


# Designing effective governance of education

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## ABSTRACT

Education systems all over the world have experimented with different ways to introduce education governance as a response to challenge to both quantitatively and qualitatively improve education services. However, in the same way that markets and governments falter, these governance arrangements can fail when the government fails to effectively steer and enable stakeholders to work together. This article proposes completeness of a policy mix – the deliberate combination of substantive and procedural elements of policy – as a crucial principle in averting governance failures. It uses case of the Philippines' Education Service Contracting (ESC) program, one the largest public–private partnerships in education world, to illustrate that education governance reforms will continue struggle to be effective when procedural policy instruments are missing to concretely articulate the policy goals.

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## 1. Introduction

Educational systems around the world have undergone major transformations since the 1980s, largely due to the broad changes in the role of the government brought about by the New Public Management paradigm (Soguel and Jaccard 2008). The greater demand for less government intervention forced governments to turn to non-state actors to provide educational services. At the same time, many governments, particularly in developing countries, commit to quantitatively expand education through increased school enrolment while improving the quality of education. The attainment of this “impossible dream” is often tempered by the limitations to government's capacity and resources (Jones 2008). As a result, the notion of “governing” education emerged as a catch-all term for the response of many education systems to these global political and economic transformations in the 1990s (Dale 1997; Daun 2007).

Education governance is both taken to mean as the process of restructuring how education activities are performed and who performs it, and the resulting arrangements where non-state actors and other levels of the government perform a greater role in

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education service delivery (Dale 1997; Kooiman 1999, 2000; Bardhan 2002). Recent changes to education governance often include education decentralization, school-based management, greater parental choice, and educational privatization (Walford 1996; Lindblad, Johannesson, and Simola 2002). Adopting such governance arrangements generally implies the government relinquishing some of its role of direct education provision and taking over the responsibility of spurring greater involvement of non-governmental actors in education.

Although touted as solutions to the rigidities of the government, shifting to education governance from hierarchical public education programs does not necessarily guarantee better education outcomes. The long list of studies examining the impact of decentralization on education outcomes remains largely inconclusive (Prawda 1993; Parry 1997; Wößmann 2003; Barankay and Lockwood 2007; Faguet and Sanchez 2008; Clark, Martorell, and Rockoff 2009; Naper 2010) and discussion whether local governments are more efficient at delivering educational services is still unsettled (Fiske 1996; Busemeyer 2008; Wang, Zheng, and Zhao 2012). The same holds true for educational privatization. Despite pious hopes of many advocates of market participation in education, evidence about the relative effectiveness of public–private partnerships in education fail to make a consensus about whether it works or not (Patrinos 2006; Bohlmark and Lindahl 2008).

Policy makers and scholars, as these empirical studies would suggest, should not be concerned solely by the type of education governance, rather, their ability to systematically design education governance arrangements is what translates to better education outcomes (King and Ozler 2005). The idea of “governance without government” (Frischtak 1994; Rhodes 1997) oversimplifies the complexity of designing governance arrangements in so far as education governance necessitates governments to take the lead in coordinating the relationships with non-governmental actors in governance schemes (Howlett and Ramesh 2014). The longstanding scholarly debate about the role of government vis-à-vis the role of the market in providing education services obfuscates the complementarity between the potential efficiency gains the market can offer and the equity consideration governments can address. Efforts should be made to improve how governments actually draw the roles and responsibilities of these complex and highly interdependent relationships.

This article suggests the adoption of design orientation in policy studies in how we should think about governance of basic education. It proposes the principle of *completeness* of policy mixes as a key ingredient in designing governance arrangements that work and argues that for governance arrangements to work, both substantive and procedural policy instruments need to present. While substantive policy instruments articulate how services and goods should be delivered, completeness of policy mix emphasizes the importance of procedural policy instruments to effectuate these substantive elements. To illustrate the argument, the Philippines’ Education Service Contracting (ESC) program, one the world’s largest PPP projects in education, is used as a case where effectiveness is constrained by poor policy design. In adopting a policy design approach in examining the effectiveness of ESC, it generates important policy implications about how effectiveness of education governance is linked to the deployment procedural policy instruments to operationalize substantive policy instruments.

## 2. Governance failures in education and policy design

The “new governance” approach entails moving away from hierarchical public programs and agencies towards an “elaborate system of third-party government in which crucial elements of public authority are shared with a host of non-governmental or other-governmental actors, frequently in complex collaborative systems” (Salamon 2011, 1613). It emphasizes the value of inter-organizational arrangements and the tools to structure these relationships more effectively (Osborne 2006). Since “education ... is produced by business enterprise and by households, as well as by government; it is partly produced outside the market altogether” (Rivlin 1973, 413), governments have long been “governing” basic education. But the rise of a variety of configurations by which the governments induce participation of non-state actors in the delivery of education service prompts a re-examination of how governments can best structure these relationships more effectively.

At the centre of these governance arrangements is the government. Despite initial expectations that governments will fade away in the period of new governance arrangements, it remains the responsibility of the government to engage partners and bring multiple actors with conflicting interests together (Capano 2011). As Jessop had earlier warned, “[o]ne should avoid seeing governance as being necessarily a more efficient solution than markets or states to problems of economic or political co-ordination” (Jessop 1995, 325). Rather, governance should be seen as establishing a specific type of relationship between governmental and non-governmental actors that often involves a mix of legal, market, network and corporatized approaches (Howlett and Ramesh 2014; Capano, Howlett, and Ramesh 2015).

### 2.1. Sources of governance failures

In the same way that markets and governments fail in delivering services, specific governance arrangements can also be an ineffective mechanism to structure the relationships between the government and non-government actors. Governance failures become particularly salient because it leads to public services that are under-provided and unresponsive to the needs of society (Bakker et al. 2008). Governance failure is essentially about the “perceived ineffectiveness of governance process” (Dixon and Dogan 2002, 174) but given that governance is an instrument for establishing relationships, this effectiveness should be refracted on performance of governance arrangements in fostering cooperation between the governance actors. As Newman puts it, “[g]overnance has failed completely when cooperation for mutual benefit – organized or otherwise – ceases to happen” (Newman 2017, 46). The ability of governments to systematically designing governance arrangements is a crucial element in averting governance failures. In a study on environmental governance failure, Arnouts and Arts (2009) identified design issues – actor overload, unclear rules, power struggle, and conflicting discourses – that confront governments as a result of the shift to governance. In these kinds of arrangements, governments must provide systematic direction to the society and economy (market) for goods and services to be provided adequately and effectively (Peters 2015). Governments must also be able to sufficiently monitor the effects of the governance mechanism and adjust properly the configuration of the

responsibilities when it is not working (Jessop 1998). When governments fail to perform these enabling and steering functions, governance failure occurs.

Education is particularly vulnerable to governance failures as it is replete with cooperation challenges. Peters and Pierre (2016) identified four sources of governance failures inherent to the goods and services delivered under new governance arrangements: private goods, internalities, imperfect information and unnatural markets. Governance mechanisms can be used to produce private goods when the government is captured by specific interests. Governance failures in education occur when private actors “capture” the government to channel public resources to pursuing private interests. Education systems also face internalities or when “private or organizational costs and benefits are included in the calculus of social decision maker” (Wolf 1979, 117). When the true cost of education services is not known, efforts to measure performance of the education system will fail to inform policymakers of the effectiveness of any education program including governance schemes (Stiglitz, Sen, and Fitoussi 2009). Relatedly, imperfect information can bring about governance failures when relevant information about the services are not generated, analyzed and shared. In education, fully catering education services to individual tastes is an impossible task owing to incomplete information about individual preferences, which inevitably causes the suppression of the market by public provision (Grout 1983). There is often a lack of information about the demand for education from households, which makes the determination of the supply and quality of education services – both private and public – a very challenging activity. These information is what Dixon broadly refers to as “governance knowledge” (Dixon 2003). Lastly, governance failures happen in unnatural markets when the limits of market forces are not adequately recognized. Education may be difficult to fully marketize because of the natural cost-benefit trade-offs when achieving competing: “improving the quality of education for some children may mean that others cannot gain access to schooling, or at least not to schooling of comparable quality” (Cummings and Riddell 1994, 7).

## **2.2. A focus on policy instruments**

A design orientation in public policy can provide policymakers a new lens on how to adequately address these governance failures by shifting the focus towards the importance of governing instruments (Howlett 2019). Modern design principles advocate for a closer examination on whether policy elements work in mutually reinforcing fashion. These policy elements need to be well-integrated to transcend cross-sectoral boundaries and hierarchical units (Meijers and Stead 2004). In integrating these instruments, policy-makers layer often-ignored but highly-interdependent problems on top of another issue (Candel and Biesbroek 2016). Such process however may result in incoherent and inconsistent goals with instruments that may undermine effectiveness (Howlett and Rayner 2007). At the same time, these instrument mix need to complement each other and be compatible with the broader governance mode (Howlett and Rayner 2013). Despite the polarizing ideological debate about the role of the market in education (Burch 2006), mixing and matching various modalities of public–private partnership from market provision of inputs (including management services, facilities), processes

(including operational services), and outputs (including provision of actual educational services) has long been the tradition in the education sector (Patrinos 2006). In fact, as Patrinos (2006) suggested, the specific instrument by which private sector is incorporated into the delivery of education matters more than who provides the service. The choice of instruments and how they relate to each other becomes an integral part of designing policies to prevent governance failures (Capano 2011; Capano, Pritoni, and Vicentini n.d.).

What becomes a useful starting point for any policy designer is the closer examination of the completeness of these policy instruments. Completeness essentially means sufficient procedures supportive of the substantive goals exist in the policy mix. In other words, both substantive and procedural aspects of the policy must be substantially articulated and operationalized (Gunningham, Grabosky, and Sinclair 1998; Howlett 2014). As rule of thumb, any policy instrument that seek to perform the “effecting” function needs to be matched by an instrument that serves the “detecting” functions (Hood 1983; Hood and Margetts 2007). Substantive or the “effecting” policy instruments refer to how goods, services and activities are produced, distributed, and consumed (Howlett 2005). The substantive elements of a policy are often the subject of research on policy content and in education largely pertains to what and how education services are delivered. Procedural or the “detecting” policy instruments are deployed to improve decision-making and often involves the generation, collection and analysis of information, and development of operating systems and procedures to better articulate the implementation of the policy goals and policy means (Hood and Margetts 2007). Howlett (2000) identified a spectrum of procedural policy instruments based on the degree of state manipulation that ranges from information, funding, recognition and institutional. Completeness of the policy mixes privileges the idea that a substantive policy instrument will not be effective without a whole array of procedural instruments.

Magnifying completeness as a design principle attempts to advance the discussion in education governance from what arrangement is ideal between the government and non-government actors towards what is the nature of policy instruments that can best structure complex these relationships. While education governance addresses the issues that the market and the government alone could not solve, it cannot be seen as an end in itself. Policy instruments are still needed to concretely articulate the policy goals and the means to achieve it. For example, education decentralization projects fail to improve education outcomes because of the absence of “policy instruments to pursue local values and needs” (Jeong, Lee, and Cho 2017, 25). More importantly, while education policymakers have various policy instruments at their disposal like mandates, capacity building, marketization, and accountability mechanisms (McDonnell and Elmore 1987; Hannaway and Woodroffe 2003), these instruments need to be matched together. Promoting greater market involvement in education became a recent trend among governments but this also means that accountability mechanisms need to be put in place (Hannaway and Woodroffe 2003). In other words, the purpose of procedural instruments within the context of education governance is to configure how actors interact.

Matching the correct procedural instrument with the substantive elements of a policy would improve the overall means-ends objective, a central tenant of the design

orientation in the policy sciences (Howlett 2018, Bali and Ramesh 2019). Policymakers within the education bureaucracy need to constantly tinker with education policies as they contend with multiple high-level political objectives such as embodying a national identity, and fostering social control (Fiske 1996). As a result, policy instruments do not exist independent of each other. In fact, significant interdependence between Vedung's (1998) types of instruments (sermons, carrots, and sticks) in influencing satisfactory student outcomes in Chile (Salazar-Morales 2018). Moreover, as research on policy design have shown, the choice of procedural components determines the substantive effectiveness of a policy. Within the discourse of the design of conditional cash transfers, varying procedures for the release of payments improve program outcomes. For instance, postponing the income transfer is more effective at improving enrolment at secondary schools than the common design of guaranteed bi-monthly transfers (Barrera-Osorio et al. 2011). Lack of information about the existence of local participatory mechanisms to improve education resource allocation constrain its effective use (Banerjee et al. 2007).

As the managers of the largest bureaucracies in the world, education administrators are confronted with tying discrete, weakly intertwined but highly interdependent functional units (Weick 1976). While education governance is an attractive solution to the rigidities of the bureaucracy, effectively developing arrangements with external actors can even be more challenging. With widespread education governance reforms, the underperformance of many education systems all over the world can thus be seen as a function of governance failures. Averting these governance failures is crucial to avoid wastage of public resources and to mitigate adverse effects to generations of students.

### **3. Linking governance failure with poor policy design: the case of the Philippines' education service contracting program**

The ESC scheme is one of the largest education public-private partnership programs in the world (Patrinos, Barrera-Osorio, and Guáqueta 2009). It was launched in 1982 as a pilot and was eventually expanded and enacted into law in 1989 through Philippine Republic Act 6728 or the Government Assistance to Students and Teachers in Private Education (GASTPE). GASTPE is a comprehensive program to provide assistance to private education as a way to alleviate the crowding out effects of the Free Secondary Education Act of 1988 on private secondary schools (Jimenez et al. 2011; E-Net Philippines 2012). By 1998, GASTPE was amended to further expand its scope with the enactment of Republic Act 8545. Apart from ESC, GASTPE is also comprised of Teachers' Salary Subsidy (TSS), in-service training (INSET) fund for teachers from private high schools, Tuition Fee Supplement (TFS) and research. In 2013, through Republic Act 10533 or the Enhanced Basic Education Act, a Senior High School Voucher Program (SHS VP) was also introduced as a core component of GASTPE.

Broadly, GASTPE seeks to contribute to promote and make quality education accessible to all Filipino students by acknowledging the complementary roles of private and public schools in the education system. As a program under GASTPE, ESC aims to (a) reduce the class size in public secondary schools to more manageable levels, (b) prevent transfer of private school students to public schools. ESC is part of the broader



education governance reforms long advocated to ease the strain placed by providing universal basic education to a growing population given scarce economic resources (UNESCO 1949; Swanson 1960). During the time, the Philippines had the “most extensive schooling system of all less developed countries” but quality is also “very low” (Jimenez et al. 1995, 47–48). ESC emerged out of the need to provide quality education for many public school students while mitigating the impact of the universalization of secondary education on the private education sector.

The Department of Education (DepEd), through the ESC, pays for the private schools with excess or slack capacity to take on “aisle students” or those that exceed the ideal number of students per classroom. ESC is a tuition fee subsidy program that provides grants to students to attend 4 years of private high schools to shift them away from congested public high schools. The subsidy amounts to PhP 10,000 (~US 190) per year for students in the National Capital Region and PhP 5000 (~US95). The program progressively expanded since it was introduced in the 1980s (Jimenez et al. 2011; Philippine Commission on Audit 2018). In 1997, there were over 200,000 ESC grants. For SY 2008/2009, ESC covers 477,000 grantees from 2003 participating private schools. By 2017/2018, the program has grown to include 970,311 grantees from 3297 private schools. In terms of funding, ESC subsidies amounted to PhP 8.3 billion (US\$159 million) in 2017/2018 from PhP 2.4 billion in 2008/2009 (US\$46 million).

The main implementing agency of ESC is the Private Education Assistance Committee (PEAC). PEAC serves as the trustee of Fund for Assistance to Private Education (FAPE), a permanent trust fund created in 1968 to finance programs of assistance to private education. DepEd provides annual funding and exercises oversight by setting general policies and specific guidelines. A memorandum of agreement governs the relationship between DepEd and PEAC, which is renewed every year. DepEd pays for the entire program costs including an administrative service fee for PEAC’s management of the program. PEAC generally carries out the day-to-day management of ESC since its inception (except for 1991–1996). The PEAC is chaired by the Secretary of Education and includes members from the national planning ministry – National Economic and Development Authority – as well as members from associations of private schools and universities. While DepEd sets the policies, PEAC carries out the bulk of program implementation including certification of eligible private high schools, determination of slots per school and collating and forwarding billing statements of schools to DepEd.

### ***3.1. Solving governance failures through policy design***

Although the program has existed for more than 30 years, there is no systemic evaluation of the program’s effectiveness and recent studies and government audits reveal how much the governance arrangement has failed in achieving its policy objectives. Past studies on ESC focused entirely on the comparative advantage of private education over public education (Jimenez, Lockheed, and Paqueo 1991; Jimenez et al. 1995), which is consistent with the idea that private schools offer better quality education. However, there is mounting evidence that ESC has not reached its own goal of decongesting the public secondary education system. Based on proxy measures of

decongestion, some regions receive more than they should and those that need it more actually receive less (Jimenez et al. 2011). Initial administrative guidelines also sought to cater the ESC program to “poor but undeserving” students but recent audit findings show leakage: “The ESC scheme/program did not properly target its grantees, thus resulted in granting assistance to students not belonging to the underprivileged” (Philippine Commission on Audit 2018). Completion rates of ESC grantees (78%) are also below than national average (83%) in 2015 (CPBRD 2014), suggesting the governance set-up does not ensure that program gains are maximized.

The failure to achieve these outcomes can be linked back to the various governance failures in education. A clear case of imperfect information presents itself when the issue of decongestion is considered. Public schools do not have the incentive to divest information about excess students because maintenance and operating costs are determined by the number of students. As a result, “DepEd had no way of measuring the full capacity of schools and the implied number of aisle students in a region, let alone in each public school in the country” (Jimenez et al. 2011, 32). Although DepEd argued that decongestion is not the primary purpose of ESC and other programs like school building construction aim to reduce pupil–teacher ratio (Philippine Commission on Audit 2018), the purpose of subsidizing private education by shifting otherwise public students is meant to improve the quality of public education. The fact that the decongestion instrument is largely unoperationalized have the led studies to conclude that “enabling situation where school administrators of both public and private schools work on the “decongestion” process is absent” (E-Net Philippines 2012, 29). Similarly, the governance arrangement appears to have been used to produce private goods, given that the MOA between PEAC and DepEd guarantees fixed revenues to PEAC regardless of performance. Jimenez et al. (2011) points to potential regulatory capture. Since the DepEd Secretary serves as the chair of PEAC, there is virtually no monitoring function exercised by DepEd. The MOA do not serve any regulatory function at all. As the Philippine Commission on Audit (2018, 47) finds:

In 2017, DepEd was able to release payments to PEAC for activities that PEAC has not yet performed as of date of payment. In addition, despite PEAC not meeting its target to monitor and visit 10 per cent of the SHS VP-participating schools for SY 2016-2017, it receive the full contract price.

### **3.2. Completeness of policy mixes**

However, these governance failures could have been addressed by a more conscious approach to structuring the relationship of PEAC, the participating private schools and DepEd. DepEd is one of the most centralized agency in the bureaucracy, only going so far as administrative decentralization amid the wave of political decentralization in the 1990s. There is also a proclivity for control instruments. DepEd’s “culture of obeisance” (Bautista, Bernardo, and Ocampo 2009), the “no memo, no action attitude” (Monsod 2009) and the governance by “DepEd memo” (Luz 2009) point to the top-down approach in getting things done within the education organization. As a result, most of DepEd’s policies have excessively focused on easily measured and controlled activities (Monsod 2009) as the central office is heavily engaged in directing and guiding the



**Table 1.** Incomplete policy mix of ESC.

Policy goal	Substantive instrument	Existing procedural instrument	Missing procedural instrument
Improve access to quality education	<ul style="list-style-type: none"> <li>Contract out educational services to private schools</li> <li>Tuition fee subsidy for students to transfer from public schools to private schools</li> <li>Target poor but deserving students</li> <li>Contract out management of program to private agency</li> </ul>	<ul style="list-style-type: none"> <li>Licensing by DepEd</li> <li>Private school certification by PEAC</li> <li>Regional quota system</li> <li>Grantee selection process by the School Committee</li> <li>Fixed-price memorandum of agreement</li> </ul>	<ul style="list-style-type: none"> <li>Identification of private schools with slack capacity</li> <li>Identification of congested public schools</li> <li>Information dissemination about ESC to target students</li> <li>Identification of deserving students through a common standard</li> <li>Accountability mechanism for non-performance of PEAC</li> </ul>

day-to-day affairs of regional and division offices. Such approach perpetuates over-reliance of “sticks” to compel actors to perform their mandate but ignores the need to articulate the procedures necessary to ensure that they perform these functions effectively.

It is not surprising then to see an incomplete policy mix, one that failed to introduce critical procedural instruments (see Table 1). An important substantive instrument to achieve ESC’s objectives is to induce private sector participation in secondary education by contracting out some educational services to private high schools. In principle, the substantive or the “effecting” aspect of ESC is transformative as it involves the participation of the market to expand access to better education. Only private schools officially licensed by the government certified to have met the minimum standards of the government can participate in the ESC. While the certification process is self-initiated, a team of certifiers conducts school visits to verify the claims made by the school by looking into observable and tangible evidence. Thus, it screens out private schools that could not provide quality education, consistent with the theoretical argument of ESC. However, the procedures by which effective allocation of contracts to private schools is sorely lacking. Slots are determined as a function of the number of Grade 7 students from the previous year or a maximum number of 50 for newly participating schools. Incentive slots were also introduced as performance-based rewards for schools that received a high rating on the ESC certification or other private schools accreditation system. Such a procedure do not guarantee that ESC builds on the slack capacity of the private sector. In fact, cases of private schools with financial dependence (80–90% of revenues) on ESC (E-Net Philippines 2012). What is missing is a procedural instrument that collects information about slack capacity among participating schools. Tracking excess capacity of private schools used to inform allocation of slots in the 1990s but this has been replaced by a quota system (Philippine Commission on Audit 2018).

Another substantive element of ESC is concerned about decongesting the public school system. It addresses the issue about quality of education by shifting “aisle

students” from public schools to private schools. As earlier mentioned, the means by ESC does this is to use a quota system for each administrative region, which might “be effective in addressing the congestion in public junior high schools” (Philippine Commission on Audit 2018, 14). A procedural instrument to measure the degree of decongestion for each school is crucial in making ESC more effective.

As noted by Jimenez et al. (2011), such information should be related to the information about slack capacity to ensure that private schools are contracted that are close to the congested public schools.

The third substantive policy instrument of ESC is meant to achieve the equity dimension of education by targeting target poor but underserving students. Recent policy guidelines (Department Order No. 20, s. 2017) delegated the selection of ESC grantees to the School Committee who is tasked to assess the profile of students and select grantees based on need. This suggests that governance of ESC will be uneven across regions and schools as the selection of beneficiaries is contingent upon the discretion of the School Committee. There is no specific targeting mechanism that exist to identify “poor but deserving” students from public schools. Similarly, more than 30% of ESC grantees for the past 6 years actually come from private elementary schools, suggesting that there are students who may not exactly be “deserving” or have higher capacity to pay are provided assistance by state (Philippine Commission on Audit 2018). This concern of ESC not being entirely pro-poor is reflected in the assessment that ESC only defrays the cost of private education by only 60% (Cornelio 2016). This could be resolved by introducing procedures to identify deserving students from poor neighborhoods. Such a procedure is contingent upon the proper identification of schools with excess students, but the targeting mechanism will improve program focus and will maximize the government’s assistance. While cost is an important consideration, there is also low awareness among potential ESC grantees about the program (Philippine Commission on Audit 2018). Virtually no information dissemination campaign to increase take up of ESC have been undertaken by DepEd. ESC needs to have to a procedure to increase applications to the program through more intensive information campaigns. In experiments, information campaigns about the benefits and costs of education have proven to be effective in enhancing intention to enroll (McGuigan, McNally, and Wyness 2016).

Lastly, ESC hopes to recognize the complementary role of private education not only by contracting their educational services but also by engaging the private sector using a collaborative set-up through the PEAC. However, unlike many ESC schemes around the world (LaRocque and Lee 2011), ESC in the Philippines do not have a strong accountability mechanism linked to student performance. While DepEd is expected to set general policies and specific guidelines and PEAC implements these policies, DepEd does not exercise any form administrative supervision over PEAC (Jimenez et al. 2011; Philippine Commission on Audit 2018). The contractual arrangement, which is a fixed-price annual contract, between the government and PEAC is configured in such a way that there is no incentive for PEAC to achieve the stated policy objectives (Jimenez et al. 2011). Since the release of funds is not contingent upon performance, there is no way for the government to make PEAC accountable for underperformance. Performance-enhancing accountability mechanisms, buttressed by the collection of performance information, need to be in-place in order for the broader

policy objectives of decongest to be actively pursued. Moreover, the “authority” instrument is lacking to effectively monitor and oversee the performance of the PEAC as the contractor. For the longest time, DepEd does not have a focal unit to coordinate and monitor ESC activities. It was only on 2016 that DepEd created an Interim Project Management Office (PMO) responsible “to manage policy formulation, implementation, and monitoring” of GASTPE but the unit does not actually perform program monitoring yet due to lack of personnel and support from top management (Philippine Commission on Audit 2018). The PMO, when operational, can be responsible for deploying procedures to enforce accountability from PEAC for non-performance.

The current mix of policy instruments of the ESC is incomplete. The design of ESC’s instruments, while consistent with the “governance by DepEd memo” approach, does truly enforce the substantive decisions on ESC, which underpins the failure to translate to actual results. There is also a clear absence of tools for performing “detecting” function of governing. These instruments are needed to better structure the relationship between the government and PEAC. While PEAC has the responsibility to implement the ESC allocation system, DepEd has the authority and capacity to actually determine “aisle” or excess students based on information that can be shared by the schools. Rather than relying on PEAC to collect this information, DepEd needs to actively design mechanisms that will generate information about public school congestion. On the other hand, PEAC needs to deploy instruments to match this information by collecting data on private school slack capacity.

#### 4. Conclusion

The article sought to advance the notion of policy mix completeness – as a combination of procedural and substantive elements of the policy – as vital in the effectiveness of “new governance arrangements” like educational privatization. Using the case of the Philippines’ ESC, it established that much of the underperformance of the ESC can be linked back to poorly designed governance arrangements between the government, private schools and the private contracting agent, PEAC. The case also shows that the lack of information about the extent of congestion in public secondary schools leads to misguided distribution of ESC slots. Procedural instruments for identifying slack capacity remain largely absent for ESC to achieve its objective of decongesting public education system and providing access to poor but deserving students. By systematically looking at whether procedural policy instrument adequately support the substantive aspects of the policy, it hopes that similar governance failures can be averted.

The article’s assertions put the role of policy designer to effectively structure governance arrangements at the centre of debates about policy effectiveness (Peters et al. 2018, Bali et al. 2019). Rather than treating the shift to “governance” as the goal of many educational reforms, policymakers need to be actively concerned on ensuring adequate operationalization of the policy through procedural instruments. As the ESC case have shown, various governance actors have competing interests that may run against the stated policy objectives. What is crucial is for the government to truly perform its steering role through adequately combining the substantive elements of

education governance with policy instruments that promote collection and analysis information and derive accountability of all governance actors.

## Disclosure statement

No potential conflict of interest was reported by the authors.

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