *hybrid governance* which urges organisations to obey to different logics and to develop pragmatic coping strategies.[8] As will be argued below, this is prone to produce tense emotional states related to pressures to 'survive' in their own organisation. Importantly, hybridity does not stand for a harmonious amalgam of multiple orientations which leads to enhanced performance, as is sometimes assumed (Noordegraaf 2015). Rather, the above-mentioned conditions create structural dilemmas between bureaucratic prescriptions and modes of social intervention aimed at responding to rapidly changing and instable social needs, encountered by *street-level bureaucrats* out in the field. This classical dilemma typical of human service provision in modern societies (see Lipsky 1980) is exacerbated by the NPM-driven governance mode which has pervaded the social welfare sector (not only) in Germany. With this model, interaction work undergoes an ever more formalized controlling process geared towards maximizing the cost-efficiency of welfare programmes. In the PCI field, efficiency is measured in terms of job placements and educational certificates.

Related forms of output measurement conflict with more holistic concepts which are resource-intensive and sensitive to the conditions of the individual user. These concepts, typical of social care professions (broadly conceived), are ultimately based on *relational work* which cannot be easily cast into standardized tools for performance management (Hasenfeld 1983; Décieux 2020). Relational work is mostly indispensable in human service work, even more so as the

[8] This contention resonates with observations made in the wider literature on the contemporary German human service sector (see, for instance Grunwald & Roß 2018).

involved professions often want to perform in more holistic ways. Thus, the NPM-driven governance model exacerbates the hybrid character of organised human service provision. This model comes with increased pressures to balance tensions between 'market goals' and 'professional morality' in order to provide an acceptable quality of service delivery despite adverse circumstances. Hence, the infrastructure of the 'welfare service state' in Germany is exposed to *structural tensions* – which begs the question of how these tensions are processed at both organisational and individual level.

2.2 Institutional precarity: The regulation of continuing education and active inclusion in contemporary Germany

As noted briefly in the preceding section, the PCI sector in Germany is emblematic of the welfare service state in 21st century Europe. Like other countries, Germany has recently seen a renewed political interest in developing publicly funded service provision in this field. Vocational education and training have been viewed to become ever more critical to the country's economic development, given much-debated needs for 'lifelong learning' (Dobischat et al. 2018; Herbrechter 2018; Atzmüller & Knecht 2016). That said, the growing emphasis on robust operational capacities in the overall education system is in a stark contrast to regulatory developments affecting the PCI sector over the last two decades. In Germany, the history of the sector has been quite volatile in terms of public policies. However, the PCI field in this country is one area in which NPM-driven governance models have been implemented in rather pure forms (Albert et al. 2022). After massive cuts into the PCI budget during the 2000s with the so-called 'Hartz reforms', these models have been introduced to make the sector deliver on the terms depicted above. The legal framework in effect since then embraces the aforementioned procurement model, as well as a voucher system through which jobseekers are invited to select training programmes on the PCI market (Knuth 2018). PCI programmes are designed by the Federal Employment Agency (FEA), that is, the national headquarter of the labour market administration which rolls them out across the wider territory, with regional agencies implementing them according to local situations. Based on volatile quasi-markets and permanent cost pressures devolved on service providers, they do not only 'activate' jobseekers but also the organisations providing services to them, like elsewhere in Europe (see McGann 2021). Notwithstanding that the organisations' workforce exhibits high skills – a good deal of it has academic qualifications – the labour market for PCI services features low salaries, a high proportion of fixed-term contracts, contract work, and a lot of part-time work (Elias 2018). Since 2012, a minimum wage applies, yet there is no industry-wide collective agreement, due to a fragmented landscape of service providers (some public, some non-profit, many commercial). Thus,

the PCI field embodies a transitional labour market with high fluctuation rates and a notorious shortage of skilled workers.

Active inclusion programmes addressing young people are a cornerstone of this field and have seen a boost with the arrival of new immigrants and refugees from 2015 onwards. As these programmes focus on disadvantaged sections of the younger population, a social work component is contained in most of them. Welfare-to-work benefits only matter for adolescents older than 18 of age, yet there are strong moral pressures on younger users to enter into these programmes. Compared to activities for adult jobseekers, the legal framework is more variegated as providers receive mandates not only from employment services, but also from municipalities, regional states and the EU Social Fund (Mairhofer 2017). The commissioning process here is often less competitive and less formalized than in the procurement system run by the FEA. Some programmes open up greater scope for responding to evolving needs and for developing more holistic intervention strategies. Nevertheless, employment conditions in this sub-sector are hardly more stable than in the rest of the PCI sector, given that most mandates are fixed-term and the part of activities run under the aforementioned procurement scheme can be considerable. Experts from this area point out that, over the last two decades, the latter has seen developments resembling the ones depicted above, that is, the proliferation of the 'activation logic', increased external control based on NPM-reasoning; and an increase of the workload, in part due to a more 'complicated' clientele. In a nutshell, the PCI sector in Germany is shaped by *institutional precarity*, whatever the programmes and target groups.

Problems met during the COVID-19 crisis bear witness to this and exemplify the very conditions under which PCI services are run in contemporary Germany. In a meta-study on Corona's consequences for continuing education (Denninger & Käpplinger 2021: 171-174), it was found that the COVID 19 crisis show-cased structural problems in the sector, beyond the pressing issue of notorious underfunding (ibid: 174). The management of the crisis was complicated by the fact that the clientele of PCI programmes had become more challenging already prior to the pandemic. *"Users are becoming more difficult"* (WB_RL), due to increased psycho-social problems (Tippelt & Lindemann 2018), for instance. After the outbreak of the pandemic, the sector's precarious character became particularly visible, not only with regard to economic hardship for many providers (Christ et al. 2021: 234). Major expressions of this were discontinuities in the commissioning of mandates, the frequent postponement of courses and related funding streams, as well as problems to meet special sanitary requirements and to cope with a reduced flow of participants (Christ & Koscheck 2021: 13-15).[9] A large majority of providers

[9] It should be mentioned that many providers fell under a compensation scheme addressing employers affected by the pandemic. However, according to available survey data, a good deal of them (39%) had to introduce short-time work, while others (17%) laid off parts of their workforce and a further 8% left employees without pay (ibid:

(81%) reported that their employees were exposed to psychological stress (ibid.: 9). One out of three was observed to be afraid of being laid off.[10] Overall, it appears that the Corona crisis was an ‘eye-opener’ for problems that are symptomatic of developments in the wider ‘welfare service state’ and have intensified as a result of the crisis.

Prior to the pandemic, the welfare state's mandate had become narrowed down and less holistic which implies that educational practice geared towards empowering users turns out to be more challenging. There were new constraints imposed on provider organisations and their workforce. Working conditions were changing for all stakeholders, including middle managers involved in designing and ‘selling’ learning programmes, lecturers doing contract work, service users, and not to forget top leaders (Albert et al. 2021). The pandemic revealed the rules of the game established in the PCI sector. Many providers let fixed-term contracts expire – which, according to works council members[11] we interviewed, was convenient to some employers. Likewise, respondents employed by a faith-based provider mentioned that the latter *“fired an entire department”* (WB_J) due to a massive decline of commissioned mandates. Staff doing contract work had to accept their hourly rates being curtailed whereas educators had to develop online courses from scratch or to individually organise face-to-face lessons under convoluted hygiene rules, in a mode of *“learning-by-doing into the night”* (BR_2). In didactical terms, the digital elements abruptly introduced in the teaching programmes called for *“emergency solutions for the vast majority of target groups”* (WB_G1). More generally, the constant change in both the Covid-related restrictions and the courses’ contents – largely defined by the commissioning bodies – was viewed to impede a more foresighted conceptualisation of PCI work.

After all, the precarity endemic to the entire industry, while having become particularly virulent during the pandemic, has institutional roots and is deeply entrenched in the governance model organising the sector. As long as this model is in force, providers will *“somehow continue to sit on the fence [...] and will have to develop concepts from scratch”*, as a works council member notes. But how do providers and their agents manage to cope with the difficult task of balancing out incompatible job requirements, which mechanisms come into play in this process, and what are their wider repercussions? The following sections will provide answers to these questions.

8). One out of ten agencies were unable to extend fixed-term job contracts although this had been envisaged prior to the crisis.

[10] The crisis seems to hit contract work staff in the first instance. For example, in the above survey, 70% of the agencies agreed with the statement that these were faced by enormous distress.

[11] In the German system of industrial relations, employees in private, non-profit and public sector undertakings are entitled to endow colleagues with a mandate for representing them vis-à-vis the management of these undertakings. Above a certain threshold in terms of number of staff, these representatives form a ‘works council’ (*Betriebsrat*).

3. Digging deeper: Emotional regimes, lubricants or fire accelerant?

The implications of the precarity instilled in the PCI field can be grasped in greater details by adopting an *organisational perspective* and focusing on *emotional dynamics.* A promising approach consists of investigating the internal coordination within selected organisations and exploring the role of emotional dynamics in this process. This approach helps to uncover how the sector continues to function despite the challenges described above. In what follows, we argue that *emotional regimes* become effective in this process, albeit in ambiguous ways. These regimes are interwoven with institutional prescriptions which are established at the macro-level of the welfare service state and shape the employees' feelings in various ways, also by inciting them to develop a distinctive kind of governmentality. The latter often ensures a smooth processing of the encountered challenges and inconsistencies, even as the emotions at work serve as a lubricant for the NPM-driven governance model depicted earlier. At the same time, however, negative feelings emerging at the workplace put strain on organisational processes on different occasions – which may, under certain conditions, act as a fire accelerant. In what follows, we portray this configuration by using an analytical framework which elucidates the dynamics underway. We start by delineating the framework and then present findings from our case studies (see footnote 1).

3.1. Governmentality and emotions: An analytical framework for researching the PCI sector

As noted earlier, concerning the workforce in the PCI field, the organisational processing of the NPM-driven governance depicted above embraces the 'self-management' of involved agents. In the social sciences and in the sociology of work, such self-management has been conceptualized as 'governmentality', that is, a certain way of understanding personal responsibility and adopting external prescriptions proactively. This conceptualization draws on Foucault (2000[1978]) who once referred to governmentality as being interlocked with modern forms of rule and mediated by management technologies which involve the subjectivity of people (ibid.: 61, 64f.). These technologies tend to reproduce extant power relations and enforce economic discipline, but they go far beyond mere hierarchical *top-down* control. A major intricate mechanism triggered by these technologies is *subjective self-governing*, associated with an identity of the "entrepreneurial self" (Bröckling 2007; 2017). In this context, dynamics of *subjectivation* come into play, as shown by German contributions to the sociology of work (Kleemann & Voß 2018; concerning social services: Matuschek 2021). These dynamics are grounded in the internalization of economic principles, such as competition, performance, cost-efficiency, and translate into a quasi-entrepreneurial attitude of workers subordinated to employers.

The concept of the “entrepreneurial self” rests on interpretive schemes and role sets which make individuals define themselves in specific ways when it comes to understanding their role and taking action (Bröckling 2007: 7). It stands for various technologies which subjects use to regulate their behaviour constantly with the aim of *optimizing themselves*. However, according to Bröckling (ibid: 9), this endeavour prompts “overload” situations since the aforementioned process of optimization can never be completed and led workers to permanently invest in autonomic self-control, acts to confirm their responsibility, and self-imposed flexibility. The result is sometimes a “real fiction” of doing things in an “as-if” mode (Bröckling 2007: 283, our translation) which, however, is impossible without disruption. Rather, the respective orientations become more or less invoked depending on which of them are stronger or weaker. For example, economic imperatives can be overlayered by *other* normative references such as those ingrained in a professional ethos (ibid.: 288). The entrepreneurial self is also slowed down to the extent that permanent competition creates an “exhausted self” (ibid.: 289, our translation) which longs for constant recognition and risks to collapse when being driven by fears or captured in a hamster wheel (Neckel & Wagner 2017).

It is obvious that such processes of ‘subjectivation’ are accompanied by strong *emotions*. Here, we are not dealing with those forms of emotional work which operate in ways highlighted by Hochschild (1983), that is, with the aim to keep feelings arising in interaction work under control. Rather, a broader sociological approach to emotions considers the *entire context* in which “individuals come up with feelings” and connect them “with judgments, evaluations or beliefs” (Senge 2013:19; 23, our translation), in short: the nexus between emotion and action (ibid.: 27). This nexus is not only suffused with affection, but essentially *cognitive* in nature (for a similar view, see Klatetzki 2013). It is open to scrutiny how emotions understood in this way match the institutional constitution of a given field of action, as how they connect with the characteristics of those organisations in which they are enacted. We reckon, however, that they are inherent with what we have defined earlier as *emotional regime(s)*. This notion is borrowed from Wettergren (2019: 33) who employs to describe how, in a given organisational context, specific rules define conditions for the acting out of feelings, and how these rules come to fruition in a process in which ‘emotion work’ feeds into complex dynamics including strategic reactions. In a similar way, we propose to understand ‘emotional regimes’ as a set of mechanisms governing organisational behaviour in systematic ways. In such regimes, several elements are interlocked: on the one hand, *institutionalized* (also gendered) *expectations* towards forms of social interventions, as well as *institutional* prescriptions that influence the emotional handling of these expectations; and on the other hand, different forms of *intra-organisational* regulation which are imbued with feelings and may entail a spirit of governmentality as defined above – both on

the part of management – which, for example, enforces discipline by raising fears and increasing "resilience" (cf. Bröckling 2017) –, as well as on the part of the employees who develop coping strategies to meet existing (conflicting) requirements by means of emotional work (Schniering 2021).

Studies dealing with *frontline* work in the labour market policy infrastructure suggest that employees are indeed 'affected' by the activation paradigm sketched earlier in this working paper, internalizing the idea of individualising problems and making individuals responsible – in the absence of strategies for dealing with tensions between the 'activation' mandate and orientations towards users' needs (Nothdurfter 2020, Penz et al. 2017; McGann 2021). Other studies, however, show that altered welfare state regulations influence the emotional experience of employees in the human services field (Turtiainen et al. 2022). This pertains to fields similar to those under study in this paper, where employees are not only exposed to NPM-based welfare bureaucracies but do their work in the non-profit sector and as specialists trained in social work or pedagogics, employed by organisations guided by a special (social) 'mission' (Bode 2018).

In this context, the mix of orientations at work can be complex. Embedded in a distinctive organisational culture, employees may have options for applying references inferred from a given professional specialism and use these as a source of legitimacy for drawing boundaries between their own role and imperatives of business-like forms of work rationalization. Likewise, in the public sector, managerial technologies imposed from outside may be deflected in strategic ways, for instance when working in inter-organisational networks (Bode 2017b). There is always *some* space for "prosocial rule breaking at the street level" (Fleming 2020). Hence the concrete relationship between the competing worlds of meaning related to professional logics and economic constraints is context-dependent (Matuschek 2021; Jacobsson et al. 2020; Mik-Meyer 2018). An essential factor seems to be the degree of 'institutionalised autonomy', as suggested by a comparison between the world of medicine and the 'semi-professional' realm of social work (Will-Zocholl & Hardering 2018). The social recognition of a given professional field is equally relevant, for instance concerning the 'backing' of professional groups in conflicts at society level. All these aspects must be borne in mind when it comes to exploring the organisational processes and their emotional foundations in the contemporary 'welfare service state'.

3.2 The emotional processing of governmentality: Findings at organisation level

As our field study confirms, employees in social professions use to refer to professional standards of 'good work' (primarily in terms of clients' needs) but are challenged by economic goals, operationalized into formal procedures and numeric models. They try to keep these goals at

arm's length. In this context, they develop a specific mentality which enables them to draw meaningfulness from coping with the challenging conditions in the PCI sector. This mentality resembles the ideal type of the entrepreneurial self as sketched above. For example, middle managers we interviewed commented that it was precisely the difficult conditions of the industry which made them experience their work as rewarding and satisfying. It provides them with a warm glow when operations are crowned by success despite all adversities, including those having a mere technical character, such as winning a contract or completing a course under difficult conditions (e.g., with partly non-compliant participants). This feeling comes with the belief that success can be defined both objectively and in formal terms – 'good work' for the clientele or 'good balance sheet numbers' according to business requirements. In one of the focus group discussions that we arranged, a participant describes his attitude as follows: *"So if I were to say: Hey, everything ends up to be 100 percent the way I had imagined it before, it would probably be time to confess: Okay. Goodbye. New challenge"* (WB_PL).

More generally, our analysis highlights the role of *positive emotions* in PCI work environments. Respondents describe their job as enjoyable, providing intrinsic motivation and a sense of pride when objectives are achieved. They also hint to feelings of duty, underpinned by professional ethics and a perceived attachment to users. All these emotions turned out to be essential subjective resources for coping with requirements full of tensions. An interviewee put it like this: *"That's where most of the joy comes from, when you can interact. (...) And then there is this and that result. (..) And then you see that they [the participants] feel relieved. That's great. (..) You pull the energy out of it, for yourself."* (WB_L). It provides satisfaction when funding-related goals are achieved against all odds or young people are perceived to develop new prospects – which is a mission-related result. Workers perceive it as meaningful when they feel resonance and gratitude from users who have found a 'good job' after a training programme.

However, the efforts are not always successful. Moreover, the power gap within the organisations matters. Part of the workforce – especially those with a leadership role – may consider certain demands as welcome *challenges*, for instance achievements on the PCI market which do not endanger social goals or the organisation's internal cohesion, due to the fear of jobs being cut or working conditions becoming worse. Others may be much less enthusiastic concerning these challenges. Employees are worried about their own professional future because a training programme expires and prompts the management to make staff redundant for economic reasons. Moreover, the emotional relationship with users is often a burden rather than a trump card, as one of the social pedagogues we interviewed expounded. Even under the precarious working conditions in her organisation, she feels deep concerns about how to organise a smooth

transition of needy users to subsequent programmes as the one she is engaged with terminates. She does not want to *"break the trust"* (WB_S) that users have put in her.

At the same time, we came across many *negative emotions*[12] in the field. These include fear, anger and frustration, and they arise, for instance, when encountered requirements cannot be fulfilled due to a lack of resources. With this gap, PCI workers fear to fail, as both the demands they put on themselves and those imposed by external prescriptions cannot be met. Thus, educators find it frustrating when vulnerable groups (such as refugees, young people from disadvantaged backgrounds) cannot receive adequate support – such as a language courses or social assistance – because money is lacking or because they feel other constraints to cater for their clientele. Professional commitments are felt to collide with external conditions, and professional autonomy is impossible to deploy.

A further negative emotion is latent or manifest *anxiety*, most prominently concerning the job security of the workforce. This particularly applies to employees on a fixed-term job or in contract work. The external and internal pressure which is systematically induced under the given governance model creates fears of failure and often comes with excessive demands. Thus, the need to gain contracts leads into *"sleepless nights"* (JBH_PL) and *"sweat on the forehead"* (ibid.), especially when failures are supposed to cost jobs. The fear of making mistakes is constant, as it appears. Similar feelings arise when professionals are afraid of a *"lack of evidence"* (JBH_G) in the event of eternal quality inspections, at least when inspectors are viewed to be suspicious. These inspections, run by special services of the Federal Employment Agency, are at times experienced as a strong challenge: *"You sit there like the rabbit in front of the snake [...] and – no matter how good you are - they always find something that is bad"* (JBH_S). Dealing with anxiety must be learned, as a further interviewee points out: *"My God, now, I am in a state of feeling cool"* (JBH_AA). However, this does not work on all occasions, nor does everyone perform in the same way (see below). On the whole, feelings of anxiety seem to discipline the workforce of the organisations under study.

Interactions with users (i.e., participants) can be full of tensions as well, for example when official goals related to a training programme are not achieved despite all efforts made. In this case, providers must schedule a meeting with the commissioning body (as far as programmes of the FEA are concerned). At the same time, involved educators have to *"try... to react skillfully"* in order to establish rapport and preserve a trustful relationship with users to ensure that further interaction work remains possible, especially when users risk to react with a *"total withdrawal"* or personal *"attacks"* (WB_L). Such situations are imbued with latent fears and a

[12] Psychologists use to make a distinction between 'positive' feelings (such as joy, happiness) and 'negative' emotions (such as fear, anger). This classification is useful as it refers to the quality of a subjective emotional experience (Schützeichel 2008).

"queasy feeling" (WB_K), as one respondent expressed with regard to the eventuality of physical attacks by frustrated users. Such experiences are prone to absorbing the energy of employees. Moreover, when objectives prove to be unattainable despite all commitments, professional ambitions eventually are abandoned. Against this background, employees distance themselves from users perceived to be overly demanding or difficult – or from young people who prefer quick access to money through work for a temporary employment agency over solid vocational training: *"I cannot but talk [to them] …. Sounds a bit like surrender, but on the other hand – I think anyone is self-determined"* (WB_K). All these are mechanisms whereby emotions can contribute to *stabilising* the precarious configuration established in the PCI sector.

We also found a pattern that indicates some *'resistance'* to the pressures perceived throughout. Thus, still concerning the inspection procedure, the aforementioned special services are viewed to be technically deficient as they have no pedagogical background. While they are perceived as powerful counterparts, the focus lies on complying with formal requirements (for instance with regard to paperwork obligations) which are met 'to the letter' – but only to put oneself in the position of *actually* doing something else, namely, to pursue intrinsically motivated objectives. In a similar vein, concepts submitted to tenders are designed as an *"epic treatise"* and *"colorful bouquet of glory"* (JBH_G) in which no one believes. They are conceived of as a marketing exercise, with *"a lot of things ... only on paper"* while it remains to be seen *"what you can do [...] afterwards with the people [i.e. participants], ... may also be something else"* (WB_G1). Attempts are made to be *"sporting about"* formal requirements in the quasi-market and to meet seemingly pointless requirements in the best possible way. That said, the relationship with the FEA commissioners is not free of *"sarcasm and irony"* – and can sometimes turn into *"aggression"* (JBH_G).

To be sure, we found differences between occupational categories, namely leaders with business leadership roles, technical trainers and educators, social workers, and middle managers. All of them are in the same position to work for PCI providers receiving mandates from (quasi-) public authorities, like vocational training courses for jobseekers. However, our case studies suggest that the handling of these mandates by different occupations is characterized by distinctive constraints as well as specific normative orientations amenable to internal conflicts. For instance, a technical trainer has the task to serve external (private market) customers (e.g., those paying for painting work) while running a vocational training scheme for young, unemployed participants (who often are under psycho-social strains). For this trainer, discipline and motivation matter greatly but collide with the mentality of social workers, accused of applying *"cuddle pedagogy"* (JBH_AA) as they prioritize the processing of psycho-social problems. Such conflicts as well must be cushioned by the emotional regimes in PCI organisations. One way to

achieve that is to instil corporate identity into the latter – which hints to a further stabilizing factor observed in our study. Indeed, respondents from the above provider referred to a certain organisational *"spirit"* (JBH_G) the violation of which could urge workers to *"run the gauntlet"* (JBH_AA).

Concomitantly, the tensions related to the emotional experience made by the staff may under certain conditions reach a tipping point where it runs into a *destabilizing* factor. The volatile market, competitive pressure, cost-issues, and a permanent obligation to provide 'evidence-based' results at times undermine the ethical and moral orientations of many agents. The impression that the organisation less and less manages to balance out conflicting expectations – most notably, ambitions to meet ethical standards and time constraints arising from the regulatory straitjacket imposed on PCI providers – produces frustration. In this situation, working in the sector is *"no longer fun"*. Employees feel *"controlled"* (JBH_AA), and some can *"no longer see any meaning"* (WB_L) in their job. In addition, the workforce complains about a lack of social recognition. This is observed by various stakeholders, such as professional associations, managers, and various groups of employees. In one of the focus groups, the low social status of the sector's target groups is blamed for this: *"Honestly, nobody cares. (...) Jobseekers have no lobby. And since they are our clientele, we don't have any either"* (WB_RL).

Under these circumstances, the *management* of PCI providers plays a difficult role – also with regard to the handling of emotions. On the one hand, external requirements have to be processed in ways conducive to economic survival, while on the other, leaders – at least those working for mission-driven organisations – subscribe to social objectives, meaning they want their organisation to contribute to the common good. Moreover, managers need to maintain the intrinsic motivation of their employees as far as possible and preserve the benevolent image of their organisation (Albert et al. 2021). In our case studies, various strategies to square this circle came to the fore. Firstly, we found more classical attempts of generating fears and disciplining employees which worked in more or less subtle ways.[13] Secondly, there were 'softer' strategies as well. Thus, employees are told to pay greater attention when documenting their work, leaders report that they *"must be trained to do so again and again"* (JBH_G). Managers make efforts to establish and cultivate good terms with their employees and the latter's representatives at the job floor level – for instance by commitments to collaborate with works councils. Likewise, we figured out some reluctance among middle management to resort to authoritarian forms of leadership. A pedagogical director emphasizes he does not see himself as a *"man swinging the bludgeon"* when dealing with employees or users (JBH_PL). Communicative strategies are

[13] Our interviews with representatives of works councils from the entire industry suggest that these strategies are particularly widespread among commercial providers. Note that our case studies were all conducted in organisations belonging to the public or nonprofit sector.

used to improve the ‘resilience’ of employees who are offered supervision sessions and further training to cope with work-related distress and to *“balance out”* the problems encountered (JBH_AA). That said, the top leader’s discourse which alludes to the massive external pressures stemming from the governance model in the PCI sector undergirds what we have discussed elsewhere as a temptation to manage processes by raising internal fears (Albert et al. 2021).

This overall configuration is not without risks for PCI organisations. The emotionally exhausting work conditions – which managers and employees can only partially influence – can feed into states of crisis, for instance in the event of lost tenders or with the premature exit of users, and, more generally, during COVID-19 pandemic when mandates were interrupted. This experience can easily affect the performance of the *entire organisation*. Though being lubricants on many occasions, the mechanisms associated with the established emotional regimes then turn into ‘fire accelerants’. This may result in extended periods of sick leave or oven long-term burnout, exacerbating problems such as the staff shortages. In our case studies, agents reported to have been in psychotherapy treatment; and sometimes, the latter was employer-sponsored. At least, there is a need to talk about emotions in the day-to-day which can be time-consuming: *“Well, I have some employees who collapsed at some point. Of course, they recovered, yet they needed much attention”* (WB_EL). Some employees come to a point of no return and choose the *exit option*, looking out for less precarious, better-paid and more satisfying jobs as outside the PCI sector. Staff turnover is actually quite high in this sector – which represents an additional burden for those who remain on board. When colleagues leave, *“the remainder [of staff] stays on board and finds itself in a situation of increased workload”* (WB_G2).

4. Conclusions

For our study of the PCI sector, we have chosen a specific approach drawing on the sociology of emotions and focusing on distinctive provider organisations. This approach was aimed at illuminating how regulatory change in contemporary welfare capitalism is enacted on the ground and how involved agents are coping with the governance model inherent in the political economy of the welfare service state. Our investigation was guided by the conjecture that coping processes are embedded in emotional regimes which we conceive of as a set of mechanisms governing organisational behaviour in systematic ways. In these regimes, we argued, institutional norms and organisational practices combine with emotional experience at the street level to shape the functioning of human services provision – in our case, in the PCI sector. Furthermore, we assumed that organisational processes can be analysed through the lens of the governmentality paradigm and underlying dynamics of human self-management on the one hand, and the management of emotional resources to make employees perform, on the other.

A first insight to be inferred from our analysis is that the workforce of the PCI sector is dealing with divergent and often conflicting expectations. Ambitions engrained in professional ethos and public welfare missions remain effective at *all* organisational levels[14] and coexist with a twofold 'activation rationale' incorporated in the established governance model at sector level. This rationale addresses both users on welfare-to-work benefits and service-providing organisations where it dovetails with various forms of business re-engineering. This feeds into tensions between 'market and morality'; 'profession' and 'business'; or cost-efficiency and attention to user needs – that is, various states of organisational *hybridity*. Our analysis suggests that governmentality is a major mechanism through which these tensions are handled. The workforce in the PCI field must come to grips with a set of tension-ridden expectations and does so by *working with emotions*. Employees and managers, while being burdened by fears of failure or worries about the future at various instances, seek to stick to an ethical 'calling' and related intrinsic motivations, or they identify with the 'challenge' of meeting organisational goals against all odds. At many instances, this is facilitated by emotionalised motivations to excel under restrictive conditions, at least stepwise and in provisional ways. In this case, strong intentions to square the circle rest on personal commitment and positive feelings. The 'entrepreneurial self' is a major driving force in this process, which comes to the fore most prominently when (middle) managers welcome externally imposed challenges and draw energy from grappling with them in their day-to-day. However, related struggles can be extremely exhausting and are prone to frustration. They can undermine core capabilities, both individually (in the event of burnout situations) and at organisation level (for instance in terms of staff shortages and fluctuation). This is most evident in times of crisis such as the one triggered by the COVID-19 pandemic, that is, when economic failures are likely to occur and when fears abound.

Secondly, in light of this, we have good reasons to assume that emotional regimes like the one outlined in this working paper are endemic in the political economy of the welfare service state and make the latter function smoothly. True, critical attitudes flare up here and there. Many stakeholders of the PCI sector do simply not believe in the logic of the entrenched governance model as is indicated by a latent opposition to this model throughout the sector. This opposition makes itself felt when agents laconically comment that the machinery of quasi-market competition and numeric performance control is rife with absurdity.[15] On the whole, however, our material displays few signs of collective resistance, with one reason probably being that the workforce of the PCI sector does not feel backed by social forces in the wider society, given

[14] Whether this finding also applies to commercial providers remains open to further empirical scrutiny.
[15] In this event, we find what Bröckling (2007: 291f.) describes as a counter-strategy of ironization.

that it is dealing with stigmatized groups.[16] From this angle, emotional regimes stabilise the sector's institutional precarity as depicted in section 1.2. They make stakeholders 'survive' under adverse conditions, with positive and negative feelings accommodating the (self-)management of dilemmas encountered under the influence of the extant governance model.

To be sure, in Western societies, social intervention has always been characterized by creative forms of dilemma management, even as governmentality and entrepreneurial spirit are not a new phenomenon in this field. However, the twofold movement of 'activation' in the welfare service state – affecting both users of employment services and organisations entrusted with PCI services – may have the paradoxical result of 'greasing' the activation machine and holding it up.

A third result from our study is that emotional regimes, while undergirding the processing of extant dilemmas, are also prone to curtail the competencies needed for this. Quasi-markets and ensuing processes of permanent 'business re-engineering' absorb emotional energies. The latter are needed to make organisations in the PCI sector survive, yet risk eating into their core capabilities. Responding to entrepreneurial challenges is at times experienced as being stimulating – but is also generates fear and frustration which saps the above capabilities. At most instances, leaders and agents manage to cope with endemic hybridity, but the emotional regimes at work in the PCI sector put permanent strain on the latter's organisational settlement.

From the perspective of major stakeholders, too many energies flow into unproductive activities such as making bids, preparing for performance checks, and managing conflicts arising from constraints residing in the governance model. This very experience makes the PCI sector – and the emotional regimes instilled – vulnerable. It undermines intrinsic motivation and elicits a *brain drain* out of the industry. Within the sector's organisations, the emotional dynamics we found often have a debilitating effect on core functions, simply because entrepreneurial agency in line with the ethical and empowerment mission is weakened. This pertains to professional practice which focuses on educational goals (broadly conceived) as well as to work concepts sensitive to the individual needs of the organisations' clientele. Anyone who wants to maintain or strengthen *this* competence in the labour market policy infrastructure of European welfare states should take this observation into account.

Finally, what does all this tell us when engaging with issues of the current political economy debate? In general, our analysis deepens our understanding of the complexities inherent in 21st century welfare capitalism. It confirms classical tenets concerning the contradictory role of

[16] Rather, what can be observed instead of collective resistance against work pressures are solidaristic impulses with vulnerable user groups – which is a pattern identified in other segments of the human services sector as well. Here, care workers often find themselves in 'affectional traps' with clients, thus becoming 'prisoners of love' (Folbre 2001).

publicly arranged forms of social intervention, given that these are needed to make the economic system work but are often associated with emancipatory orientations which are embodied by special organisations and their workforce. More generally, the PCI field is indicative of normative expectations in the wider society that wants the respective organisations and agents to promote the well-being of users. This is a source of legitimacy in a struggle over hegemonic ideas which is endemic to the political economy of modern welfare states. In this struggle, the political agenda of 'activating' jobseekers and establishing new control systems, emerging within post-fordist 'worlds of welfare capitalism', impacts strongly on the labour market policy infrastructure and the role of the PCI sector in shaping the life courses of contemporary citizens. More precisely, it gives rise to a distinctive political economy of the 'welfare service state' (Bonvin et al 2018), encapsulated in a governance model featuring a quasi-market rationale through which the related organisational settlement becomes (more) hybrid and exposed to conflicting demands. In this context, the *power* to define the nature of PCI programmes, and the way of *resourcing* service providers entrusted with implementing these programmes, are crucial for the making and re-making of social reproduction settings in contemporary welfare capitalism and the political economic order more largely.

That said, a focus on emotional regimes in the processing of the ambiguous mandate of the PCI sector helps us discover the complex mechanisms moderating this process. Most importantly, our analysis brings to the fore how, within the above economic order, the 'lived experience of real-world subjects' (Best et al. 2021: 219) is imbued with non-economic dynamics which affect the role of those institutions that shape the social character of contemporary welfare capitalism. Just as cultural factors – namely a prevailing public discourse, the dominant sense-making of influential social forces, or the coincidence of 'different grammars ... and different social logics' – ignite struggles which make distinctive 'principles of societalization hegemonic and/or dominant (Sum and Jessop 2013: 10/11), emotional regimes can be crucial for the development of the above role. In the present configuration of the (German) welfare service state, emotional factors tend to stabilise the post-industrial type of political economy, as they accommodate the institutional precarity of a social welfare sector which is led to deliver services in line with the twofold activation agenda introduced during the 2000s. PCI providers abide by institutional demands to promote different sorts of human capital. At many instances, they comply with political expectations to run programmes aimed at human capital building and 'people changing', often by moving disadvantaged workers and young people into poor working conditions and low-pay low-benefit circles. Thus, the 'power play' of policy-driven frameworks endorses a distinctive arrangement of the wider economic order.

The political economy dynamics at play are complex, however. Relevant providers from the sector under study (continue to) build on empowerment orientations contained in entrenched professional commitments which induces the tensions portrayed above. The emotional regimes illustrated in our paper – that is, the complex *mix* of positive and negative feelings experienced and stimulated at organisational level – make employees of the PCI sector cope with the challenges induced by the institutional precarity of the sector. Concomitantly, emotional regimes – and the governmentalities instilled into them – are *not always and forever* a catalyst for implementing the hegemonic project of the contemporary welfare service state. They can also become a stumbling block prone to reduce its functionality. This, for instance, occurs when employees leave the PCI sector as they spot alternative job opportunities. They do so precisely because, at one point, their *emotional* experience becomes overwhelming, after having provided strong work motivations, including those guided by a spirit of governmentality. This resembles dynamics which, for some time now, affect other segments of the human services sector, most prominently the elderly and inpatient care industry. That said, this individualised way of responding to the emotional regimes in play does not necessarily feed into collective action unsettling these regimes, let alone the institutional precarity of the PCI sector.

This is not the place to thoroughly discuss solutions to this imbroglio, let alone the wider prospects of the political economy of the welfare service state. Unsurprisingly, we reckon that much depends on the institutional regulation of the PCI field and the human services sector more largely. For emancipatory goals to prevail in this field (and sector), we need a governance model which strips off the bonds of NPM in order to break the vicious circles portrayed by our study on the current labour market policy infrastructure in Germany. This is a precondition for increasing the infrastructure's capacity for meeting tasks which are likely to become more challenging in the near future. Overall, there is a need to overcome the twofold activation agenda in the German welfare state and to strengthen capabilities in mission-driven organisations from the PCI sector, including the emotional handling of the many challenges encountered.

References

Albert, A. S. Betzelt. I. Bode, & S. Parschick (2021). Management mit Angst? Führungskräfte im Sozialwesen zwischen Kontrolldruck und Rettungsambitionen. *Zeitschrift Arbeit*, 21, 3, 193-214.

Albert, A., S. Betzelt, & S. Parschick (2022). Soziale Dienstleistungen unter Druck: Ökonomisierungsgetriebene Handlungsdilemmata und ihre emotionalen Implikationen. In: S. Betzelt & T. Fehmel (Eds.), *Deformation oder Transformation? Analysen zum wohlfahrtsstaatlichen Wandel im 21. Jahrhundert*. Wiesbaden: Springer VS (in print).

Anttonen, A., J. Baldock, & J. Sipilä (Eds.). (2003). *The Young, the Old and the State. Social Care Systems in Five Industrial Nations*. Edward Elgar: Cheltenham.

Atzmüller, R., & A. Knecht (2016). Neoliberale Transformation der österreichischen Beschäftigungspolitik für Jugendliche. *SWS-Rundschau,* 56, 1, 112-132.

Aulenbacher, B., F. Décieux, F., B. Riegraf (2018). The Economic Shift and Beyond: Care as a Contested Terrain in Contemporary Capitalism. *Current Sociology, 66,* 4, 517-530.

Bayliss, K., B. Fine, M. Robertson, & A. Saad-Filho (2018). *Neoliberalism, Financialization and Welfare. The Political Economy of Social Provision in the UK*. Cheltenham: Edward Elgar.

Best, J., C. Hay, G. LeBaron, G., & D. Mügge (2021). Seeing and Not-seeing Like a Political Economist: The Historicity of Contemporary Political Economy and its Blind Spots. *New Political Economy*, 26, 2, 217-228.

Betzelt, S. (2019). Autoritäre Tendenzen in der Sozialpolitik? Wie Grundrechte im 'Hartz-IV' System ausgehöhlt werden – und was dies mit Rechtspopulismus zu tun hat. In: Heinrich-Böll-Stiftung Sachsen (Eds.), *Dossier zu Grundrechten in Zeiten des Rechtsrucks Teil I + II.* Dresden, 53-67.

Betzelt, S., & T. Fehmel (Eds.) (2022). *Deformation oder Transformation? Analysen zum wohlfahrtsstaatlichen Wandel im 21. Jahrhundert*. Wiesbaden: Springer VS (in print).

Betzelt, S., & I. Bode (2017). German *Angst* in a Liberalized World of Welfare Capitalism. The Hidden Problem with Post-conservative Welfare Policies. In: C. Needham et al. (Eds.), *Social Policy Review* 29. Bristol: Policy Press, 127-149.

Betzelt, S., & S. Bothfeld (Eds.) (2011a). *Activation and Labour Market Reforms in Europe. Challenges to Social Citizenship. Work Series Work and Welfare in Europe*. Houndmills: Palgrave Macmillan.

Betzelt, S., & S. Bothfeld (2011b). The erosion of Social Status: The Case of Germany. In: S. Betzelt & S. Bothfeld (Eds.), *Activation and Labour Market Reforms in Europe. Challenges to Social Citizenship. Work Series Work and Welfare in Europe*. Houndmills: Palgrave Macmillan, 103-124.

Bode, I. (2003). The Creeping Disorganization of Welfare Capitalism or What Is the Future of Germany's Social Sector? *Review of Social Economy*, 61,3, 341-363.

Bode, I. (2013). *Die Infrastruktur des postindustriellen Wohlfahrtsstaats. Organisation – Wandel – Hintergründe*. Wiesbaden: Verlag für Sozialwissenschaften.

Bode, I. (2017a). Social Services in Post-industrial Europe: An Incomplete Success Story and Its Tragic Moments. In: F. Martinelli et al. (Eds.), *Social Services Disrupted. Changes, Challenges and Policy Implications for Europe in Times of Austerity.* Cheltenham: Edward Elgar, 95-113.

Bode, I. (2017b). Vernetzung als regierungstechnologisches Rettungsprogramm? Ein Deutungsversuch am Beispiel des organisierten Kinderschutzes. *Zeitschrift für Sozialreform* 63, 1, 47-74.

Bode, I. (2018). Arbeit im gemeinnützigen und informellen Sektor. In: F. Böhle et al. (Eds.), *Handbuch Arbeitssoziologie*. Wiesbaden: Springer VS, 801-821.

Bode, I. (2019). Let's Count and Manage – and Forget the Rest. Understanding Numeric Rationalization in Late Modern Welfare States. *Historical Social Research* (special issue): Governing by numbers, 44, 2, 131-144

Bode, I., & G. Moro (2021). (Dis-)Empowerment in Context: A Proto-evaluative Perspective on Welfare Reform Agendas and their Impact, North-West and South. *European Societies*, 23, 5, 622-643.

Bonvin, J., H.-U. Otto, W., A. Wohlfahrt, & H. Ziegler (2018). The Rise of Welfare Service States – Conceptual challenges of an ambiguous welfare settlement and the need for new policy research. *Social Work & Society* 16, 2, 1-16.

Bröckling, U. (2007). *Das unternehmerische Selbst. Soziologie einer Subjektivierungsform.* Frankfurt/M.: Suhrkamp.

Bröckling, U. (2017). *Gute Hirten führen sanft. Über Menschenregierungskünste*. Frankfurt/M.: Suhrkamp.

Bröckling, U., S. Krasmann, & T. Lemke (Eds.) (2000). *Gouvernementalität der Gegenwart. Studien zur Ökonomisierung des Sozialen.* Frankfurt/M.: Suhrkamp.

Christ, J., A. Martin, & S. Koscheck (2021). Zur Anpassungsfähigkeit von Weiterbildungsanbietern in der Corona-Pandemie. *Zeitschrift für Weiterbildung* 44, 215–239.

Christ, J., & S. Koscheck (2021). *Auswirkungen der Corona-Pandemie auf Weiterbildungsanbieter. Vorläufige Ergebnisse der wbmonitor Umfrage 2020.* Bonn: BiBB.

Crouch, C. (2011). *The Strange Non-death of Neo-liberalism*. Cambridge: Polity Press.

Décieux, F. (2020) Sorgearbeit und zukünftige zeitgemäße Arbeitskraft im Gegenwartskapitalismus. In: K. Becker et al. (Eds.), *Gespannte Arbeits- und Geschlechterverhältnisse im Marktkapitalismus*. Wiesbaden: Springer VS, 191-212.

Denninger, A., & B. Käpplinger (2021). COVID-19 und Weiterbildung – Überblick zu Forschungsbefunden und Desideraten. *Zeitschrift für Weiterbildung* 44, 161–176.

De Sena, A., & A. Scribano (2020). *Social Policies and Emotions. A Look from the Global South*. Basingstoke: Springer.

Dobischat, R., A. Elias, & A. Rosendahl (Eds.) (2018). *Das Personal in der Weiterbildung. Im Spannungsfeld von Professionsanspruch und Beschäftigungsrealität.* Wiesbaden: Springer VS.

Dukelow, F. (2021). Recommodification and the Welfare State in Re/financialised Austerity Capitalism: Further Eroding Social Citizenship. *Social Policy & Society*, 20, 1, 125-141.

Egetenmeyer, R., L. Breitschwerdt, & R. Lechner (2019). From 'Traditional Professions' to 'New Professionalism': A Multi-level Perspective for Analysing Professionalisation in Adult and Continuing education. *Journal of Adult and Continuing Education,* 25, 1, 7-24.

Elias, A. (2018). Prekäre Beschäftigung in der Weiterbildung? Objektive und subjektive Bewertung der Beschäftigungsbedingungen von hauptberuflichen Weiterbildnern. In: R. Dobischat et al. (Eds.), *Das Personal in der Weiterbildung. Im Spannungsfeld von Professionsanspruch und Beschäftigungsrealität.* Wiesbaden: Springer VS, 185–204.

Fleming, C. J. (2020). Prosocial Rule Breaking at the Street Level: The Roles of Leaders, Peers, and Bureaucracy. *Public Management Review*, 22, 7-8, 1191-1216.

Folbre, N. (2001). *The Invisible Heart: Economics and Family Values.* New York: New Press.

Foucault, M. (2000[1978]). Die „Gouvernementalität“. Bröckling, Ulrich et al. (Eds.), *Gouvernementalität der Gegenwart*. Frankfurt/M.: Suhrkamp, 41-67.

Goodin, R. E. (1988). *Reasons for Welfare. The Political Economy of the Welfare State.* Princeton.

Gottschall, K., A. Häberle, J. O. Heuer, & S. Hils (2017). Effizienz, Kundenorientierung, Flexibilität, Transparenz [...] – dadurch verkaufen wir uns sozusagen". Werthaltungen im

öffentlichen Dienst in Deutschland in marktnahen und marktfernen Bereichen. In: P. Sachweh & S. Münnich (Eds.). *Kapitalismus als Lebensform?* Wiesbaden: Springer VS, 81-106.

Grunwald, K., & P.-S. Roß (2018). Governance in der Sozialen Arbeit. Dilemmatamanagement als Ansatz des Managements hybrider Organisationen. In: L. Kolhoff & K. Grunwald (Eds.), *Aktuelle Diskurse in der Sozialwirtschaft* I. Wiesbaden: Springer VS, 165-182.

Guile, D., & L. Unwin (Eds.). (2019). *The Wiley Handbook of Vocational Education and Training*. New York: Wiley.

Hasenfeld, Y. (1983). *Human Service Organisations*. London: Prentice-Hall International.

Hasenfeld, Y., & E. Garrow (2012). Nonprofit Human-Service Organisations, Social Rights, and Advocacy in a Neoliberal Welfare State. *Social Service Review*, 86, 2: 295-322.

Hay, C., & D. Wincott (2012). *The Political Economy of European Welfare Capitalism*. Basingstoke: Palgrave Macmillan.

Hein, E., W. Paternesi Meloni, & P. Tridico (2019). Welfare Models and Demand-led Growth Regimes Before and After the Financial and Economic Crisis, *FMM Working Paper*, No. 41, Hans-Böckler-Stiftung, Macroeconomic Policy Institute (IMK), Forum for Macroeconomics and Macroeconomic Policies (FFM), Düsseldorf.

Hemerijck, A. (2013). *Changing Welfare States.* Oxford: Oxford University Press.

Herbrechter, D. (2018). *Organisation und Führung in institutionellen Kontexten der Weiterbildung*. Bielefeld: Deutsches Institut für Erwachsenenbildung.

Hochschild, A.R. (1983). *The Managed Heart: Commercialization of Human Feeling*. Berkeley: University of California Press.

Iversen, T., & D. Soskice (2019). *Democracy and Prosperity: The Reinvention of Capitalism in a Turbulent Century*. Princeton: Princeton University Press.

Jacobsson, K., Y. Wallander, & I. Seing (2020). Street-level Bureaucrats under New Managerialism: A Comparative Study of Agency Cultures and Caseworker Role Identities in Two Welfare State Bureaucracies. *Journal of Professions and Organisation* 7, 3, 316-333.

Jensen, C. (2011). The Forgotten Half: Analysing the Politics of Welfare Services. *International Journal of Social Welfare, 20,* 4, 404-412.

Jessop, B. (2002). *The Future of the Capitalist State*. Cambridge: Polity.

Jessop, B. (2022). Offe’s Paradox in the Light of Neoliberalism and its Paradoxes: Schumpeterian Workfare and Ricardian Austerity. In: P. Kettunen et al. (Eds.), *Nationalism and Democracy in the Welfare State*. Cheltenham: Edward Elgar, 104-126.

Kapucu, N. (2006). New Public Management: Theory, Ideology, and Practice. In: A. Farazmand & J. Pinkowski (Eds.), *Handbook of Globalization, Governance, and Public Administration*. London: Routledge, 889-902.

Klatetzki, T. (2013). Emotionen und soziale personenbezogene Dienstleistungsorganisationen. *Forum Erziehungshilfen*, 19, 4, 196-201.

Kleemann, F., & G. G. Voß (2018). Arbeit und Subjekt. In: F. Böhle et al. (Eds.), *Handbuch Arbeitssoziologie. Volume 2: Akteure und Institutionen*.(2nd edition). Wiesbaden: Springer VS, 15-57.

Knuth, M. (2018). Vermarktlichung von Arbeitsmarktdienstleistungen als Legitimationsbeschaffung. In: R. Dobischat et al. (Eds.), *Das Personal in der Weiterbildung. Im Spannungsfeld von Professionsanspruch und Beschäftigungsrealität*. Wiesbaden: Springer VS, 345-376.

Korczynski, M., & V. Bishop (2008). Abuse, Violence, and Fear on the Front Line: Implications of the Rise of the Enchanting Myth of Customer Sovereignty. In: S. Fineman (Ed.), *The emotional organisation: passions and power*. Malden/US: Blackwell, 74-87.

Lipsky, M. (1980). *Street-Level Bureaucracy. Dilemmas of the Individual in Public Services.* New York: Russell Sage Foundation.

Mairhofer, A. (2017). *Angebote und Strukturen der Jugendberufshilfe. Eine Forschungsübersicht.* München: Deutsches Jugendinstitut.

Martinelli, F., Anttonen, A., & Mätzke, M. (Eds.). (2017). *Social Services Disrupted. Changes, Challenges and Policy Implications for Europe in Times of Austerity*. Cheltenham: Edward Elgar.

Matuschek, I. (2021). Subjektivierte Taylorisierung in (digitalisierten) sozialen Dienstleistungen. In: B. Emunds et al. (Eds.), *Freiheit – Gleichheit- Selbstausbeutung. Zur Zukunft der Sorgearbeit in der Dienstleistungsgesellschaft.* Marburg: Metropolis, 169-194.

McGann, M. (2021). Meeting the numbers: Performance politics and welfare-to-work at the street-level, *Irish Journal of Sociology* (doi:10.1177/07916035211068430).

Mik-Meyer, N. (2018). Organisational Professionalism: Social Workers Negotiating Tools of NPM. *Professions & Professionalism* 8, 2 (doi.org/10.7577/p 2381).

Morgan, G. (2016). New Actors and Old Solidarities: Institutional change and inequality under a neo-liberal international order. *Socio-Economic Review, 14,* 1, 201-225.

Neckel, S., & G. Wagner (2017). Exhaustion as a sign of the present. In: S. Neckel et al. (Eds.), *Burnout, Fatigue, Exhaustion: Interdisciplinary Perspectives on a Modern Affliction*. Basingstoke: Palgrave Macmillan, 283-303.

Noordegraaf, M. (2015). New governance and professionalism. In: T. Klenk & E. Pavolini (Eds.), *Restructuring Welfare Governance. Marketization, Managerialism and Welfare State Professionalism*. Cheltenham: Edward Elgar, 121-144.

Nothdurfter, U. (2020). On the frontline of the welfare service state: any possibilities for a practice of citizenship? *Social Work & Society* 18, 1, 1-9.

Nunn, A., & Morgan, J. (2020). The Political Economy of Public Employment Services: Measurement and Disempowered Empowerment? *Policy Studies*, 41, 1, 42-62.

Offe, C. (1984). *Contradictions of the Welfare State*. London: Routledge.

Otto, H.-U., A. Wohlfahrt, & H. Ziegler (2020). Der pädagogische Wohlfahrtsstaat – Welfare Citizenship als Gegenstand Sozialer Arbeit. In: P. Cloos et al. (Eds.), *Soziale Arbeit als Projekt. Konturierungen von Disziplin und Profession*. Wiesbaden: Springer VS, 235-247.

Lødemel, I., & Trickey, H. (2001). *An offer you can`t refuse: Workfare in international perspective*. Bristol: Polity Press.

Palley, T. (2020). Re-Theorizing the Welfare State and the Political Economy of Neoliberalism's Campaign Against It. *Journal of Economic Issues,* 54, 3, 588-612.

Parolin, Z., & Lancker, W. v. (2021). What a Social Investment 'Litmus Test' Must Address: A response to Plavgo and Hemerijck. *European Journal of Social Policy*, 31, 3, 297–308.

Penz, O. & B. Sauer (2019). *Governing Affects: Neoliberalism, Neo-Bureaucracies, and Service Work.* London: Routledge.

Penz, O., B. Sauer, M. Gaitsch, J. Hofbauer, & B. Glinsner (2017) Post-bureaucratic encounters: Affective labour in public employment services. *Critical Social Policy,* 37, 4, 540–561.

Pinto, P. (2019). Exploring Activation: A Cross-country Analysis of Active Labour Market Policies in Europe. *Social Science Research, 81*(1), 91-105.

Przeworski, A. (1990). *The State and the Economy under Capitalism.* London: Routledge.

Ringen, S. (1987). *The Possibility of Politics. A Study of the Political Economy of the Welfare State*. Oxford.

Scalise, G. (2020). *The Political Economy of Policy Ideas. The European Strategy of Active Inclusion in Context*. Basingstoke: Palgrave Macmillan.

Schniering, S. (2021). *Sorge und Sorgekonflikte in der ambulanten Pflege. Eine empirisch begründete Theorie der Zerissenheit.* Baden-Baden: Nomos.

Schützeichel, R. (2008). Soziologische Emotionskonzepte und ihre Probleme. *Österreichische Zeitschrift für Soziologie* 33, 2, 82-96.

Senge, K. (2013). Die Wiederentdeckung der Gefühle. Zur Einleitung. In: R. Schützeichel (Ed.), *Hauptwerke der Emotionssoziologie.* Wiesbaden: Springer VS, 11-32.

Smith, S. R. (2010). The Political Economy of Contracting and Competition. In: Y. Hasenfeld (Ed.), *Human Services as Complex Organisations*. Thousands Oaks: Sage, 139-160.

Streeck, W. (2013). The Crisis in Context: Democratic Capitalism and its Contradictions. In: A. Schäfer & W. Streeck (Eds.), *Politics in the Age of Austerity*. Cambridge: Cambridge University Press, 262-286.

Sum, N.-L., & Jessop, B. (2013). *Towards A Cultural Political Economy. Putting Culture in its Place in Political Economy*. Cheltenham: Edward Elgar.

Tippelt, R., & B. Lindemann (2018). Professionalität in der Weiterbildung – Anspruch und Wirklichkeit. In: R. Dobischat et al. (Eds.), *Das Personal in der Weiterbildung. Im Spannungsfeld von Professionsanspruch und Beschäftigungsrealität*. Wiesbaden: Springer VS, 79-96.

Turtiainen, J., E. Anttila, & A. Väänänen (2022). Social Work, Emotion Management and the Transformation of the Welfare State. *Journal of Social Work* 22, 2, 68-86.

Valiente, O., Q. Capsada-Munsech, & J. P. G. de Otero (2020). Educationalisation of Youth Unemployment through Lifelong Learning Policies in Europe. *European Educational Research Journal*, 19, 6, 525-543.

Van Winden, F. (2015). Political Economy with Affect: On the Role of Emotions and Relationships in Political Economics. *European Journal of Political Economy*, 40, B, 298-311.

Wettergren, Å. (2019). Emotional Complexity and Complex Understandings of Emotions. In: R. Patulny et al. (Eds.), *Emotions in Late Modernity*. London: Routledge, 27-40.

Will-Zocholl, M., & F. Hardering (2018). Doing Meaning in Work under Conditions of New Public Management? Findings from the Medical Care Sector and Social Work. In: F. Sowa et al. (Eds.), *The Transformation of Work in Welfare Associations*. London: Routledge, 128-146.

Winter, K., F. V. Morison, G. Ruch, M. Hadfield, & S. Hallet (2019). Emotional Labour in Social Workers' Encounters with Children and Their Families. *The British Journal of Social Work*, 49, 1, 217-233.

Acronyms of the interviewees' functions and types of their organisations

JBH	Youth Vocational Assistance
WB	Continuing education
BR_1	Works Council Expert
BR_2	Works Council Expert
WB_G1	Management of several institutions of a WB organisation
WB_G2	Management of other institutions of the same organisation
WB_J	Job coach (WB-Organisation)
WB_K	Deputy Head of Customer Center (WB Organisation)
WB_L	Educational coach (WB-Organisation)
WB_S	Socio-pedagogue (WB-Organisation)
WB_EL	Head of Adult Area/Agency Activities (WB Organisation)
WB_PL	Pedagogical Management (WB organisation)
WB_RL	Head of Rehabilitation Measures (WB Organisation)
JBH_G	Management (JBH organisation)
JBH_PL	Pedagogical Management & Deputy Management (JBH Organisation)
JBH_S	Socio-pedagogue (JBH organisation)
JBH_AA	Head of Training Department (JBH organisation)
JBH_A	Trainer (JBH organisation)

List of further acronyms used in this working paper

FEA Federal Employment Agency *(Bundesagentur für Arbeit)*

NPM New Public Management

PCI Publicly funded Continuing education and active Inclusion

Imprint

Editors:
Sigrid Betzelt, Eckhard Hein (lead editor), Martina Metzger, Martina Sproll, Christina Teipen, Markus Wissen, Jennifer Pédussel Wu, Reingard Zimmer

ISSN 1869-6406

Printed by
HWR Berlin

Berlin April 2022