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MASTER THESIS

**Happy Grades in Swedish Primary
Schools: an Investigation**

How different institutional logics can manage conflicting
institutional pressures

Authors: **Henrik Kilander (22400)** and **Jakub Losenicky (40848)**

Supervisor: **Mats Jutterström**

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Abstract

Previously a role model for education, Sweden has been experiencing plummeting results in the international PISA rankings on education since they began in 2003. Defying this trend, the grades of Swedish students have been increasing. One significant change has been the Free School Reform that three decades ago made it possible for private actors to run schools. Now, voices are warning that the privatisation of education is driving grade inflation in Sweden, threatening the already strained system. Specifically, private schools are accused of giving 'happy grades' to students as a cheap way to compete. The research in the area is inconclusive with different researchers reaching different conclusions, however, the previous research fails in discerning between different types of private actors. This is potentially a severe issue as the motivations of a non-profit organisation can be decidedly different from that of a for-profit corporation. To shed some light on the different types of actors in the school arena, this thesis investigates the difference in happy grade giving between different school forms. The research draws on theory of institutional spheres and further builds upon that by adding the frame of institutional logics. The investigation is made up of two studies, where the first investigates grading between different school forms, and the other polls Swedish headmasters for their views on marketing and competition. Results from the first study showed that there were no significant differences in grading between different forms, after controlling for education quality and the learning conditions of children. The second study found that there are significant differences between the market logic proliferation in different forms of schools. This difference suggests that market logic does not drive happy grades but is still present in some parts of schools. Furthermore, the thesis contributes by establishing different organisational roles embedded with conflicting logics, as a mechanism for sustainable institutional conflicts, as well as suggest conflict as a tool to be used for investigating institutional clashes.

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Chapter 1

Introduction

“It ain’t what you don’t know that gets you into trouble. It’s what you know for sure that just ain’t so”.

– Mark Twain

Swedes generally perceive their country as the best at almost everything. They do not say it aloud because they take it for granted, and with some merit. Sweden generally places high in rankings on best place to live (WEF 2017), nicest country in the world (Independent 2016), and best place for businesses (Forbes 2016). Next to Danes, Swedes are among the happiest people in the world (WHR 2017). There is, however, one area in which the blissful Swedes have had to reach their famous consensus in acknowledging as not very good, and it is an important one. The Swedish education system has taken a beating (OECD 2012; 2015). Sweden has been going down in the PISA rankings since they started in 2003, and only saw a sliver of hope in the latest report (OECD 2016) where students had improved, notably in mathematics. For the otherwise successful Swedes this is a hard pill to swallow and thus they are looking everywhere to find a solution. Specifically, they look at what they have done to their education system during the last decades.

1.1 Education in Sweden

In the 90s, Sweden introduced reforms that became the biggest overhaul of the education system since the introduction of public mandatory schooling in 1842. There were three notable reforms in the 90s that came to shape the system in place today. In 1990, the responsibility of the public education was transferred from the central government to the municipalities. A hotly debated topic which

passed parliament with a narrow margin, it was argued it would give teachers more authority and allow a greater degree of local influence on education. Only two years later, in 1992, the *Free School Reform* was carried out which made it possible for schools to be run by private actors. At the same time as this decentralisation and liberalisation of the education system was taking place, a shift was happening where schools were to be guided by goals and plans rather than a specific set of instructions in how to carry out education. There was no longer a fixed method, rather, each school should develop their own approach and grades were set through goals (Holmlund *et al.* 2014). At the same time, the grading system was changed from a scale of five grades to one with three. Needless to say, it was a major overhaul and education has not been the same since, for good and for bad.

1.2 Private schools

The increase in private schools have been high. In 1993, after the establishment of the free school reform, about 1% of Swedish students attended a privately-run school. Ten years later, in 2003, 6% of primary school pupils and 8% of upper secondary school students were being educated in private schools. In 2016, this had increased significantly with 15% of primary school pupils and 25% of upper secondary school pupils being catered to by private actors (Carlgren 2016). One in every four kids in Sweden is attending a private upper secondary school, that is a significant change to a system where 25 years ago the only private schools were a few elite boarding schools. The composition of private schools is also interesting, about 60% of private schools are run as for-profit companies (*Aktiebolag*) with the rest being run in a non-profit form i.e. foundation, co-operative or association (Carlgren 2016). To date, no investigation has been done into the further composition of for-profit schools. They can be run by anyone, from a single person running their own school, to being owned by a foreign Private Equity company, to being listed on the Stock Exchange. Sweden have arguably adopted one of the most liberal systems for education in the world.

The introduction of private schools was, however, a fairly radical idea which faced stern opposition Holmlund2014. However, it was passed in the parliament and thus far no other developed country has a system like the Swedish one, where private companies that provide schooling are financed fully by the government. Swedish schools are financed through the '*skolpeng*' which is a

specific amount of money that a school gets as reimbursement depending on how many pupils they have. The size of the allotment is decided on the municipal level, and the municipality is also responsible for distributing money so as to empower struggling areas compared to affluent ones. The purpose being an increased equality between the schools. Equality between schools is a central tenant of the Swedish system, indeed, it is mirrored in most every aspect of the Swedish public arena such as healthcare and public administration and procurement. That is why the potential unfairness that has been highlighted in the media regarding grading has gotten such traction. Generally referred to as happy grades (*glädjebetyg* in Swedish), it is a popular notion that private schools give their pupils higher grades than they deserve in order to compete more efficiently. Notably, this was reported by investigative journalists from SVT in the show Uppdrag Granskning.¹ They primarily investigated the Academedia Group and accused them of using happy grades to increase profits. Furthermore, the authors of this thesis conducted a media discourse analysis, examining articles published by a major Swedish daily, Svenska Dagbladet. All articles containing the word ‘*glädjebetyg*’ between 2000 and 2017 were analysed. Out of the 56 articles compiled, 28 dealt with happy grades in schools. Sixteen of these portray private schools as producers of happy grades and the culprits in the system. Three suggest that both private and public schools give equal amounts of happy grades and the remaining nine do not mention the division.

1.3 Happy grades

Happy grades have become a major issue in the discourse and is frequently used as an argument for the abolishment of private schools in general. However, few articles cite actual research, instead it is often based on simple investigations done by the newspapers themselves, and no article provides any granularity within the concept of private schools. Private schools are treated as one and the same which is bad for two reasons, first, it is illogical to argue that e.g. a non-profit school would engage in happy grade giving if profits are driving happy grades, second and more importantly, it contributes to the generalisation of private schools as one and the same. One reason could be that no official data is created with any granularity besides the division into private and public

¹SVT is the Swedish public broadcaster and public producer of television, and Uppdrag Granskning is a TV series where investigative journalists examine topics of societal interests.

schools. This is a detrimental problem as it contributes to an uninformed debate, leading to wrong decisions potentially being made by policymakers. To begin getting Swedish education system back on track it is essential to properly learn from what is actually happening today and then make adjustments.

1.4 Research question

In light of the argumentation above this thesis aims to investigate the advent of happy grades in the Swedish school system with a specific focus on differences between organisational forms. In order to contribute to the discussion on privatisation the authors argue that such research is critical so as to not throw out the baby with the bathwater, to use an old German proverb. Thus, the research question driving this thesis is:

Are there any differences in happy grades between different forms of schools?

1.5 Thesis outline

In order to properly investigate this question, the thesis is divided into two main studies with the second following as a result of the first. The first study begins with a background of *organisational institutionalism* to then result in a comprehensive institutional framework applied to the question at hand. The next section describes the quantitative methodology applied as well as the data. Results from the investigation are then presented, followed by a short chapter outlining the conclusions from Study 1 which also forms the bridge into Study 2. The second study follows a similar pattern as the first. The theoretical framework is built upon to handle the issues found in Study 1. Then the methodology is described together with an analysis of the data. As the type of data varies between the studies, different quantitative methods are used for analysis. After the results from Study 2 are presented, a discussion will summarize the conclusions from Study 2 and bring both studies together for a final discussion in relation to the theoretical framework. The thesis is finalised with a section outlining significant limitations of the research and presents vantage points for future scholarly endeavours.

Chapter 2

Study 1: Past Research

This chapter outlines the case of happy grades in Sweden and the most prominent research in the area. It shows a conflicted body of research which struggles to find a coherent view on the causes of happy grades and to what degree happy grades exists in society. Further it explores international research and ends in the proposed research gap.

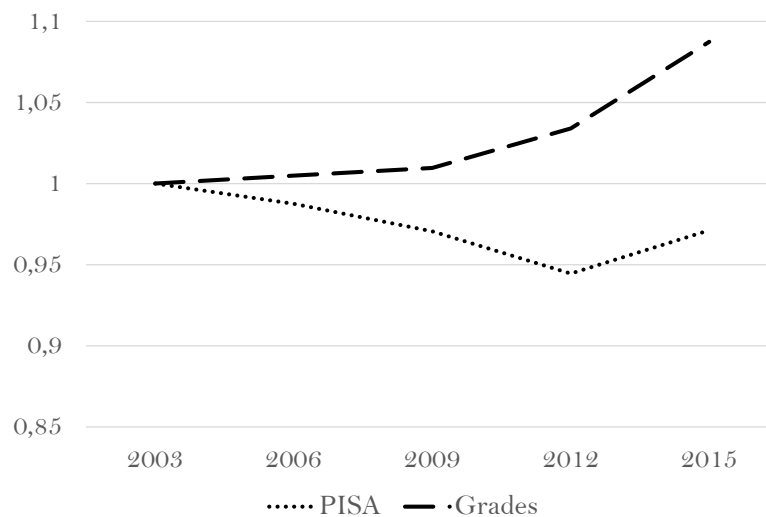
2.1 Grading, happy grades, and grade inflation

Grading is a central aspect of schooling. In Sweden, pupils get their first grades in the 6th year. However, the first time grades actually matter is in the 9th grade when they are the basis for what upper secondary school a pupil will be accepted to. From there, grades are the main determinant of university acceptance and are important for employers when hiring directly from upper secondary school. Hence, it is of utmost importance that grading is fair across Sweden. This is such a central aspect that it is written in the School Law, which specifically states that education shall be equal regardless of school form (Skollagen 1 Kap. 9 §). Indeed, reports from different areas investigating grading continuously reiterate equality in grading as an integral part of the education system (Riksrevisionen 2011; Skolinspektionen 2010; TeacherAssociation 2012; Skolverket 2007). However, as noted in the introduction, the equality of grading is being contested. In fact, all these reports that highlight equality also point out that grading in Sweden is not equal between schools, stating that some schools give higher grades than others.

In the media discourse, this is often referred to as happy grades. Specifically, the term happy grades is used in relation to market driven schools that

give students grades they do not deserve as a cheap and simple tool to be more competitive (c.f. media discourse analysis). This has been investigated with differing and inconclusive results. Wikström (2005) reach the conclusion that private schools do inflate their grades, and that competition is a main driver for them. In contrast, Böhlmark & Lindahl (2007; 2012) show that competition legitimately has produced better results, not grade inflation. In a similar line, Vlachos (2010) do not find any major differences between private schools and public schools, but does find that competition has led to grade inflation. However, six years later Vlachos & Hinnerich (2016) find that private schools are significantly more lenient in grading than public schools. In 2012, the Swedish Teacher Association conducted a study among its members and found that 70% of teachers had experienced some kind of pressure to increase a grade. The total pressure was similar between private and public schools, however, in the private schools it was more likely for the pressure to come from parents. In addition, 20% had experienced such a pressure from their headmaster (TeacherAssociation 2012).

Figure 2.1: The development of the grade level and PISA results in Sweden (normalized)



Source: Skolverket (2017); OECD (2016) and authors' computations.

The distinction between happy grades and grade inflation is difficult to specify. In general, happy grades seems to be used as a negative term to slander specific schools, whereas grade inflation is seen as a general societal phenomenon. For example Skolverket (2009) found that some part of grade inflation was due to teachers using other bases for grading than official ones, in

light of reforms to increase teacher authority. In reality, happy grades are part of grade inflation and no grade inflation is legitimate. Grades can legitimately increase if knowledge and skills increase. However, as the PISA results show, the case in Sweden seems to be the inverse (see Figure 2.1). Therefore, this thesis aims to employ a rigorous methodological approach to assure that effects captured are not due to differences in knowledge or skill between the students or differences in the quality of education. Thus, effects captured should show illegitimate cases of grade inflation, or happy grades. To that affect, in this thesis happy grades is defined as *illegitimately high grades that are given due to market pressure*. An appropriate definition as it mirrors the common connotations of the word, as well as reflects the general discourse of private actor influence that this thesis is a part of.

2.2 Further perspectives

The Swedish research on grade differences and inflation is not extensive, as accounted for above, especially in relation to differences between private and public schools. Studies mainly take the form of government related investigative reports. However, in Spain, Moreno-Herrero *et al.* (2014) investigated differences between school grades and results from their equivalence of SAT and found instances of grade inflation but no difference between private or public schools. Himmeler & Schwager (2013) find that schools in disadvantaged areas in Netherlands were more lenient in grading than other schools. In Germany, Ehlers & Schwager (2016) find that some private schools consciously shy away from giving happy grades as a signal of quality in order to attract students. In the US, Walsh (2010) finds that headmasters lower standards in the face of competition, but he also found that teachers generally responded with more strict grading, resulting in no change in grades. Interestingly, some studies investigate other sources of grade inflation than competition. Iris-Franz (2010) found that American students who bothered their teachers, increasingly got higher grades. De Witte *et al.* (2012) found that both positive and negative shifts in resources enacted happy grade giving.

Interestingly, no study to date, in Sweden, has rigorously differentiated between different kinds of private schools. However, it has been done to a degree abroad. Nata *et al.* (2014) investigated differences in grading between Portuguese private schools and public schools. They further divided private schools into two different segments, fee-based private schools, and voucher-

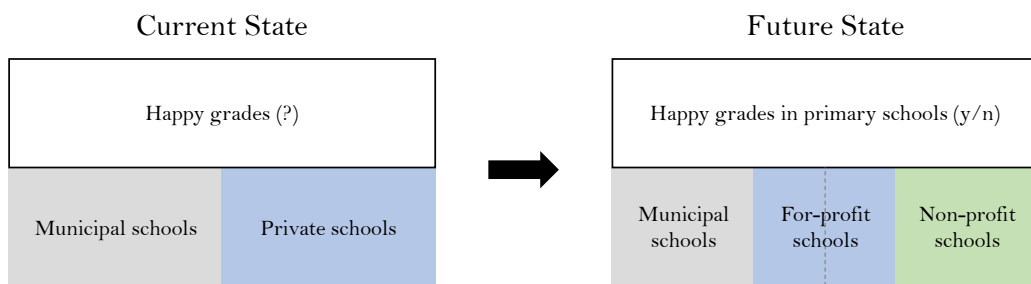
based private schools. Interestingly, they initially found no differences between private and public schools, however, when they added the granularity of the two forms of private schools, they found that the fee-based private schools were much more lenient in their grading.

Worth to note, is that the absolute majority of studies, both the international and Swedish ones, investigate the upper secondary school level. Very little research has been done specifically on primary schools. One reason could be that grades are more important in upper secondary school, as the choice of university often is seen as more important than the choice of upper secondary school. Furthermore, in Sweden there are stricter regulations in place on primary schools than upper secondary schools, which likely makes it a more varying area of research. However, these aspects do not make primary schools less valid for research, rather the opposite as they are a more central part of society and thus need to be better kept.

2.3 Research gap

The debate in Sweden regarding private schools is arguably hot, especially when it comes to happy grades and unfairness. However, there seem to be few studies that really place a spotlight on the problem and the ones that do almost exclusively focus on upper secondary schools. Specifically, the current researchers seem content in generalising about different types of private schools as if they were the same. As the example from Portugal shows, this can be an important mistake when producing material for policymakers. Therefore, the first study of this thesis aims to investigate the frequency of happy grades in Sweden among different forms of primary schools. Specifically dividing the private schools into non-profit and for-profit actors, additionally there is merit in exploring a further division of for-profit schools in light of findings of Nata *et al.* (2014). This added level of granularity could shed important light on the specific issue of happy grades. In addition, it could prove a useful example for future investigation into other areas of education, as well as for the investigation of areas with a similar mix of differentiated actors e.g. healthcare. The theoretical gap is outlined in the Figure 2.2.

Figure 2.2: Representation of the research gap



Source: authors' design.

Chapter 3

Study 1: Theoretical Framework

This chapter presents the theoretical framework used to analyse the issue of happy grades in different school forms. It provides a theoretical background for (i) how institutions affect individual actors and how it relates to the construction of their environment (ii) a division of schools in line with both longstanding institutional theory and the general discourse on profits above. Together these aspects form the basis of the hypotheses generation which then leads into the methodology.

3.1 Organisational institutionalism

Organisational institutionalism, is a major strand of organisational theory that aims to explain how and why organisations do what they do. In a way, it is built upon the notion of the rational man. A notion that has been critiqued in many ways for providing a limited explanation of behaviour (e.g. Simon (1957)). However, institutional theory does not begin with man, rather, it begins with the context that man is in. Instead of acting perfectly rational according to Aristotelian logic, man acts in accordance with the pressures that originates from his or her environment. This environment is the institution, and these institutions exist on several layers. A simple example of an institution is the handshake. In the western world, it is customary to greet each other by shaking hands as it is a widespread social understanding. To shake hands is to comply with one's institutional environment, i.e. acting rationally. A lot of the time you might not want to shake someone's hand, there might be a flue going around for instance, but for the most part you do it anyway. You comply with the institutional pressure. The question of rationality, and how it is properly

related to mainstream institutional theory, will be returned to later. For now, let's look deeper into institutions, how they work and what they do.

An exact definition of what constitutes an institution is difficult to find. Meyer & Rowan (1977) describe it as "*rationalized myths*" or "*the rules, norms, and ideologies of wider society*". Tolbert & Zucker (1983) put it as "*a common understanding of what is appropriate and, fundamentally, meaningful behaviour*". Whilst Meyer & Scott (1983) suggested "*normative and cognitive belief systems*". One reason as to why institution is a difficult word to define is that different authors have differing opinions on how institutions work, therefore what follows will be an overview of seminal works in this area. This overview does not attempt to be exhaustive, as the area of organisational institutionalism is vast. Rather, it will provide a roadmap of the development of institutional theory, attempting to deliver a concise and relevant background to the main theoretical focus of this thesis as well as highlight the connection of how institutions can have clear effects on grading in schools. The purpose is thus to guide readers less experienced with institutional theory through the jungle of developed concepts, as well as provide experienced readers with a motivation for theories selected.

3.1.1 Legitimacy and decoupling

Many researchers have aimed to explain the mechanisms of institutions, how they institutionalize organisations, in order to answer the question why so many actors in the same industry seem to do things the same way. How can a school in Arjeplog (northern Sweden) look and work exactly like a school in Skåne (southern Sweden) and even as a school in Denmark? The general mechanism is called institutional isomorphism, i.e. a conformity to the institutional constraints. Hawley (1968) defines isomorphism as "*a constraining process that forces one unit in a population to resemble other units that face the same set of environmental conditions*", thus leading to a homogeneity of organisational forms and structures. The seminal piece by Meyer & Rowan (1977) focuses on how organisations conform to institutional rules to gain legitimacy. If it is the general perception of society, and perhaps regulated in law, that schools shall not be run with profits, then organisations have to comply with this institutional pressure. Otherwise, they lose legitimacy as an organisation which will threaten their survival. This pressure, from their environment, leads to isomorphism, i.e. convergence in organisational structures and forms. How-

ever, Meyer & Rowan (1977) argue that this is not the whole truth. Not all organisations in similar environments look alike. They argue that the effects proposed by the institutional pressure is not always good for the organisation. Therefore, organisations will, in essence, say one thing and do another.

“To maintain ceremonial conformity, organizations that reflect institutional rules tend to buffer their formal structures from the uncertainties of technical activities by becoming loosely coupled, building gaps between their formal structures and actual work activities”. (Meyer & Rowan 1977)

Brunsson (1989; 1993) developed on the *decoupling* by proposing organisational hypocrisy as a means for organisations to disconnect their actions from their ideas. For instance, a school might say they grade according to regulations, but not follow them in practice. Walgenbach (2007) considers decoupling empirically. He investigated the implementation of ISO 9000 standards in 37 different organisational units and found that many organisations implemented the standards just for show. Indeed, his research reports that the actual use has been limited, finding quotes as “*You’re tempted to say, this is artificial, this is complete fabrication*”. This finding is in agreement with the claim of decoupling proposed by Meyer & Rowan (1977). Walgenbach (2007) did, however, also find several instances where the standards had been appropriated by the organisations and put to use. This finding will be relevant later in reference to prominent Scandinavian research.

3.1.2 Organisational fields and extended isomorphism

DiMaggio & Powell (1983) elaborated on the work by Meyer and Rowan in two main ways. First, they suggested that analysis should be done in different *organisational fields* rather than at a single societal level, second, they expanded isomorphism into three different mechanisms. DiMaggio & Powell (1983) agreed with Meyer & Rowan (1977) in that organisations homogenise less due to efficiency and more due to legitimacy. However, they argued that the pressure, or what is seen as legitimate, is not created on a societal level, rather it is based on the structure of the organisational field that an organisation is in. Not only on the structure, but the structuration itself.

“Organizations may change their goals or develop new practices, and new organizations enter the field. But, in the long run, organizational actors making rational decisions construct around themselves an environment that constrains their ability to change further in later years.” (DiMaggio & Powell 1983)

Now, the way in which this homogenisation is carried out, DiMaggio & Powell (1983) argue, is through isomorphism. Thus, their second major contribution is their finding of different isomorphic mechanisms. They argue that actors within an organisational field, will homogenise through coercive, mimetic, and normative isomorphism. Each kind being closely linked to a specific institutional sector. *Coercive* isomorphism deals with political influence and regulations. *Mimetic* isomorphism arises due to uncertainty in the market and resulting best practice implementation. *Normative* isomorphism is tied to norms that arise due to professionalism, both from formal education and from professional networks. For instance, one can easily imagine that a class in Swedish will look exactly the like in Umeå and Stockholm, if both teachers were educated at the same school.

DiMaggio & Powell (1983) define organisational fields as “*those organizations that, in the aggregate, constitute a recognized area of institutional life (...) organizations that produce similar services or products*”. Whereby, they argue that an organisational field never can be established a priori, instead it is defined on the basis of empirical analysis. This produces problems for research as two different empirical investigations will not be fully comparable. Even so, the division into different mechanisms, and their connections to clearly different institutional sectors, was a big step towards a decomposed and more granular model to use in institutional research. It is also a central antecedent to the main theoretical framework applied in this thesis.

3.1.3 Cognition and context

Scott (1995; 2008) provides a further important distinction. He produced an overview of the current institutional research and created a useful typology over different views on how institutions work. His framework is called The Three Pillars, through which, Scott insists, all institutional thought can be classified. He proposed that there are three key mechanisms of institutional influence: regulative, normative, and cultural-cognitive. *Regulative* deals with rules and laws, *normative* with norms and moral pressures, and *cultural-cognitive* focuses on perceptions of reality and common frames of meaning. A similar division can be found in other institutional work, one contemporary example being Furusten (2013) who notes the institutional environment to be consisting of legal, social, and mental structures. There are also similarities to the isomorphic division by

DiMaggio & Powell (1983) above, however, Scott's advance is the heavy focus on the cognitive-cultural aspect.

This cognitive focus furthered the institutional research as it was a basis for critique towards established institutional thought on two main points: *rationality* and *agency*. The more focus shifted to cognitive effects, having to do with mental maps, schemas, and constructions of meaning, the more criticism was levied against rationality, as noted above. Powell & DiMaggio (1991) picked up on the ideas of March (1978) and March & Olsen (1984; 1989) considering a different view of rationalism and logic. March and Olsen put forth the logic of appropriateness where an actor acts rationally according to the situation. This opened up for more flexibility in institutionalisation. Compliance was no longer seen as a perfectly rational process, instead there was room for some variation with the context. Maybe it is rational for a teacher to look past official guidelines and put a high grade on a student if the student is exceptionally good orally, but inept at writing. However, for the teacher to consider this deviation from the norm, the context must somehow allow it, possibly through some sort of precedent set by another teacher. Otherwise the inappropriateness of the action would hinder the teacher from raising the grade.

Above, it was noted that Walgenbach (2007) had found several instances where institutional pressures, in the form of quality standards, not only had been implemented for legitimacy but also appropriated and implemented for efficiency reasons. This suggests a non-perfect compliance in line with the appropriateness, which also opens up for an active *agency* that is not readily present in previous work. Here, notable Scandinavian authors advocate for, and offer a mechanism to explain, such agency. Czarniawska & Sevón (1996) and Sahlin-Andersson (1996) present translation as a key mechanism. Translation is what happens when e.g. an idea is re-contextualised (transformed) into something that is perceived as more meaningful in the local context. Thus, the interest of the actor is combined with the institutional pressure. For instance, a teacher in a small town may know that a student does not need a skill required in the standards, and hence consciously departs from the rules to create a new rule that is more in line with the local requirements on students. In this way, the criticism above has been somewhat answered. The rigidity of the previous institutional theory has been built upon to allow for the addition of a context-rational and agentic explanation of the variation and change that is prominent in empirical investigation. Thus, providing a more realistic model of institutional influence.

3.2 Institutional spheres and happy grades

This notion of the importance of context have made researchers try to categorize society to make institutional analysis more transferable and explanatory. If it is known where an actor is coming from, it will be easier to predict and understand their behaviour. Also in this area, Scandinavian researchers have been diligent. Sjöstrand (1985; 1992) puts forth a division of society based on a sociological view of human relations. He posits three general types of relations and thusly also three distinct types of institutional spheres; Calculative, Ideational, and Genuine. Calculative dealing with more formal interaction, whilst ideational and genuine explain interactions on a social level. In a parallel vein, Ahrne (1994) builds on sociological research to create a classification of different types of organisations. His foundation for the division takes a slightly different shape compared to Sjöstrand. Ahrne uses four distinct conditions through which's composition, he argues, it is possible to discern between four different types of organisations, described in the Table 3.1.

Ahrne (1994) comments on the connection between institutions and organisations, asserting that organisations are materialised institutions. Further, he breaks from the sociological research and the isomorphic conformity from above which suggest that institutions arise from repeated interaction. Instead, Ahrne argues that in general, the institution is already there. For instance, when someone gets married, starts a football club or founds a company the institution is already there to govern the format. Thus, it stands to reason that if one were to categorize the organisations, their related institutions would become apparent, thereby Ahrne's work goes in line with that of Sjöstrand in arguing that clear different institutional areas can be discerned.

3.2.1 Scandinavian model and ideal types

Building on both Sjöstrand and Ahrne, Wijkström & Lundström (2002) create a more concrete model of this societal division, shown in the picture below. They marry the fixed view of Sjöstrand and Ahrne with the more flexible view, encompassing translation and logics of appropriateness, by claiming the different types of institutions (spheres) to be ideal types. Ideal types, famously introduced by Max Weber, are theoretical constructs aiming to clarify differences to enable analytical comparisons (Swedberg 2005). They do not aim to precisely capture reality, rather they can be used to assign hypothetical mean-

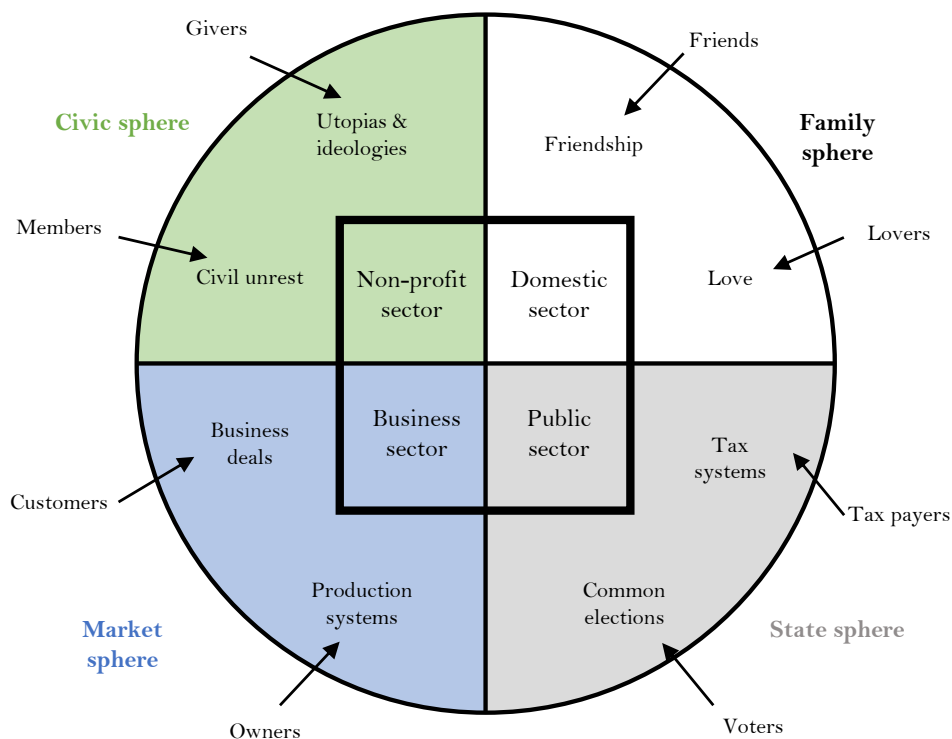
Table 3.1: Classification of different types of organisations by Ahrne (1994)

Condition	Type of organisation			
	Family	State and public	Enterprise	Association
Affiliation Resources Substitutability Control	Kinship and marriage	Citizenship	Ownership/employment	Membership
	Economic unity	Rights and duties	Production	Shared
	Difficult	Natively, also naturalization	High and standardized	Problematic and undesirable
	Tacit	Laws & violence monopoly	Authoritarian	Social

ing and are widely used in social sciences. A critique of ideal types rests on the fact that they are empirical conceptualisations and thus cannot explain reality. However, the common retort has been that it is not necessary to explain reality, rather, it needs to be understood and ideal types can help with that.

“An ideal type is not a hypothesis, but it offers guidance in the construction of hypotheses. An ideal type is not an average type, nor does ideal imply approval – there are ideal types of brothels as well as churches”. (Swedberg 2005)

Figure 3.1: The spheres of society



Source: Wijkström & Lundström (2002). Translation by authors.

The model presented in Figure 3.1 proposes four discernible areas of society that relate well to the case of schooling and happy grades. Schools today exhibit this division, coming from the state sphere (municipal schools), the market sphere (for-profit schools), and the civic sphere (non-profit schools). In addition, education is carried out at home but it is a sphere that this thesis will not focus on, as structured home schooling is a very limited phenomenon in Sweden, and help from home will be controlled for through proxies.

3.2.2 Institutional spheres and happy grades

Relating happy grades to this framework is illuminating and, at the same time, somewhat intuitive. Actors from the governmental sphere would likely not invent happy grades as it is not in line with their incentives, their institutional pressures, their logic. Happy grades go against the regulations and traditions outlined by the Law and Skolverket, the very regulations from which the public schools derive their *raison d'être* (Söderholm & Wijkström 2002). As such, happy grades should go against the grain of public schools. For-profit schools however, with heavy influences from the market sphere, are more likely to engage in happy grades. Their goals are more focused on profits, and happy grades could be a path towards high profits. They employ a different logic, and in a similar way as public schools derive their existence from being a product of the Law and government, for-profit organisations have profits as a purpose (Brunsson & Hägg 2010). Therefore, as happy grades are inexpensive means of producing profit, for-profit schools should be the drivers of happy grades, according to this theoretical framework. Finally, non-profit schools are likely to be somewhere in between, although they do not require profits, they still need to be competitive and financially stable as they are new entrants to the market and do have a wish to survive. However, as pointed out by Wijkström & Lundström (2002) they are primarily driven by ideals which tend to focus more on good education for the pupils. It is therefore unlikely that they would engage in happy grading out of the bat.

3.3 School division and hypotheses

In line with the research gap above, and the theoretical framework presented here, a division of schools into four different forms is made. As the overarching theme regards privatisation of schools, the baseline in the research are Municipal schools. Contrasting the Municipal schools are the private schools. They are divided into three separate categories. First, the Non-profit actors are separated from the for-profit actors as suggested by the theoretical framework. The model suggests that the rest should be treated as for-profit schools, however, this could potentially be problematic. The main factor dividing the Non-profit schools from for-profit schools is their organisational form. For-profit schools being companies and Non-profit schools assume the form of associations, co-operations, and foundations, thus making division simple. However, as pointed

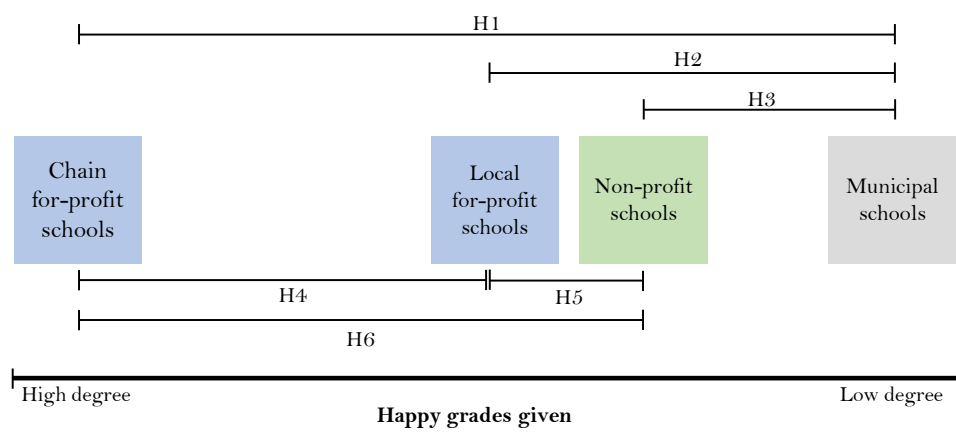
out by Nata *et al.* (2014) there can be notable differences between for-profit schools. Some actors might have chosen to form a company, instead of e.g. an association, due to the simplicity of that organisational form. Thus, the final division is between for-profit schools with goals more in line with what theory would argue stems from the market, for-profit schools that seemingly have motivations more similar to that of Non-profits. Denoted here as Chain for-profit schools and Local for-profit schools respectively. Further elaboration on the process of division can be found in the following chapter on methodology.

This division, together with the theoretical framework, suggests the following hypotheses:

- H1: Chain for-profit schools give more happy grades than Municipal schools.
- H2: Local for-profit schools give more happy grades than Municipal schools.
- H3: Non-profits give more happy grades than Municipal schools.
- H4: Chain for-profit schools give more happy grades than Local for-profit schools.
- H5: Local for-profit schools give more happy grades than Non-profit schools.
- H6: Chain for-profit schools give more happy grades than Non-profit schools

The hypotheses are outlined in the Figure 3.2 below.

Figure 3.2: Representation of hypotheses in Study 1



Source: author's design.

Chapter 4

Study 1: Methodology and Data

Beginning with an outline of the general methodological approach, the chapter then presents the data collected. After an analysis of the sample, variables are presented and accounted for. Then follows a discussion on the data quality regarding reliability and validity, ending with a claim of replicability and the technicalities of the regression analysis.

Study 1 aims to identify differences in school-level grades with respect to different school forms in order to test the above stated hypotheses. As argued below, existence of such differences, after controlling for certain factors, would support the hypothesis that some school forms give more happy grades than others.

The study employs a cross-sectional research design and draws upon data from secondary sources, mostly Swedish governmental institutions. Before the work in Study 1 was started, the authors did several preliminary investigations to learn more about the field and to help them identify the research gap and focus of their study, including a visit to three private primary schools in Czechia.

4.1 Generalised regression model

To investigate the level of happy grades in Swedish primary schools, the study draws upon a sample of Swedish ‘*högstadium*’ schools which offer the last levels of primary education (7th to 9th grade), they are further categorized according to their form as Municipal, Non-profit, Chain for-profit, and Local for-profit schools.

The empirical model defined below aims to explain differences in grade point

averages (GPAs) of schools with respect to the above-mentioned school forms. On a general level, the following three phenomena should, collectively, be able to explain potential form-specific differences in grading.

- (i) Different quality of education
- (ii) Different learning conditions of children
- (iii) Different levels of happy grades

Using several control variables, the model accounts for the first two of these three – education quality and children’s condition, which is also in line with the structure of control variables in the studies presented in the past research (Vlachos & Hinnerich 2016; Wikström 2005; Wikström & Wikström 2005; Böhlmark & Lindahl 2012). Then, the authors argue that – assuming the two effects are effectively controlled for – should there be any differences among the school forms they can only be explained by different levels of happy grades present in the schools of the relevant form.

$$\begin{aligned} SchoolGPA_i = & \beta_0 + \delta_1 ChainForProfit_i + \delta_2 LocalForProfit_i + \delta_3 NonProfit_i \\ & + \beta_1 EducationQualityIndex_i + \beta_2 ChildrenTeacherRatio_i + \beta_3 ParentsEdu_i \\ & + \beta_4 GirlsProportion_i + \beta_5 ForeignBackgroundProportion_i + \epsilon_i \end{aligned}$$

The generalised model is replicated for 17 *dependent variables* describing school-level GPAs in 17 subjects. The authors argue that it is important to look at form-specific differences on the subject level due to the differing nature (e.g. analytical vs. abstract) and context (e.g. high vs. low prestige) of each subject, which might influence the interpretation of the causality underlying the potential form-specific differences.

There are three *independent variables* of interest in the model, each of them is a binary variable describing one of the forms of private schools. The base category to which these three variables are compared to is the Municipal school form.

To control for the two extraneous effects that are likely correlated with the dependent variables and hence could adversely influence the differences the study aims to test, two groups of *control variables* are included in the model – variables depicting education quality (Education Quality Index and

children-teacher ratio) and learning conditions of children (education of parents, proportion of girls, and proportion of children with foreign background).

4.2 Data sources

There are three data sources used in Study 1:

- The Swedish National Agency for Education (Skolverket) – Salsa database
- The Swedish School Inspectorate (SSI) – Skolenkäten¹
- Statistics Sweden (SCB)

Skolverket (2017) provided data for all variables included in the model except for Education Quality Index (EQI), which is constructed based on data from SSI (2017). SCB (2017) aided the missing data analysis with socio-demographic data about Swedish municipalities. In Study 1, the study foremost drew upon data from 2015 as this is the most recent year with complete data during the time this study was being conducted.

4.3 Population and sample

The population studied in this paper consists of högstadium schools in Sweden, specifically the 9th grade of the primary education level. The 9th grade was chosen primarily for three reasons:

- (i) Grading in the 9th grade is already an established process and the grade should reflect the final achievement of all students.
- (ii) Grades in the 9th grade are of a prime importance for major stakeholders in the learning process of a child (students, teachers, parents) since only these grades are reported to upper secondary schools and decide the admissions.
- (iii) Based on reason number two, proliferation of happy grades should be highest in the 9th grade.

¹A project conducted by SSI between 2015-2017 that systematically polls all schools in Sweden.

The population consists of 1704 schools (Skolverket 2017). Specifically, the population includes 1199 Municipal schools (70%), 186 Non-profit schools (11%), 169 Chain for-profit schools (10%), and 150 Local for-profit schools (9%).

4.3.1 Sample

The authors aspired to collect census-type data describing all units in the population. Therefore, the sample of Study 1 is the entire population. However, data points in one or more variables is not available for a substantial part of the schools included in the sample. The sample representativeness is analysed in Section 4.3.1.

Complete data is available for 889 schools, 53% of the sample, out of which 664 schools are Municipal, 67 Non-profit, 103 Chain for-profit and 55 Local for-profit. Table 4.1 describes structure of the sample in Study 1 in detail.

Subject subsamples

Table 4.2 provides detailed information on subsamples for specific subjects. The highest number of observations is available for Math, which is also the subject analysed in Table 4.1, whereas the least observations is available for Foreign Languages. The variance in subject subsample sizes is however low and therefore subsamples for all subjects are of a comparable quality. In addition, analysis of overlaps between observations for different subjects suggests a nearly 100% overlap, meaning that every subject is a subset of the Math subsample. Hence the same set of schools is compared when analysing different subjects.

Missing data analysis

To assess the representativeness of the sample, the authors investigated distributions of missing data in four areas – schools with less than 10 students in the 9th grade, schools that do not report grades to Skolverket, schools with missing EQI, and schools that have missing data in at least one of the four remaining control variables.

Referring to Table 4.1 above, 53% of observations in the population-level dataset are complete, meaning that 47% of observations lack at least one data point. One of the two largest ‘losses’ is caused by the fact that Skolverket does not report numbers from schools with fewer than 10 students in the 9th

Table 4.1: Detailed structure of the sample in Study 1

Restriction description	# of schools	% of population	School form			
			Municipal	Non-profit	Chain FP	Local FP
Schools in the population	1704	100%	1199	185	170	150
At least 10 students in the 9 th grade	1541	90%	1127	142	156	116
Report grades from at least one subject	1508	88%	1116	137	145	110
Education Quality Index available	992	58%	707	102	110	73
Parents education available	955	56%	701	77	109	68
Foreign backgr. proportion available	900	53%	670	68	107	55
Girls proportion available	898	53%	670	68	105	55
Children-teacher ratio available	889	53%	664	67	95	63

Table 4.2: Number of complete observations for individual subjects

Subject	# of complete observations
Swedish	866
English	887
Foreign language	856
Math	889
Physics	887
Chemistry	887
Biology	885
Engineering	886
Social Science	886
History	886
Religions	886
Geography	886
Home Economy	887
Arts	888
Music	887
Sports	887
Handcraft	888

grade. Secondly, SSI's survey on education quality does not provide data on all Swedish högstadium schools at the time this study was being conducted. The project aims to poll all schools in Sweden between 2015-2017 and not all schools were polled yet. All these losses were thoroughly analysed and the following paragraphs present the overall results of the missing data analysis.

The data is analysed with the aid of a contingency Table 4.3 through the perspective of school form and degree of urbanization of the municipality that a school is situated in, since it substantially influences environment of the school. The data on the degree of urbanization, which ranges from 1 to 3 where 1 is most urbanized, was sourced from SCB (2017). In the upper part of the table, the whole population is broken down into pieces using the two perspectives, and observations with missing data points are broken down in the same way in the middle part. The lower part of the table shows the proportion of missing data to the whole population within a given section of the data.

There is a slightly higher proportion of missing data in more urbanized areas than in less urbanized areas overall. This is largely due to Municipal schools which is the only form with such a structure in this aspect. Private schools have the highest proportion of missing data in the least urbanized municipalities, with the biggest difference of 24 percentage points between area

Table 4.3: Proportions of missing data with respect to form and degree of urbanization

Urbanization	All observations				
	Municipal	Non-profit	Chain FP	Local FP	Total
1 (most)	383	93	100	65	641
2	370	44	53	44	511
3	446	48	17	41	552
Total	1199	185	170	150	1704
Observations with missing data					
1	191	55	41	39	326
2	156	30	23	23	232
3	188	33	11	25	257
Total	535	118	75	87	815
Proportion of observations with missing data					
1	50%	59%	41%	60%	51%
2	42%	68%	43%	52%	45%
3	42%	69%	65%	61%	47%
Total	45%	64%	44%	58%	48%

1 and 3 in the case of Chain schools. At the same, it can be observed that Chains and Municipals report the most complete data to public institutions.

Overall, the differences are not large in the most part and the missing data is spread quite evenly between regions and school forms, suggesting that the dataset is a good representation of the population.

4.4 Dependent variables

As already mentioned, analysis of form-specific differences on the subject-level should clarify potential drivers of happy grades and allow for more nuanced conclusions about the presence of happy grades in the Swedish primary school system. Overall, 17 dependent variables are used in Study 1, all of them describing school-level GPAs of one of the above-mentioned subjects. Please, refer to Table A.1 for descriptive statistics of the dependent variables.

The GPA data for all subjects are directly sourced from Skolverket (2017). For each school, Skolverket defines the subject GPA as an average of grade values for all relevant students who received an A to F grade in the respective subject. As it can be seen in Table 4.4, describing grade values, Skolverket puts

an emphasis on the grade F as the main objective of the education system is to empower students to pass. The authors choose not to change the way Skolverket constructs this measure to increase comparability with other research. The range of possible values for the school-level GPA is then 0-20 points.

Table 4.4: Grade values

Grade	Value
A	20.0
B	17.5
C	15.0
D	12.5
E	10.0
F	0

4.5 Independent variables

Three binary independent variables are defined to differentiate between different forms of schools. The base category in the regression model is Municipal, whereas the three dummies describe three different forms of private schools – Non-profit, Chain for-profit, and Local for-profit schools.

A school is categorized as municipal if it is operated directly by the municipality. This identification was sourced from Skolverket’s Salsa database.

4.5.1 Private schools

A school is categorized as private if it is not categorized as municipal. In Sweden, the term “free school” is often used as well. To categorize private school, an extensive qualitative investigation was conducted by the authors. The investigation focused on three areas: ownership structure, extraction of profit, and an overview of companies’ values and guidelines.

Chain for-profit school

To be categorized as a Chain for-profit school, the owner needs to be a company (Aktiebolag) and the same owner must own more than three schools in different locations. After the initial categorization based on these two straightforward criteria, a more qualitative assessment was employed.

In terms of ownership, a school is likely to be categorized as Chain if there is a large proportion of institutional investors in the ownership structure of the holding company. In some cases, the holding company is owned by a single or a couple of individuals, whereas in other cases, it is traded on the stock market or owned by a larger group such as a Private Equity fund. If the ownership structure included less institutional investors, it was an indication of lower risk of exploitation.

Extraction of profits examined to what level the schools are used to directly benefit the owners in a financial manner. The key variable in this assessment is the dividend pay-out ratio. If the ratio is high, it is a sign of excessive self-interest and exploitation. The authors, however, also identified holding companies that, for instance, re-invest 100% of their profits in their schools, which was a sign of altruism rather than self-interest.

Finally, official guidelines and values are used to assess the nature of the company. For instance, high profit margin demands of the holding company combined with a short-term orientation was a sign of excessive self-interest.

Local for-profit school

A school is categorized as a Local for-profit school if the owner is a company and if it is not categorized as a Chain for-profit school.

Non-profit school

A school was categorized as Non-profit if the principal is of another form than company or municipality. These include foundations, co-operatives, and associations.

4.6 Control variables

The control variables aim to control for two effects - quality of education that a school offers and the conditions for learning of the school's children. Please, refer to Table A.2 for descriptive statistics of the control variables.

4.6.1 Education quality

The quality of education that a school provides is one of the two key influencers on the grade levels achieved by its students, i.e. education quality is one of the

major drivers of the school's GPAs in investigated subjects. Study 1 uses Education Quality Index as the key measure of education quality. Apart from EQI, Children-teacher ratio is used as a secondary variable in this group of controls.

Education Quality Index

EQI is a multiple-indicator measure of education quality at observed schools constructed by the authors based on nation-wide survey data collected in 2015 and 2016 by SSI. It assigns a score to each school where higher score indicates higher quality of education. The data includes answers of three key stakeholders in education - students, teachers and parents - in many different areas, most of them common for all three groups. The assessment of education quality in these areas was triangulated by including all three perspectives, thereby enhancing objectivity of the EQI.

The index is constructed based on 41 indicators of education quality sourced from the above-mentioned SSI survey, using the method of Principle Component Analysis (PCA). PCA is an advanced method used for the construction of indices that allow the reduction of the number of indicator variables by merging their variation in one or more linearly uncorrelated variables – principle components (Jolliffe 2002). The first principle component of the PCA conducted by the authors, which accounts for 42% of all the variability in the data, was used as the measure of education quality in this study. See the Appendix for further details about SSI's survey and the EQI.

Children-teacher ratio

The children-teacher ratio indirectly measures how much resources schools spend on teachers, who are the ultimate drivers of quality. In this way, the children-teacher ratio indirectly measures the quality of education.

4.6.2 Condition of children

Learning conditions of children is the second of the two major influencers of GPAs achieved by students. One of the key determinants of children's performance at school is their socio-economic context (Cliffordsson 2008), which is captured by two variables - Education of parents and Proportion of children with foreign background. The third variable in the group is Proportion of girls.

Education of parents

Education of parents depicts the percentage of children whose parents hold a post-secondary education degree for each school. Since the socio-economic context, as a major driver of the pupils' performance, is highly determined by the level of education of parents, a higher proportion of children with better educated parents should lead to a higher GPA of a school.

Children with foreign background

This variable depicts the percentage of children with foreign background for each school. OECD (2015) shows that students with foreign background reach on average lower GPAs than students with Swedish background. This is likely due to differences in socio-economic situation of the families as well as language and cultural barriers. Thus, schools with a higher proportion of children with foreign background are expected to have, on average, lower GPA.

Proportion of girls

This variable depicts the percentage of girls at a school. OECD (2015) shows that Swedish girls have, on average, better school results than Swedish boys. Therefore, schools with a higher proportion of girls are expected to have, on average, a higher GPA.

4.7 Data quality

In quantitative research, quality of data in terms of measurement reliability, validity and replicability is a primary concern (Bryman 2012). All three areas are addressed below.

4.7.1 Reliability

Bryman (2012) suggests that concept measures consistency is a central problem of quantitative social research. He defines three key components of reliability: stability, internal reliability, and inter-observer reliability. Following the detailed argumentation below, the authors conclude that the measures used in Study 1 are reliable.

Stability

Stable variables do not fluctuate over time, which is essential for the ability to make conclusions that can be transferred over time. However, Bryman (2012) asserts that stability is usually very hard to test in the context of social research. Figure 2.1 shows that grades increase to a greater extent than PISA results in Sweden. Although this suggests changes in grading over time, these changes are very slow and gradual. Therefore, dependent variables presented above can be considered stable. The form of the school rarely changes in time; hence the independent variables are very stable too. Finally, both teachers and children, who are described by the control variables, change over years but these changes are not quick enough to pose a major threat to the stability of the measures.

Internal reliability

Internal reliability is relevant to multiple-indicator measures (Bryman 2012) and is concerned with the consistency among the different indicators. In Study 1, the only multiple-indicator measures include EQI. Cronbach's alpha for the 41 indicators that compose EQI is 0.96, which suggests a high level of internal reliability EQI (Bryman 2012).

Inter-observer consistency

Bryman (2012) defines the lack of inter-observer consistency as a situation when there are different people involved in recording observations in which a great deal of subjective judgement is involved. Independent variables describing the school forms are highly inter-observer consistent for two reasons: (i) all schools were categorized either by Skolverket or one of the authors, (ii) the criteria for categorization are very transparent, minimizing space for subjective judgement.

Dependent variables are ultimately based on thousands of grades given to individual students in the 9th grade of Swedish högstadium schools. The government makes a great effort to standardize the grading at Swedish primary schools through policy changes (Skolverket 2007). However, such standardization is difficult and the ILOs issued by Skolverket leave space for a certain range of interpretations by teachers due to their generality. Moreover, grades are always given by individual teachers, partly based on their relationships with individual students. Despite the difficulties just mentioned, the authors argue that the school-level GPA data are consistent drawing upon the Law of Large Numbers theorem. Law of Large numbers postulates that the average

of the results obtained from a large number of trials should be close to the expected value (Hoy *et al.* 2011). Subject GPAs are constructed based on tens of observations on the school level and thousands of observations on the school form level. Thus, biases of individual teachers should not disturb the school and form level data.

Control variables are grouped in the Children's condition and Education quality groups. Since data for variables in the first group as well as Children-teacher ratio from the second group was collected by Skolverket, based on very clear and easily measurable criteria, inter-observer consistency should be very high for them. On the other hand, EQI is based on opinions of three key stakeholders in the education process – children, teachers and parents – who can have very different views on the aspects of education quality as answers to questions like: *“Do you think that your child has a good study environment in class?”* are inherently subjective. This could potentially be an issue for inter-observer consistency of this measure. However, this issue is, firstly, diminished by the fact that each data point reported by SSI is based on at least 10 opinions, which should increase the probability of getting a true value. Secondly, the method of triangulation is employed to get a more complete and objective picture of education quality at each school by including potentially differing opinions of all three stakeholder groups. The authors argue that EQI is the best measure of education quality currently available in Sweden, on this scale, and that it is a sufficient measure in terms of inter-observer consistency.

4.7.2 Validity

Validity is concerned with the integrity of conclusions that are generated from a piece of research. Also, reliability is a necessary condition for validity (Bryman 2012). Based on the positive conclusion about reliability and the argumentation below, the authors conclude that it is possible to make conclusions for the whole population based on the data available.

Measurement validity

Measurement validity of a concept is to do with a question of whether a measure that is devised of a concept really does reflect the concept (Bryman 2012). This aspect of validity might potentially be problematic in two areas: categorization of private schools and education quality.

Categorization of schools was difficult in two aspects. First, some decisions

about categorization of for-profit schools to either Chain or Local categories were difficult due to limited information and potential interest of owners who exploit their schools to cover these intentions. To deal with these risks, several perspectives were employed and the authors made their best effort to “read between the lines”. Secondly, some foundations might be structured in a way that it allows the “owners” to extract money surreptitiously. Such behaviour is however on the edge of the law and should be very rare. The authors have not found any indication of such behaviour.

In the areas of education quality, EQI’s measurement validity might not be perfect, primarily because of the unclear definition of education quality both in this study as well as in the discourse of scientific research. However, it is hard to assess the education quality objectively exactly for this reason. Therefore, the stakeholder view on the quality is a completely legitimate measure of the education quality. EQI should then capture the education quality well enough and should be a good measure of the phenomenon.

Internal validity

Internal validity is concerned with the question of whether a conclusion that incorporates a causal relationship between two or more variables holds water (Bryman 2012). In the case of Study 1, this translates to whether potential form-specific differences can be explained by happy grades. The authors believe that the control for the two above-mentioned phenomena is sufficient and that they are commonly exhaustive enough, i.e. no other phenomenon has a significant effect on the school-level GPA. This belief is also supported by the practice of education research presented in Chapter 2 and the discussion in Section 4.8.1.

External validity

External validity is concerned with the question of generalization beyond the specific research context (Bryman 2012). Study 1 analyses 889 observations which is more than 50% of the whole population. Based on this fact and the conclusions about a high sample representativeness presented in Section 4.3.1, the authors believe that population level generalizations are possible.

Ecological validity

Ecological validity is concerned with the question of how applicable social scientific findings are to people's natural social setting (Bryman 2012). A brief content analysis of Swedish media discourse as well as many pieces of anecdotal evidence of happy grades suggest that happy grades in relation to school form is a hot topic in Sweden and concerns many actors in the education arena. Thus, ecological validity should be high.

4.7.3 Replicability

Replicability of research refers to the ability of other researchers to prove or disprove the finding and conclusions of the research (Bryman 2012). The authors argue that the replicability of the research in Study 1 is very high mainly for two reasons: (i) only secondary data from open databases is used in the analysis, and (ii) the methods the authors used as well as the sampling procedure are described in great detail and thus should be very easy to follow.

4.8 Regression analysis

Study 1 employs a multiple regression analysis, specifically the classical linear model (CLM). This model is amenable to the study's *ceteris paribus* analysis because it allows for an explicit control for many factors that simultaneously affect the dependent variable (Wooldridge 2015). More specifically, the model allows for conclusions to be made about the effect of the independent form variables after controlling for the effects of quality of school's education and conditions of children.

4.8.1 CLM Assumptions

In order to be able to make accurate inferences based on the coefficient estimates by the models defined above, six multiple linear model (MLR) assumptions need to be satisfied. Under these assumptions, the OLS estimators are minimum variance unbiased estimators (Wooldridge 2015).

MLR.1 Linearity in parameters

The way the study's model is specified already implies linearity of coefficients.

MLR.2 Random sampling

Based on the missing data analysis presented in Section 4.3.1, the assumption of random sampling can be considered satisfied.

MLR.3 No perfect collinearity

Of all correlations among the generalised model's variables, the largest significant correlation of 0.46 is between Parents education and EQI. Such correlation is still well below a level that would suggest multicollinearity, meaning the assumption is met.

MLR.4 Zero conditional mean of errors

This assumption requires exogeneous independent variables, i.e. explanatory variables independent from the error term. The causes of potential endogeneity might include omitted variables, simultaneity or measurement error. In the case of Study 1, the omitted variable bias might be a potential risk of endogeneity in the model. For instance, Skolverket (2009) reports that there are potentially two other sources of differences in grading, namely differences in how teachers interpret the learning objectives and grades determined based on other standards than the official learning objectives. These factors could potentially distort the results but it is impossible to control for them as there are no data available. In addition, the report does not find any systemic patterns regarding these deviations. To sum up, the authors did not find any variables that should be included in the model apart from those that they selected for the model. Thus, the Zero conditional mean assumption is considered to be satisfied.

MLR.5 Homoskedasticity and no serial correlation

The Breusch-Pagan test is a commonly used test for heteroskedasticity in linear regression models (Wooldridge 2015). The test identified heteroskedasticity in all 17 subject-level models. Thus, an estimation with robust standard errors is used for all models in Study 1. Serial correlation in cross-sectional research design is not a common phenomenon and the authors did not find any evidence of its presence in the data.

MLR.6 Normality

The assumption of normally distributed errors is very important for the analysis as it allows for the use of the t-test, which is essential to make accurate inferences. Observing the Q-Q plots for all subject-level models in Study 1, it can be concluded that the errors are normally distributed for all these models. Refer to Figure A.2 for the normal Q-Q plots.

Chapter 5

Study 1: Results

The chapter presents the results of the analysis of the first study. Beginning with a general discussion on the success of the analysis, it then moves on to discuss each significant deviation from the general result. After that the hypotheses are accounted for and the final synthesis summarises the findings.

Results from 17 regressions, each of them pertaining to a specific subject taught at Swedish primary schools, are presented in three tables. Table 5.1 presents result of five models in which the school form binary variables appeared to be significant, whereas Table A.3 and Table A.4 in the Appendix present the remaining 12 models in which neither of the form variables was significant. The conclusions based on the variables of interest are presented below.

The generalised model worked well in all 17 cases, which is mainly illustrated by high significance of control variables and high R-squared of most of the models. Firstly, both EQI and Parents education, the two main control variables explaining two effects the model aimed to control for, were highly significant in all regressions ($p < 0.01$ for all models). The remaining control variables were significant in most of the regressions and the insignificant cases can usually be easily explained. Secondly, the R-squared ranged from 0.23 (Foreign Language) to 0.61 (English). The higher end of R-squared can be considered very good while the lower end can be considered sufficient in the context of social research.

Private schools appeared to be significantly different from Municipal schools in five subjects – Math, English, Geography, Home Economy, and Arts. Not all the forms were significantly different in these five subjects and the significance levels and coefficients varied too. In particular, the coefficient of Math was

negative (-0.473 , $p=0.03$) for Non-profit schools, suggesting that Non-profits actually downgrade their students in Math. A possible explanation for this finding could be that a substantial portion of Non-profits are highly prestigious schools (e.g. Viktor Rydberg Samskola) that have higher expectations on their students and hence grade tougher in Math as it is a high-status subject.

The largest difference between private and Municipal schools was found in English, in which all private forms were positively different from Municipal schools. Chains had the largest coefficient (0.64 , $p<0.001$), followed by Locals (0.42 , $p<0.05$) and Non-profits (0.40 , $p<0.05$). Based on the methodology, this suggests happy grades in all forms of private schools in English. However, it must also be pointed out that the control for education quality might not be sufficient in the case of English since it is a subject in which many private schools differentiate themselves and make extra efforts to help their students develop in this area. For example, the Chain for-profit school Internationella Engelska Skolan focus their education specifically on English by having the overall teaching be in English. In addition, the largest difference of 0.64 , present in Chain for-profit schools, accounts only for a quarter of one grade level. Therefore, one might argue that such a difference could be explained by a higher focus on English. For these reasons, the evidence of private schools' higher level of happy grades in English is not without doubts.

The model also showed that Non-profit schools give higher grades than Municipal schools in Arts (0.475 , $p<0.05$) and Home Economy (0.539 , $p<0.05$), suggesting happy grades in the Non-profit form in these two subjects. The authors believe that this is very likely the case for Home Economy as this subject is usually of low-prestige at schools of all forms, meaning no form treats the subject in a special way and, therefore, the controls the study uses should work well.

The case of Arts is again a little bit more complicated. There is a substantial subgroup of non-profit schools that is specialized in Arts, for example Kulturläroplan Grundskolan Sundbyberg or Kungliga Svenska Balettskolan. Not only the teaching is focused on Arts at these schools, but also the pupils are chosen based on their talent in this area. Combining these two notions together with the fact that the difference is only a fifth of one grade level might therefore suggest an insufficient control for both education quality and children's condition. Thus, the evidence of happy grades in Non-profits in Arts is doubtful.

Finally, Chain for-profit schools appeared to be significantly different with

positive coefficients in Geography (0.315, $p < 0.1$) and Home Economy (0.371, $p < 0.1$). These differences also suggest happy grades in these two subjects. However, it is important to point out that the coefficients are significant only at the 10% level and are rather small, about an eighth of a grade level difference. Thus, one might argue that such differences on only 10% significance level are negligible.

Table 5.1: Regression results for five models that appeared to have at least one significant form variable

	ENG	MAT	GEO	HoECON	ART
Chain FP	0.640*** (0.169)	-0.088 (0.160)	0.315* (0.168)	0.371* (0.202)	0.267 (0.181)
Local FP	0.423** (0.168)	0.116 (0.184)	0.241 (0.202)	-0.075 (0.165)	0.278 (0.171)
Non-profit	0.399** (0.195)	-0.473** (0.218)	-0.026 (0.234)	0.539*** (0.180)	0.475** (0.221)
EQI (pc1)	0.044*** (0.013)	0.057*** (0.014)	0.057*** (0.013)	0.064*** (0.015)	0.041*** (0.015)
Chldrn-teacher ratio	0.096*** (0.024)	0.060** (0.026)	0.042* (0.022)	0.119*** (0.027)	0.064*** (0.023)
Parents edu	6.194*** (0.354)	5.981*** (0.352)	5.146*** (0.363)	3.580*** (0.378)	3.622*** (0.366)
Girls proportion	2.024** (0.853)	0.990 (1.171)	1.124 (0.888)	0.499 (0.997)	1.602* (0.968)
Frqn bckgrnd	-0.816** (0.324)	-1.014*** (0.348)	-1.058*** (0.331)	-0.405 (0.321)	-0.066 (0.334)
Constant	9.227*** (0.530)	8.471*** (0.655)	10.018*** (0.513)	10.962*** (0.565)	10.991*** (0.526)
Observations	887	889	886	887	888
R^2	0.608	0.519	0.477	0.341	0.299
F	156.581	101.354	84.395	59.443	47.240
p	0.000	0.000	0.000	0.000	0.000

Standard errors in parentheses

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 5.2: Hypotheses and conclusions in Study 1

Hypothesis	Conclusion
H1: Chain for-profit schools give more happy grades than Municipal schools.	Conditionally unsupported
H2: Local for-profit schools give more happy grades than Municipal schools.	Unsupported
H3: Non-profits give more happy grades than Municipal schools.	Conditionally unsupported
H4: Chain for-profit schools give more happy grades than Local for-profit schools.	Conditionally unsupported
H5: Local for-profit schools give more happy grades than Non-profit schools.	Unsupported
H6: Chain for-profit schools give more happy grades than Non-profit schools	Unsupported

5.1 Hypotheses

The argumentation behind conclusions about each of the six hypotheses is presented below and summarized in Table 5.2.

H1 Chain for-profit schools appeared to be significantly different from Municipal schools in English, Home Economy and Geography. However, the difference in English might be due to insufficient control for education quality in this subject and the differences in Geography and Home Economy are rather small and significant on only 10% level. Thus, H1 is conditionally¹ unsupported.

H2 Local for-profit schools were significantly different from Municipals only in English, one subject out of 17. Therefore, H2 is unsupported for this reason and in line with the reasoning from H1.

H3 Non-profit schools had a significant positive coefficient in English, Arts, and Home Economy. As argued above, the control in case of English and Arts might have been insufficient, making the evidence less convincing for these two subjects. However, the positive coefficient in Home Economy can be considered an evidence of happy grades. On the other hand, there is also the contradictory

¹The word “conditionally” is used when the conclusion is conditional on the validity of arguments put forth in arguing that a hypothesis is supported or unsupported, and the validity is not fully supported by the empirical findings.

evidence of downgrading in Math. Thus, the authors conclude that H3 is conditionally unsupported.

H4 Chains were significant in Home Economy and Geography whereas Locals were not. However, the coefficients are rather small and significant at only 10%. Thus, H4 is conditionally unsupported.

H5 Non-profits showed more positive differences than Locals in total and, therefore, H5 is not supported.

H6 Both Chains and Non-profits appear to be significantly different in four subjects and the differences are about equally problematized. Therefore, H6 is not supported.

5.2 Overall synthesis

In only four subjects (24%) out of 17 investigated, one or more forms of private schools appeared to be significantly different with a positive coefficient from Municipal schools after controlling for the two extraneous effects. Furthermore, the evidence in most of these four models was problematized in some way. Therefore, the authors argue that there is not sufficient evidence to suggest that private schools give more systemic happy grades than Municipal schools in the Swedish primary school system.

Chapter 6

Study 1: Conclusion

The purpose of this brief chapter is twofold, first, it analyses the findings in the results from the first study and relates it to the theoretical framework, second, it provides a bridge to the second study and introduces a new vantage point to fully explore the posed research question.

The results from study one suggests that there are no substantial differences in happy grades among the forms. This is unexpected as it contradicts the theoretical framework that is laid out above, indeed, the hypotheses are not supported. The theory suggested that Chain for-profit schools should engage more in happy grades as they likely are the most profit driven form out of those identified. Happy grades were suggested to be a tool used to increase profits as it is a cheap and simple way to improve the grades of pupils without investing the teaching hours and efforts required. A type of behavior which is notably more in line with conduct in the market sphere. Similarly, it was suggested that there would be an order between schools in happy grade giving according to their influence from the market sphere. None of these eventualities ended up holding, and a direct interpretation of these results would suggest that the market sphere actors are not driving happy grades. This is a relevant finding as it contradicts theory, however, it is also amenable to critique. This study does not account for the possibility that all schools might have conformed into a singular shape. It is possible that all schools have started to act as market actors and thus every school is giving plenty of happy grades. The inverse is also possible, that all schools have emulated the operations of Municipal schools and no school gives happy grades. Although theoretically possible, this eventuality does seem highly unlikely. Schools from different forms still have different basic

goals as outlined in the theoretical framework, suggesting that they indeed are markedly different. It would be to force an argument to suggest that a Chain school owned by a foreign PE company is not influenced by its ownership and instead have conformed with the procedures of Municipal schools.

The theoretical framework does, however, allow for a degree of flexibility through translation as outlined by Czarniawska & Sevón (1996) and Sahlin-Andersson (1996). It could be possible that this mechanism can explain the seeming failure of the theory, that teachers in Chain schools engage in an agentic behaviour to contradict the pressures placed upon them. It is however questionable if this mechanism, individual agency, could be strong enough to withstand the onslaught of the institutional pressure from the market sphere. The concept is generally not used to explain systematic deviations from institutional pressure. Rather, it can poignantly explain local deviation within a specific subset. Nevertheless, this opens up for an alternate explanation, a solution where schools can be simultaneously different and the same. The notion that teachers are acting with their own agenda on a systematic level would indeed aid in explaining the seeming lack of happy grades found. What is needed is therefore a study with two contributions, first, a broader analysis of the institutional environment which could aid in answering the critique levied above, second, a development on the above model that explains systematic and long term deviation from institutional demands resulting in a more granular understanding of the results.

Upon the excavation of these necessities, a second study was carried out with the dual purpose of further investigating the institutional environment, as well as providing more granularity through a developed theoretical framework. This study is presented as Study 2 below, and mirrors the first study in its outline. However, towards the end of the second study, the results of both studies will be expanded upon to provide the conclusive answers and enlightening discussion that was the end of the thesis all along.

Chapter 7

Study 2: Theoretical Framework

This chapter develops previous institutional research and adds a second frame, institutional logics. This theory is applied to answer the critique posed to the results in Study 1 as well as to provide an increased level of granularity in the analysis. It is presented in relation to previous isomorphist theory to explain long-term deviations from conformity. It is then connected to the previous framework of Spheres to create a synthesis that will aid in answering the posed question regarding continuous conflicting institutional pressures.

7.1 Conflicting influences

The mechanisms of institutional forces outlined above do a decent job of explaining how actors cope with institutional pressure, however, the models do not allow for simultaneous conflicting pressures. DiMaggio & Powell (1983) would argue that organisations will conform to one dominant form when the institutions clash. However, as seen in the case of schools, the three different forms have endured for quite some time, although behaving similarly in grading. Indeed, it seems to be the case that schools are capable of being different and the same simultaneously. Brunsson (1994) suggests that in the face of conflicting institutional pressure, organisations can steal the most desirable aspects of other organisations from a different sphere to become as successful as possible. This mix of actions that are in line with different institutional forces create what Brunsson (1994) calls institutional confusion. A similar hybridization is suggested by other scholars. Notably, Pache & Santos (2010) investigate how organisations manage conflicting institutional demands. They produce a model that predicts the type of action an organisation engages in depending

on the nature of the demand and its internal representation, suggesting that management of conflicting institutional demands is not a fringe activity but a reoccurring organisational issue. Reay & Hinings (2009) explore the healthcare field where physicians and government representatives work together despite substantial differences between them. They find that people maintain their separate identities in collaboration, and that this is a central explanation of how multiple logics can coinhabit a single organisation. Instead of developing a common identity for collaboration it can be useful to purposefully allow a separation in logics between participants (Reay & Hinings 2009). This notion of simultaneously conflicting pressures being present within a single organisation has been thoroughly developed by Thornton *et al.* (2012) through the framework of institutional logics.

7.1.1 Institutional logics

Friedland & Alford (1991) originally used the term institutional logics to

“describe the contradictory practices and beliefs inherent in the institutions of modern western societies. They describe capitalism, state bureaucracy, and political democracy as three contending institutional orders (...) each of the institutional orders has a central logic that guides its organizing principles and provides social actors with vocabularies of motive and a sense of self (i.e., identity)” (Thornton & Ocasio 2008)

This differs from previous institutional research in that it allows for simultaneous heterogeneity within the frames of actors. Where previous variation stemmed from some sort of deviation from an isomorphic pressure, be it decoupling or translation, the institutional logics perspective argue that heterogeneity is explained by different internal logics.

“Indeed, without multiple institutional logics available to provide alternative meanings, deviance would be unthinkable for individuals and organizations, much less finding a way to resist or even think in conflict-oriented terms” (Friedland & Alford 1991)

Thornton *et al.* (2012) have fleshed out the institutional logics perspective. They view society as an inter-institutional system. Which means that different institutions (different logics) can be active at the same time, and that these logics are based on different institutional orders (or spheres). Further, they propose analysis on multiple levels. Institutional logics can thus be analysed

within e.g. organisations, industries, geographic communities or organisational fields. Putting these two notions together yields that the education field, or indeed a single school, can be simultaneously shaped by market logic, civic logic, and state logic. The three different logics stem from the different institutional spheres, and thus create conflict and heterogeneity within the field of education, and even within the organisations. An organisation can either be dominated by a single logic, or have multiple logics in different parts of the organisation.

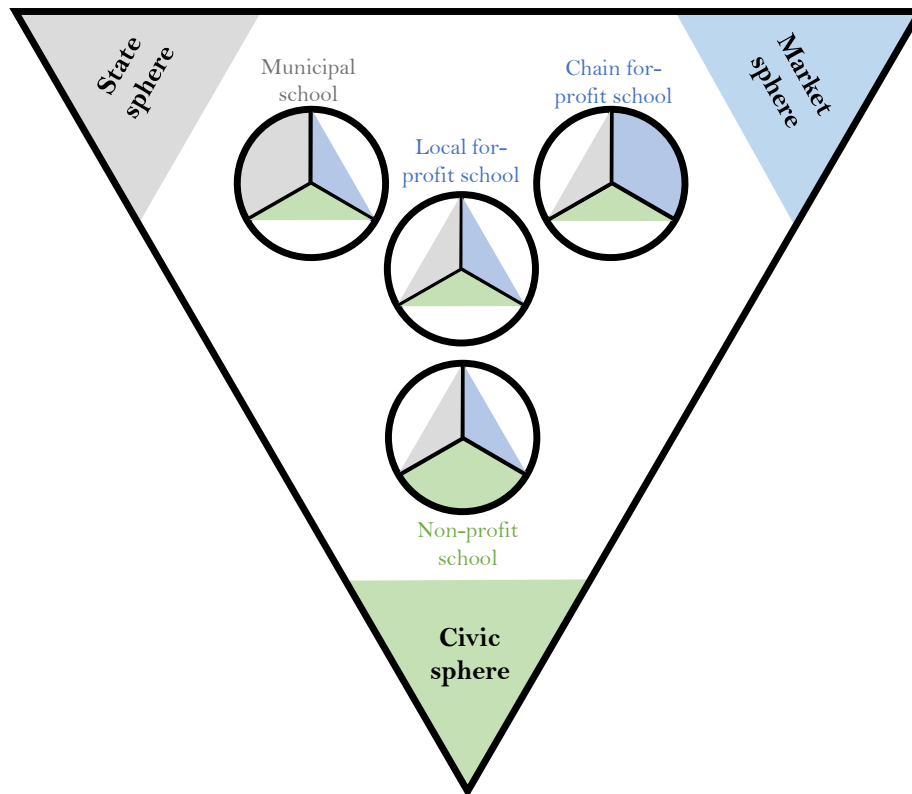
Note the difference here to previous research, which would have to struggle to adequately explain how this mix could survive in the long run, in the face of dominant isomorphism. Although translation and context-rationality allowed for minor conflicts, it is arguably difficult to contend that a profit centric organisation could transform their profit pressures to such a degree that happy grades is out of the question. The explanation of conflicting logics provides a simpler, and thus more likely, explanation. Indeed, Nicolini *et al.* (2016) find a long-term multiplex of logics appearing simultaneously within different pharmacies. As does Dunn & Jones (2010) when investigating the clash of care logic and science logic within medical education. In fact, many authors have recently come to similar conclusions, including Greenwood *et al.* (2011); van Gestel & Hillebrand (2011); Besharov & Smith (2014); Raynard & Greenwood (2014).

7.2 The combined model of spheres and logics

Applying the institutional logics perspective on the previously presented Scandinavian model of society provides a flexible frame to further investigate the question of form-specific happy grades in the Swedish school system. Figure 7.1 is a representation of this combination where the circles represent an ideal type of each school form. Each school has simultaneous influences from each sphere, although they can have it to differing degrees. The model does not aim to establish a specific level of influence within each form, rather highlight the multiplex of logics within the schools. Thus, suggesting that the influence from, for instance, the market sphere can be stronger in one form of school compared to another. Further, the model hints to the multiple levels of logics that Thornton *et al.* (2012) propose. Differing logics can be seen within the whole field of education (represented by the overarching triangle) or it can be seen on the organisation level (represented by the circles). Thereby, highlighting the relationship of each organisation to its immediate environment. Indeed, the match

between them reflects the institutional pressure the environment places upon the actors within.

Figure 7.1: The combined model of spheres and logics



Source: authors' design.

Combining the results from Study 1 with this theoretical framework, should shed light on the multiple logics of the schools. As argued above, the seemingly equal grading between different forms of schools, together with them having different organisational forms with different outspoken goals suggest that a mix of logics is prevalent, rather than them all being similar. If the equal grading between forms represent a common state logic between the schools, further investigation into influence from other spheres could aid in proving the institutional mix, whereby a greater granularity in understanding the behaviour of schools would be attained. In addition, if schools of different forms were to have a different level of market logic proliferation but, at the same time, be able to adhere to the same procedures for system critical functions, like grading, that would be an important lesson to learn in the case of privatisation of schooling in particular, and privatisation as a societal trend in general.

7.3 Hypotheses

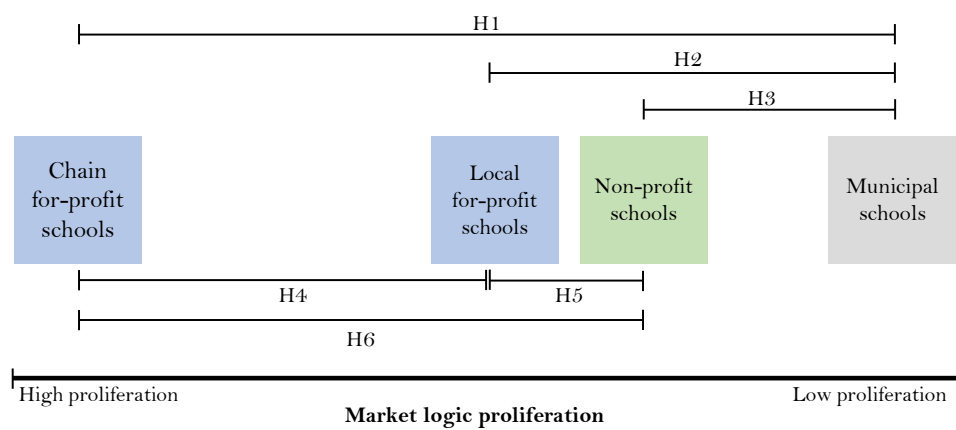
To this aim, the second study will build on the first and attempt to (i) further investigate the institutional environment to meet the critique established towards Study 1, and (ii) attempt to shed further light on the notion of simultaneously differing logics to add further granularity to the investigation of institutional forces. This is done by investigating the market logic proliferation of Swedish schools. To answer the hypotheses below, a national survey was carried out where respondents were asked to answer questions regarding marketing activities as well as their views on competition.

Thus, the hypotheses suggested would be as follows:

- H1: Chain for-profit schools are more market logic proliferated than Municipal schools.
- H2: Local for-profit schools are more market logic proliferated than Municipal schools.
- H3: Non-profit schools are more market logic proliferated than Municipal schools.
- H4: Chain for-profit schools are more market logic proliferated than Local for-profit schools.
- H5: Local for-profit schools are more market logic proliferated than Non-profit schools.
- H6: Chain for-profit schools are more market logic proliferated than Non-profit schools.

The hypotheses are outlined in the Figure 7.2.

Figure 7.2: Representation of hypotheses in Study 2



Source: author's design.

Chapter 8

Study 2: Methodology and Data

The outline follows that of Study 1, beginning with a general description of the approach of investigation. It then carries to a presentation of the data in general, to later describe each variable in detail. That is followed by a discussion on data quality through reliability and validity, to end with a note on replicability and the technicalities of the regression analysis.

The analysis in Study 1 suggests that there are no substantial differences in the level of happy grades among the four different school forms. It is not clear, however, whether that is because market logic has permeated all school forms including Municipal schools and all school forms therefore give about the same number of happy grades, or whether grading is still governed by the state logic based on equality at all schools and therefore there are basically no happy grades in the system.

The analysis in Study 2 aims to shed light on this question by investigating the logic the different schools are governed by. In particular, to what extent the market logic has proliferated in thinking and acting of headmasters of different schools. Market logic proliferation is measured by two proxies – engagement in marketing activities and perceived competition.

The analysis of Study 2 employs a cross-sectional research design and self-completion questionnaires are used to collect data for the analysis.

8.1 Generalised regression model

To determine the differences in market logic proliferation in different school forms, the following model was defined:

$$\begin{aligned} SchoolGPA_i = & \beta_0 + \delta_1 ChainForProfit_i + \delta_2 LocalForProfit_i \\ & + \delta_3 NonProfit_i + \beta_1 CompetitionLevel_i + \epsilon_i \end{aligned}$$

There are six dependent variables to be investigated. Each regression then includes three independent school form variables of interest and one control variable depicting the competition level of a school's environment. Please refer to Section 8.5 for further details on variables.

8.2 Population and sample

The population in Study 2 stays the same as in Study 1, i.e. 1704 högstadium schools in Sweden. However, the sample is a little bit smaller as it only includes schools with complete data availability in Study 1 (889 schools).

8.3 Survey design

Study 2's survey investigates the extent of engagement in marketing activities (Block 1) and how headmasters perceive their schools' environment in terms of competition (Block 2). Apart from these two blocks, the survey also collected basic information about respondents (Block 3). In total, the survey featured seven questions in the first two blocks and five questions in the third block. Refer to the Appendix B for the entire survey as well as the invitation email.

Several measures were taken to increase the response rate and to make the answers more accurate. First, the survey was completely in Swedish to make sure everyone could understand it properly and to diminish the language barrier. Second, the survey was kept as short as possible to keep the motivation of respondents high enough throughout the survey and to further increase the response rate.

8.4 Data collection

The survey was sent out to all schools in the sample, i.e. 889 schools in Sweden. The role of 95% of the survey's recipients was Headmaster or Deputy Headmaster, all of whom were contacted via their personal email addresses. The

remaining 5% of recipients include Lead Teachers, Administrators or general email address if no other option was available, in which case their identity was checked through one of the control questions. The contact list of 889 email addresses was composed by the authors of the study who found the determination to search for them one at a time. All email addresses were sourced either directly from schools' websites or from the website of the relevant municipality.

The invitation email to the survey was sent to 889 schools on the 8th of March 2017. Out of these, 16% of emails bounced, meaning that 747 emails were delivered. Then two reminder emails were sent on the 17th and 24th of March, after which the number of responses increased from 183 to 269 and 322, respectively. The response rate then reached 43.1%, which was an unexpectedly high number. In addition, the distribution of answers in different form categories was favourable.

Out of the recorded 322 responses, 84% of respondents answered all compulsory fields of the survey, 7% left after the first block but before finishing the second and 10% did not finish the first block at all. Thus, there are 290 usable responses out of which 269 are complete. The dataset includes at least 30 observations for each school form, which is usually the threshold value for statistical inference based on normal distribution. Please, refer to Table 8.1 for further details including form granularity.

The whole distribution and collection process of the survey was facilitated by the survey software Qualtrics. The authors especially appreciated the Qualtrics Mailer functionality which made it possible to personalize all emails, addressing almost all recipients with their first name. The names were sourced from the contact list created by the authors. The authors believe that this substantially helped increase the response rate.

8.4.1 Non-response analysis

Referring to Table 8.2 below, the only form that substantially deviates from the aggregate non-response rate (57%) was Local for-profit (33%, deviation of 24 percentage points). In other words, Local for-profit schools had a much better non-response rate than any other form. Response rates of the three remaining forms are close to the aggregate level with a maximum deviation of six percentage points. Thus, all form-specific non-response rates are in line with the aggregate level or better, suggesting a good distribution of non-responses in terms of the school form.

Table 8.1: Detailed structure of the sample in Study 2

Level of completion	# of schools	% of total	School form			
			Municipal	Non-profit	Chain FP	Local FP
Total number of recipients	889	100%	664	67	95	63
Total number of surveys delivered	747	84%	538	67	91	51
Total number of respondents	322	100%	211	32	45	34
Left before finishing 1st block	32	9.90%	25	1	5	1
Left before finishing 2nd block	21	6.50%	10	6	3	2
Completed survey	269	83.50%	176	34	30	29
Usable responses	290	90.10%	186	40	33	31

From the perspective of the degree of urbanization, no urban area deviates by more than nine percentage points on the aggregate level. Only Municipal schools from the degree-two and Local for-profits from degree-three areas show a substantially higher non-response rate than their respective averages. Although this is a slight deficiency of the sample, the distribution of non-response rate in terms of the degree of urbanization can also be considered as good enough for the purpose of the investigation.

Table 8.2: Non-response rates with respect to form and degree of urbanization

Urbanization	Schools that received survey invitation				
	Municipal	Non-profit	Chain FP	Local FP	Total
1 (most)	157	37	55	20	269
2	173	14	29	18	234
3	208	16	7	13	244
Total	538	67	91	51	747
Schools that did not respond					
1	73	22	28	6	129
2	129	5	15	3	152
3	125	8	3	8	144
Total	327	35	46	17	425
Non-response rate					
1	46%	59%	51%	30%	48%
2	75%	36%	52%	17%	65%
3	60%	50%	43%	62%	59%
Total	61%	52%	51%	33%	57%

8.5 Variables

The model is used to explain six dependent variables presented below. All dependent variables are based on data from the survey conducted by the authors. Apart from the dependent variables, the model includes three independent binary variables of interest describing the school form and one control variable depicting the competition level of the municipality the school is situated in.

The competition level is computed as a percentage of pupils in a municipality who attend private schools in relation to all pupils in the municipality. The data for Competition level was sourced from the Skolverket (2017).

8.5.1 Dependent variables

Two indices were constructed based on data in Block 1 of the survey – Marketing Engagement Index and Acquisition-Marketing Index. These two indices measure the extent of schools’ marketing activity, which functions as a proxy of market logic present in these actors.

The remaining four dependent variables map out the relationship between schools and competition (see Table 8.3). Inferences about market logic proliferation at different school forms are made based on interactions among these variables.

Table 8.3: Dependent variables in Block 2 and relevant survey questions

Dependent variable	Question
Perceived competition	How do you experience competition between schools in your area?
Competition influence	To what degree does competition affect your school activities?
Judgement of competition	What do you think about competition between schools in general?
Judgement of influence	How has competition affected your school?

Marketing Engagement Index

Marketing Engagement Index (MEI) is an index summarizing the usage of different marketing channels by schools. It is constructed based on Question 1 of the survey as a weighted average of the frequency of usage of different channels:

$$MEI_i = \frac{\sum_{j=1}^{12} w_j * ChannelScore_{ij}}{\sum_{j=1}^{12} w_j}$$

Table 8.4 summarizes the weights for different channels. The weights were distributed based on the level of market logic of the different actions, which was mainly determined by considering the cost of the activity and whether it has been traditionally used in the education arena.

Table 8.4: Weights of marketing activities in MEI

Marketing activity	Weight
Home page	0.05
Open house	0.05
Social Media Account	0.05
Social Media Advertising	0.15
Traditional Media Advertising	0.15
Mailing	0.10
Emailing	0.05
PPC	0.15
Fairs	0.10
Blog	0.05
Podcast	0.05
Newsletter	0.05
Total	1

Acquisition-Marketing Index

Acquisition-Marketing Index (AMI) quantifies the importance of student acquisition for schools. It consists of two components – general importance of student acquisition (Question 2) and importance of marketing as a tool to reach that goal (Question 3). The index is constructed as a sum where the marketing component has a two times larger weight than the general acquisition component to emphasize marketing as a stronger indicator of market logic.

$$AMI_i = GeneralAcqImp_i + 2 * MarketingImp_i$$

8.6 Data quality

Below, data reliability, validity, and replicability are addressed.

8.6.1 Reliability

Following the detailed argumentation below, the authors conclude that there are no major threats to reliability of the data in Study 2 in the short-term. In the long-term, the measures of marketing engagement and perceived competition might fluctuate. However, such fluctuations would not be caused by inaccurate measurements but by actual variability of these concepts.

Stability

The authors admit that both engagement of schools in marketing activities as well as the perceived level of competition can vary over time depending on, for instance, demographic developments, changes in governmental policies or further expansion of private schools. However, all these factors tend to be effective in the mid- to long-term, making it possible to make conclusions about the current state of primary schooling in Sweden.

Internal reliability

In Study 2, the multiple-indicator measures include the MEI and AMI. The Cronbach's alpha test of internal reliability is used to test MEI and AMI. Their alphas are equal to 0.74 and 0.79, respectively, which is well above the 0.70 'satisfactory level' of internal reliability defined by Schutte *et al.* (2000).

Inter-observer consistency

Bryman (2012) defines the lack of inter-observer consistency as a situation when there are different people involved in recording observations in which a great deal of subjective judgement is involved. In the case of this study, the first part of the definition is true – each questionnaire was answered by a different person. The question then is to what extent subjective judgement was involved in answering the questions. First, all compulsory questions were closed questions which decreases the potential for subjectivity. The authors further argue that the first question which serves as a basis for MEI asks about activities and offers frequency options that are very well-defined. On the other hand, the importance of student acquisition might be prone to a certain degree of subjectivity; hence this must be considered when interpreting the results. Questions in Block 2 mapping out perceived competition might be prone to subjective judgement. The authors, however, argue that the concept of perceived competition is subjective by its definition and subjective responses are expected. Furthermore, the study operates with an objective measure of competition (Competition level) in situations that require it.

8.6.2 Validity

Measurement validity

In Study 2, the question is whether the level of engagement in marketing really reflects the market logic orientation of an actor. The authors argue that schools invest in marketing primarily to get enough students and increase the amount of voucher money they receive. They want to maximally utilize their capacity for two reasons: (i) to increase profits, which is clearly a market logic behaviour, or (ii) to survive when there is an oversupply of education capacity and thus competition for children at the relevant market. In the latter case, the actor is forced to engage in market-logic behaviour such as marketing while in the former case, market logic is inherent in their motivations. Thus, the level of engagement in marketing should reflect the market logic orientation of the actors. Secondly, the authors argue that questions such as *“How do you perceive the level of competition among primary schools in your area?”* clearly reflect the concept of perceived competition.

Internal validity

Differences potentially found in the models defined above can be interpreted as caused by the relevant form since these differences are between schools situated in similar environments in terms of actual competition level, which is depicted by the control variable Competition level.

8.6.3 External validity

Thanks to the favourable distribution of responses among the school forms (at least 30 usable responses for each form), the conclusions should be valid from a statistical standpoint and therefore, cautious generalizations should be possible.

Ecological validity

Carlström & Nordström (2015) showed that both teachers and headmasters at Swedish primary schools are concerned with the phenomena of marketing and competition. Teachers are concerned that participation in marketing activities takes time from them that should be used for their teaching instead, whereas headmasters of both private and Municipal schools are concerned about the

impact of competition on their schools. Thus, ecological validity should be high.

8.6.4 Replicability

The authors made their best effort to carefully describe the methods in Study 2 including sampling, data collection and analytical methods employed to increase the replicability of Study 2. However, the replicability is lower than in Study 1 because a contact list proprietary to the authors and mainly primary data collected by the authors were used in the analysis.

8.7 Regression analysis

Ordered logit models are used when the dependent variable is ordinal and there are more than two possible outcomes, meaning that the possible outcomes of the variable can be ordered but proportional relationships cannot be determined (Long & Freese 2014). In such cases, the usual linear regression models would not provide accurate results. Five of the six dependent variables in Study 2 are of ordinal character and an ordered logit model is hence a suitable method for their analysis.

However, the proportional odds assumption (POA) of the ordered logit model was not satisfied for two variables (refer to Table 8.5). Therefore, the ordered logit model cannot be applied whereby the authors opted for an analysis using a contingency table in the case of these two variables.

MEI is the only dependent variable for which the multiple linear regression model is used since Question 1 answers can be considered proportional and MEI is then constructed to function as a continuous variable.

8.7.1 Assumptions

Ordered logit assumptions

In general, fewer assumptions need to be satisfied in ordered logit models than classical linear models. For ordered logit models, POA is the key assumption that must be satisfied. POA postulates that the relationship between each pair of outcome groups in the regression is the same, i.e. the coefficients describing different pairs of variables are the same for all pairs. Table 8.5 summarizes the results of testing for POA validity using the Brant test (Long & Freese 2014).

Table 8.5: POA for different dependent variables

Name of variable	POA satisfied
Acquisition-Marketing Index	Yes
Perceived competition	Yes
Influence of competition	Yes
Judgement of competition	No
Judgement of comp. influence	No

MLR assumptions for MEI

MLR.1-6 assumptions were tested for MEI's model in the same manner as in Study 1 and were all found to be satisfied.

Chapter 9

Study 2: Results

This chapter presents results from the analysis of the second study. It begins with results in relation to marketing activities of the schools to then develop on perceptions of competition. The outcomes for all hypotheses are then accounted for, which leaves a short conclusion.

9.1 Marketing

Referring to Table 9.1, Chain for-profit schools engage in marketing activities significantly more than Municipal schools (0.315, $p < 0.001$). Specifically, they showed a Marketing Engagement Index (MEI) of 0.315 over Municipals, which is a substantial difference considering that MEI ranges between 0 and 2.55. Neither Locals nor Non-profits significantly differed from Municipals in terms of their reported engagement in marketing activities. In other words, the MEI model showed that Chains are higher in market logic than any other form. The MEI model included 289 observations, the explanatory variables were together highly significant ($F = 16.16$, $p < 0.001$) and explained a non-negligible variation in the dependent variable ($R^2 = 0.19$).

As indicated in Table 9.2, Acquisition-Marketing Index (AMI) showed a similar pattern as MEI – Chains were the only form significantly different from Municipals (Odds ratio = 2.1, $p < 0.05$) and showed substantially higher interest in student acquisition, particularly in using marketing tools to do so, despite similar levels of actual competition (the control variable Competition level was highly significant and positive). The odds of Chains scoring higher in AMI was more than two times the odds of scoring lower, given other variables in the model were held constant. It is another indication that Chain for-profit schools

Table 9.1: Results for Marketing Engagement Index

	MEI
Chain FP	0.315*** (0.088)
Local FP	0.024 (0.092)
Non-profit	0.040 (0.094)
Competition level	0.011*** (0.002)
Constant	0.635*** (0.051)
Observations	289
R^2	0.185
F	16.159
p	0.000
Standard errors in parentheses	
* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$	

are actively using marketing and, hence, are high in market logic. The AMI model included 289 observations and the explanatory variables were together highly significant (Chi2=54.7, $p < 0.001$).

9.2 Competition

Following Table 9.2, Chains perceive significantly more competition than Municipals (Odds ratio=2.2, $p < 0.05$) or any other school form as neither Locals nor Non-profits were significantly different from Municipals. The odds of Chains perceiving a higher level of competition was more than two times the odds of perceiving a lower level of competition. Again, this holds for schools situated in similar areas in terms of the actual competition level as the control variable was highly significant. The model included 268 observations and the explanatory variables were together highly significant (Chi2=47.1, $p < 0.001$).

Referring to Table 9.3, Locals assessed competition as a positive phenomenon in most of the cases (83%), followed by Chains (61%), Nonprofits (34%), and Municipals (28%). On the contrary, competition was perceived as a negative phenomenon the most by Municipals (33%), Nonprofits (24%), Chains (9%),

Table 9.2: Results for Perceived competition, Competition influence, and AMI

	Perceived Comp.	Comp. Influence	AMI
Chain FP	2.217**	0.973	2.092**
Local FP	1.570	0.876	1.569
Non-profit	1.314	1.034	1.645
Competition level	1.047***	1.036***	1.044***
Observations	268	268	289
Chi2	47.072	19.004	54.714
p	0.000	0.001	0.000

Exponentiated coefficients

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 9.3: Question: What do you think about competition between schools in general? (proportions of frequencies for each form)

Answer	Municipal	Nonprofit	ChainFP	LocalFP
1 ("very positive")	2%	10%	26%	10%
2	26%	24%	35%	73%
3	39%	41%	29%	17%
4	21%	14%	9%	-
5 ("very negative")	12%	10%	-	-
Total respondents	176	29	34	30

and Locals (0%). This clearly suggests that for-profit schools perceive competition much more positively than their not-for-profit counterparts.

The model mapping out the perceived extent of the influence competition has on schools' operations did not show any differences between the forms as neither of the forms appeared to be significantly different from the Municipal schools (see Table 9.2). The model included 268 observations and the explanatory variables were together highly significant ($\text{Chi}^2=19.0$, $p=0.001$).

Table 9.4: Question: How has competition affected your school?
(proportions of frequencies for each form)

Answer	Municipal	Nonprofit	ChainFP	LocalFP
1 ("very positively")	3%	7%	12%	20%
2	23%	34%	44%	43%
3	56%	52%	35%	33%
4	18%	7%	6%	3%
5 ("very negatively")	-	-	3%	-
Total respondents	176	29	34	30

Results in Table 9.4 showed a similar pattern as in Table 9.3. Locals showed the most positive attitude towards the influence of competition (63% on the positive side), closely followed by Chains (56%). On the other hand, Non-profits and Municipals saw competition's influence less positively (41% and 26%, respectively) while the majority of both Non-profit and Municipal schools took a neutral stance (52% and 56%, respectively). When it comes to negative attitudes, Municipals were in the lead (18%), followed by Chains (9%), Non-profits (7%), and Locals (3%). Again, these results suggest that for-profit schools perceive the influence of competition on their operations much more positively than their not-for-profit counterparts, particularly Municipal schools.

9.3 Hypotheses

The argumentation behind conclusions about each of the six hypotheses is presented below and summarized in Table 9.5.

H1 Both MEI and AMI are in line, suggesting substantially higher proliferation of market logic in Chain for-profit schools than in any other school form. Furthermore, Chains perceived more competition than any other form and, at

the same time, were one of the two forms that perceived competition as well as its influence rather positively. The authors argue that it is a sign of a market logic as they seem to be very aware of the fact that they are in a competitive environment but, at the same time, see it as an opportunity rather than a threat. For these two reasons, H1 is supported.

H2 Local for-profit schools were not significantly different from Municipal schools in terms of market logic according to both MEI and AMI models. However, they saw competition in the most positive way comparing to any other form which is a slight indication of increased market logic for a similar reason as in the case of Chains. Therefore, H2 can also be considered somewhat supported.

H3 Like Locals, Non-profits were not significantly different from Municipals in terms of market logic according to both MEI and AMI. Regarding competition and its influence, they perceived it rather positively than negatively. However, the fondness of competition is not high enough for H3 to be supported.

H4 Chains, in contrast to Locals, were significantly higher in market logic than Municipals both in MEI and AMI. In addition, they perceived, again unlike Locals, significantly more competition than Municipals and, hence, Locals too. Although they perceived competition and its influence little less positively than Locals, it is still enough to support H4.

H5 Locals as well as Non-profits were not significantly different from Municipals in terms of market logic according to both MEI and AMI models. Similarly, they did not significantly differ from Municipals in terms of perceived competition nor its perceived influence. On the contrary, they perceived competition and its influence substantially more positively, which is enough to consider H5 somewhat supported.

H6 Supported with reasoning in line with H4.

9.4 Overall synthesis

According to Study 2's model, Chain for-profit schools stand out as the most market logic proliferated school form. The evidence for Local for-profit schools

Table 9.5: Hypotheses and conclusions in Study 2

Hypothesis	Conclusion
H1: Chain for-profit schools are more market logic proliferated than Municipal schools.	Supported
H2: Local for-profit schools are more market logic proliferated than Municipal schools.	Somewhat supported
H3: Non-profits are more market logic proliferated than Municipal schools.	Unsupported
H4: Chain for-profit schools are more market logic proliferated than Local for-profit schools.	Supported
H5: Local for-profit schools are more market logic proliferated than Non-profit schools.	Somewhat supported
H6: Chain for-profit schools are more market logic proliferated than Non-profit schools.	Supported

is not as strong as for Chains but they also appear to be more market logic driven than the remaining two forms. Non-profit schools showed no discernible difference from Municipal schools, leaving these two forms the least proliferated with market logic.

Chapter 10

Conclusion and Discussion

This chapter begins with a summation and conclusion of the results drawn from the second study and then puts them together with the findings in study one. It further investigates the inner workings of the developed institutional framework. It goes on to develop a further theoretical contribution and provides learnings levied towards policy makers. It concludes by highlighting the practical contributions that the thesis provides and develops upon limitations and areas of future research.

10.1 The conclusion

The main purpose of this thesis was to investigate if there were any differences in happy grades between different forms of schools. To answer this question, a two-pronged investigation proved necessary. As discussed above, the results from Study 1 suggest that there are no substantial differences between different school forms regarding happy grades. However, theory suggested that market logic driven actors should engage in happy grades to a greater degree than actors driven by state logic. The contradiction between theory and results gave rise to two new questions for investigation. The first question regarded if market logic drives happy grades, and the second, how organisations handle the contradictory institutional pressures. By answering both these questions, it would be possible to draw more definite conclusions from the first study as well as provide the research with a better explanation of the institutional forces in play. As shown in the results from Study 2 above, there is indeed a significant difference in market logic proliferation between the forms. Specifically, Chain and Local for-profit schools are more market logic proliferated

than Municipal and Non-profit schools. This goes well in line with the original division suggested by theory in Study 1. However, as the distribution of happy grades between forms is different from the proliferation of market logic between these forms, it is suggested that market logic does not influence grading in the schools. This is a controversial finding as it goes against the media discourse highlighted in the introduction, and to some degree, common sense. Instead, the results suggest that the schools manage to maintain a clear internal division of different parts, as the institutional pressures from different spheres do not seem to be able to fully permeate the organisation. The different parts showcase different institutional logics, a division that goes well in line with the extended institutional framework established in Study 2. The combined model of the institutional logics perspective, and the institutional spheres model, does indeed seem to provide a relevant, accurate, and more granular explanation of the institutional effects than the previous framework. As it allows for simultaneous conflicting institutional logics, and thereby pressures, within an organisation, the behaviour of the organisations can be more thoroughly explained. It appears that in the area of grading, schools apply a similar logic that resembles that of the state. Whereas, those schools most influenced by the market sphere showcase an increased market logic in areas of marketing and perceptions about competition. As marketing is a vocal act, it is understandable that specific activities of market logic driven schools, such as billboard advertising and social media advertising, provides clear artefacts for the general public to perceive them as driven fully by market logic. When in fact they seemingly manage to compartmentalise their organisations to shield grading from market logic influence. Thus, the final conclusion drawn from these studies upon the research question at hand, is that there are no substantial differences in happy grades between different school forms, although the schools differ significantly in other areas. The combination of the two theoretical frameworks made this finding possible and stands as a central theoretical contribution of this thesis.

10.2 A logical mix – the conflict explained

What needs to be further developed upon is the mechanism by which this seeming compartmentalised mix of logics is created and maintained. How do schools hinder market logics from seriously affecting their grading when institutional forces can be so strong? As mentioned in the theory of Study 2, Reay & Hinings (2009) suggested that multiple individuals with different logics can ef-

ficiently collaborate and still maintain their individual identities with separate logics. This concept could help explain the division observed in the studies. Indeed, the way the two different studies were constructed can make use of this division based on individuals. In the first study, the data is compiled from the actions of teachers, as those are the ones who set grades, suggesting that the first study investigated teacher behaviour. Whereas the second study was mostly based on the replies from headmasters, thereby showcasing their frames and thought patterns. These two separate groups could have distinctly different logics guiding their behaviour. Although headmasters often have a background in teaching, the role of a headmaster is markedly different from that of a teacher. Headmasters need to manage increased school competition and survival in the marketplace, whereas teachers can focus on their students and their topic. This might suggest that the frame of a teacher-come-headmaster may shift the longer they have been in the position. Additionally, it is not uncommon for headmasters, primarily in private schools, to have had previous managerial positions in other kinds of organisations such as corporations. Combining the responsibilities of the headmasters together with a potentially different background suggests that headmasters could be decidedly dominated by market logic. Building on this reasoning and the findings of Reay & Hinings (2009), a possible explanation for how one organisation can maintain different logics over time, is that *different logics are embedded within different roles* of the organisation. Headmasters champion market logic, whilst teachers maintain their state logic, even at for-profit schools. Indeed, a finding in this vein was identified by Walsh (2010) who noticed that as headmasters lowered standards, teachers increased them resulting in stable grading. Indeed, the report from the TeacherAssociation (2012) highlighted that teachers do experience an increased pressure from headmasters, but they are inconclusive in determining the effects of the pressure. This means that individuals of different roles collaborating whilst maintaining their distinctly separate identities and logics, could be the mechanism that manages to compartmentalise the different logics within the organisation.

At further glance, this division should not come as a surprise as the conflict between individuals with different roles, between teachers and headmasters, between managers and operators, is rampant throughout history. From the Plebeians of ancient Rome, to the uprising of Marxism, the conflict between managers and operators is a never-ending story, a conflict that now gets a further institutional anchoring. Applying the theory in this manner helps explain

an organisations behaviour by showcasing how institutional confusion can be sustained through conflicting roles being governed by different institutional logics. This is a further theoretical contribution of the thesis. However, it also provides a new tool for investigating the specific differing logics of an organisation. Using conflicts as a way to pinpoint institutional clashes, the investigation of organisations can be made substantially more efficient as conflicts generally are simple to locate. A further investigation into the arguments of the conflict should help to illuminate what kinds of logic are embodied in the organisation. Viewing this role-based conflict as a baseline for differing internal logics provides a relevant methodological contribution of this thesis, as a fairly simple tool with which to investigate the occurrence of different logics within any organisation.

10.3 Leveraging the use of institutionalisation

A further implication that deserves a thorough discussion has to do with the multiple levels of institutional analysis argued for by Thornton *et al.* (2012). The institutional mix comprised of the different institutional spheres in the combined model above (Figure 3.1), should be directly visible within the organisations through their logic-mix. What is important is the seeming match between the two, as this match highlights the very aspect of institutionalisation. If the two levels – the macro level consisting of spheres and the micro level consisting of logics – match, such a match suggests a direct institutional relationship between the outlined spheres and the individual organisations investigated. In this thesis, the macro level – represented by the three edges in the combined model – is derived from theory, whereas the micro level – represented by the circles in the middle – is investigated using empirical data. The seeming match between the two, represents potential proof of the institutional influence in effect. It is a development upon the concept of isomorphism which suggests a homogenic conformity, whereas the logics perspective explains institutional influence through systemic heterogeneity. Generally, institutionalisation is explained through identified similarities that originate from similar institutional constraints. Instead, this perspective displays institutionalisation as the mix of logics within the subject of investigation, being comprised of the mix of the institutional spheres that make up the institutional environment that the subject is in.

The implications for research are clarified with the case of primary schools

in Sweden. Should the schools not exhibit any tendencies towards market logic and assuming such a conclusion is based on solid investigation, no institutional influence from the market sphere upon the area of schooling would be suggested. This would mean that market mechanisms would be inept in explaining the behaviour of schools and any attempt to do so would be flawed. Thus, the value obtained from such a multi-level analysis, i.e. the investigation of the relationship between the spheres (edges of the triangle) and the logics (circles in the triangle), is the possibility to confirm or reject the relevance of a particular theory to the examined topic, in full or in part. Exemplifying from this thesis, the results from Study 1 and Study 2 suggest that market logic does not explain grading in Swedish högstadium schools, however, it can explain marketing activities in the schools. This is a potentially important learning for policy makers, more on that below, and it would not be possible without this framework that highlights triangulation between macro and micro levels. A similar comparison on different levels using the previous framework presented in Study 1, would not provide enough granularity to make an assertion on the validity of a theory. Indeed, this was the issue that forced Study 2 into being. Without being able to granularly explain all parts of an organisation, in this case showing market logic some place other than grading, it was impossible to make an assertion on whether market logic caused happy grades or not. Thus, the further theoretical contribution of this thesis is the exhibition of how the granularity of institutional logics can be used to validate the use of particular theory in a given topic of interest, as well as providing an example thereof.

10.4 Learnings for policymakers

Regarding policy suggestions, this thesis suggests that there are natural checks and balances in the system. So far, it seems that teachers in primary schools have been able to handle conflicting pressures put on them to compete using grading. This is an important lesson in regard to privatisation as it suggests that it might not have had the detrimental effect asserted by some. Furthermore, it is essential to be aware of the mix of perspectives within different schools, especially in the formulation of policy. To assume that all private schools are the same have been proven to be a misstep. To further assume that all chain schools will be the same would be equally misleading. At this point it is relevant to point out a warning regarding the empirical results presented in this thesis. Namely that they are always presented as aggregate results,

they suggest the average scenario. It is thereby not possible to say anything particular about a single school. A good example would be the seeming difference in quality between the International English School¹, and the schools of the John Bauer group². As such, it is crucial to make decisions based on relevant research and to not judge all types of schools the same. A division into at least non-profit and for-profit private schools should be the norm, and further granularity should be added when possible. This thesis does not definitively argue for or against privatisation of schools, instead it argues for a more nuanced picture in the investigation, the analysis, and the assessment of the future of privatisation in Sweden. Clearly there are advantages to be gained from private actors, as clearly as there are dangers to be expected. The principles discovered here should also hold true for other areas of public interest as well. For instance, for private actors in the elderly care, there has been a similar media discourse as for private schools. It is very likely that a division, similar to the one in this thesis, would help to explain what is really going on as different actors, arguably, are driven by different logics.

10.5 Methodological contributions

Finally, this thesis has two methodological contributions for future research in the area of primary schools in Sweden. First, the division of all schools into different forms can be of benefit for other researchers investigating other aspects of primary schools in the future. The division will be available to any researcher through contact information provided at the end of this thesis. It is simple to apply when investigating schools and would provide value through the increased granularity acquired into any investigation as well as contribute further empirical foundation to claims made in this thesis. Second, the Education Quality Index constructed in this thesis is arguably a highly relevant measure on Swedish education quality. It benefits analysis by producing a comparative score for each school, something SSI has yet to do. Their general approach being to identify specific areas where their research has provided learnings, in-

¹International English School entered the stock market in 2016, and is considered a top school which repeatedly reports stronger results than averages of both municipal and other private schools.

²The John Bauer Group was a company that ran multiple schools in Sweden (only upper secondary schools) which became bankrupt in 2013 due to dismal operations, finances, and education. This created a small national crisis in handling the closed schools and pointed a light on risk capitalists exploiting schools.

stead of leveraging the full power of the data. As such it could be used in a myriad of ways to investigate a multitude of perspectives on how education in Sweden can be improved, and what dangers to avoid. The methodological chapters of this thesis should provide ample instruction on how to recreate the index and the data is readily available at SSI's webpage. These two contributions can likely be of high relevance for pedagogical, educational, and economic research, and as such their part of the contributions of this thesis shall not be overlooked.

10.6 Limitations and future research

10.6.1 Potential lag effect

One major limitation in both studies in this thesis is the limited temporal aspect. Both datasets are focused on one year and does thereby not capture long term trends. In a panel dataset, it would be possible to discern how the relationship between market logic proliferation and happy grading progressed over time, thereby taking consideration to eventual lag effects. It is possible that there is a lag in the influence of market logic on happy grades, in which case this thesis would not capture it and the conclusions drawn can be heavily criticized. If it would take a decade, for instance, for the market logic to affect teachers grading it would not be seen in this data. However, though the existence of a lag effect is not implausible, it is likely not active any more. There have been private schools allowed in Sweden for the last three decades, thus their effect should be visible by now. Which means that the effects of privatisation are likely already upon us. This does mean that this thesis cannot assert that market logic proliferation has not had effects on happy grades in the past. However, it can be fairly content in claiming that market logics are not driving happy grades today.

10.6.2 Potentially insufficient control in the models

A second critique towards the thesis could be a potential for the control variables in Study 1 to be insufficiently powerful. If the EQI, for instance, does not accurately capture the difference in the schools' capabilities to develop the pupils, or if the children's different conditions are not appropriately controlled for by the relevant variables, then it might pose a question for the accuracy

of the results. The authors have argued extensively in favour of the selected method, the statistical tools used, and the approach as a whole in both methodological chapters. Nevertheless, it is not possible to prove in such a way that no doubt would remain regarding the selection and adequacy of the controls. Despite the uncertainty, the approach selected was rigorously developed, and based on the approach of previous research in the area. Thus, the authors argue that this critique, though potentially relevant, has been sufficiently met throughout the thesis.

10.6.3 Non-profits neglected

Not explicitly a limitation in the research, rather a slight that deserves to be highlighted is the limited room that is allotted to Non-profits in this thesis. Although it is an important form, with interesting motivations, and thereby interesting goals, it is not as inflammatory as are for-profit actors. Additionally, they are not suggested by theory to be drivers of happy grades which is the main focus of this thesis. In addition, few novel results were found in relation to Non-profit schools, something that probably is related to the profit-centric issue at hand. Worth to note is the extra diligence that Non-profit schools take in their grading of mathematics. This suggests that the area of Non-profit schools and the influence that the civic logic has on other schools, is a prudent topic of future research.

10.6.4 Topics for future research

As mentioned above, the influence of Non-profit schools, and the civic logic, is an important area for further research, not only in education but also for other areas in which such actors are present. One interesting aspect would be to investigate if the parents of Non-profit schools are more engaged, and in what sense. Indeed, it is reasonable to assume that a school run as a co-operation, thus owned by parents, could give parents more influence in the activities of the school, indeed the TeacherAssociation (2012) did find more parental pressure in private schools. Additionally, further studies into the areas brought up in the discussion would be of interest. First, the discussion above (Section 10.2) highlights different roles as possible containers of different institutional logics and thereby sustainable managers of institutional confusion. More research on this topic could shed further light on the institutional part that organisational roles have to play in the institutionalisation of organisations. Second, the advent

of conflict as pin-pointers of institutional clashes and thereby illuminators of institutional influence, could provide a useful tool for future investigation into the sustainability of institutional confusion. Continuously successful usage of such a method would establish the tool as a common technique for institutional research and verify the inclinations of the authors of this thesis. Finally, the family sphere outlined by Wijkström & Lundström (2002) have been ignored in this thesis and does deserve a greater space in future research. It is most likely an area that commonly is underestimated and it is a topic that is becoming more frequently mentioned as it is increasingly shouldering previously public responsibilities in the new economy.

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Appendix A

Study 1

A.1 Descriptive statistics

A.1.1 Dependent variables

Table A.1: Descriptive statistics of dependent variables

	mean	sd	min	max
SWE_G9_2015	14.13152	1.357595	9.5	17.8
ENG_G9_2015	14.66697	1.813214	7.1	19.7
ForLANG_G9_2015	14.0965	1.375572	7.9	17.8
MAT_G9_2015	12.62058	1.708172	1.3	18.9
PHY_G9_2015	13.23123	1.764915	6.2	18
CHEM_G9_2015	13.10789	1.775035	6.3	18.8
BIO_G9_2015	13.40113	1.708589	6	18.6
ENGIN_G9_2015	13.71806	1.674836	6.1	20
SoSC_G9_2015	13.82528	1.694375	6.3	18.6
HIST_G9_2015	13.76388	1.699154	6.1	18.8
RELIG_G9_2015	13.71637	1.632589	6.4	19.1
GEO_G9_2015	13.65124	1.666118	6.1	18.5
HoECON_G9_2015	14.57091	1.691537	7.5	19.7
ART_G9_2015	14.56745	1.568902	9.1	18.7
MUSIC_G9_2015	14.5354	1.67044	7.7	19.9
SPORT_G9_2015	14.5761	1.791513	5.1	20
HndCRAFT_G9_2015	14.6857	1.41546	9.8	19
<i>N</i>	889			

A.1.2 Independent variables

Table A.2: Descriptive statistics of independent variables

	mean	sd	min	max
Chain FP	.1068616	.3091112	0	1
Local FP	.0708661	.2567456	0	1
Non-profit	.0753656	.2641289	0	1
EQI (pc1)	-.4007843	3.948207	-12.29978	13.24609
Chldrn-teacher ratio	12.44781	2.243443	4.4	29
Parents edu	.5382115	.1655643	.06	.94
Girls proportion	.4865242	.050815	.24	.75
Frqn bckgrnd	.2295051	.1911422	.03	.99
<i>N</i>	889			

A.2 Education Quality Index

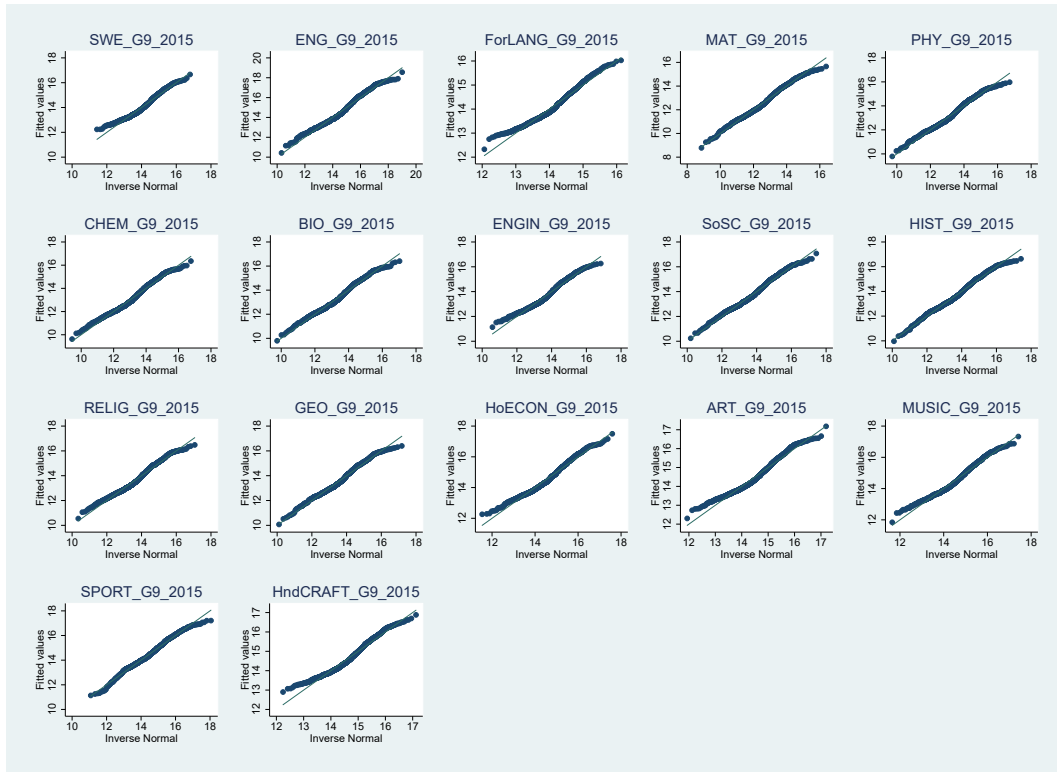
Figure A.1: Indicators for construction of EQI

	Parents	Students	Teachers
1)	Stimulus (fun, excitement and engagement)***	Stimulus (fun, excitement and engagement)***	Stimulus (fun, excitement and engagement)***
2)		Trust in the student's capability (self-confidence development)**	Trust in students capabilities**
3)	Adapting to student needs (degree of help etc.)***	Adapting to student needs (degree of help etc.)***	Adapting to students needs***
4)		Debate and critical thinking**	Debate and critical thinking**
5)	Basic values (gender equality, diversity, respect)***	Basic values (gender equality, diversity, respect)***	Basic values (gender equality, diversity, respect)***
6)	Working environment (calm in classes)***	Working environment (calm in classes)***	Working environment (calm in classes)***
7)	I know what it takes (to reach the knowledge demands)	I know what it takes (to reach the knowledge demands)	Information about education goals and demands
8)			Cooperation in education (cross-subject teamwork, cooperation)*
9)		Extra challenges*	
10)		Values as a content in education**	Values as a content in education**
11)		Student influence (student can influence the environment, content)**	Student influence**
12)		Rules of conduct (existence, enforcement)**	Rules of conduct**
13)	Safety of the pupils***	Safety of the pupils***	Safety of the pupils***
14)	Bullying prevention***	Bullying prevention***	Bullying prevention***
15)	Development of the children (development talks)*		
16)			Grading (transparency of requirements, equal judgements, cooperation)*
17)			Quality of headmaster*
18)			Development of the education*
19)			Routines (new teachers, social workers)*
20)	Student health at the school***	Student health***	Student health***

*One stakeholder group asked, **Two stakeholder groups asked, ***Three stakeholder groups asked

A.3 MLR.6 Normality

Figure A.2: Normal Q – Q plots of all 17 dependent variables



Source: authors' computations.

A.4 Results, part 2

Table A.3: Regression results for models that appeared not to have any of the form variables significant (1/2)

	SWE	ForLANG	PHY	CHEM	BIO	ENGIN
Chain FP	0.016 (0.164)	-0.004 (0.160)	0.269 (0.194)	0.212 (0.200)	0.083 (0.185)	0.259 (0.186)
Local FP	0.003 (0.162)	0.092 (0.165)	0.026 (0.200)	-0.095 (0.187)	-0.041 (0.182)	-0.076 (0.208)
Non-profit	0.143 (0.172)	0.263 (0.206)	-0.123 (0.221)	0.166 (0.244)	-0.158 (0.208)	-0.176 (0.215)
EQI (pcl)	0.047*** (0.013)	0.042*** (0.014)	0.049*** (0.015)	0.071*** (0.015)	0.075*** (0.014)	0.057*** (0.015)
Chldrn-teacher ratio	0.029 (0.025)	-0.032 (0.023)	0.050* (0.028)	0.067** (0.028)	0.071*** (0.025)	0.060** (0.026)
Parents edu	4.661*** (0.296)	3.406*** (0.350)	5.463*** (0.372)	5.300*** (0.373)	5.251*** (0.334)	5.013*** (0.360)
Girls proportion	2.464*** (0.845)	1.534* (0.860)	0.895 (0.972)	1.699* (0.980)	1.763* (0.910)	0.998 (1.033)
Frng bckgrnd	1.259*** (0.281)	0.229 (0.297)	-0.767** (0.359)	-0.670* (0.347)	-0.880*** (0.338)	0.099 (0.351)
Constant	9.764*** (0.534)	11.852*** (0.487)	9.407*** (0.589)	8.747*** (0.594)	9.061*** (0.529)	9.765*** (0.576)
Observations	866	856	887	887	885	886
R^2	0.418	0.229	0.415	0.451	0.476	0.368
F	81.166	30.946	75.170	81.754	88.871	59.730
p	0.000	0.000	0.000	0.000	0.000	0.000

Standard errors in parentheses

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A.4: Regression results for models that appeared not to have any of the form variables significant (2/2)

	SoSC	HIST	RELIG	MUSIC	SPORT	HndCRAFT
Chain FP	-0.038 (0.192)	0.077 (0.169)	0.144 (0.168)	-0.018 (0.188)	0.126 (0.206)	0.142 (0.169)
Local FP	0.068 (0.191)	0.181 (0.182)	0.113 (0.202)	0.115 (0.218)	0.139 (0.211)	0.068 (0.180)
Non-profit	0.190 (0.215)	0.028 (0.229)	-0.102 (0.236)	0.295 (0.198)	0.162 (0.252)	0.150 (0.180)
EQI (pcl)	0.074*** (0.014)	0.072*** (0.015)	0.067*** (0.014)	0.055*** (0.015)	0.060*** (0.017)	0.052*** (0.013)
Chldrn-teacher ratio	0.077*** (0.023)	0.032 (0.023)	0.049** (0.023)	0.040 (0.028)	0.082*** (0.027)	0.078*** (0.021)
Parents edu	4.966*** (0.365)	5.182*** (0.370)	5.103*** (0.366)	4.356*** (0.388)	4.458*** (0.399)	3.610*** (0.337)
Girls proportion	1.577* (0.880)	1.134 (0.972)	1.709* (1.005)	2.173** (1.016)	-1.154 (1.079)	0.467 (0.855)
Frqn bckgrnd	-1.064*** (0.326)	-1.378*** (0.338)	-0.418 (0.334)	-0.107 (0.328)	-1.750*** (0.377)	0.460* (0.275)
Constant	9.683*** (0.530)	10.344*** (0.545)	9.626*** (0.566)	10.646*** (0.608)	12.102*** (0.614)	11.431*** (0.489)
Observations	886	886	886	887	887	888
R^2	0.482	0.490	0.448	0.317	0.401	0.317
F	90.007	86.206	80.215	47.757	63.208	51.048
p	0.000	0.000	0.000	0.000	0.000	0.000

Standard errors in parentheses

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Appendix B

Study 2

B.1 Invitation email

Hej NAMN,

Mitt namn är Henrik Kilander och tillsammans med min partner Jakub Losenicky skriver jag för närvarande min masteruppsats vid Handelshögskolan i Stockholm. Uppsatsen handlar om grundskolor i Sverige. Mer specifikt är vi intresserade av hur en skola påverkas av dess omgivning på olika sätt och denna del av studien fokuserar på marknadsföring.

Denna enkät är rikstäckande och går ut till alla högstadieskolor i Sverige. Den riktar sig till rektorer eller personer med liknande operativt ansvar för skolan. Vi skulle vara mycket tacksamma om ni ville svara på den. I våra tester är den genomsnittliga svarstiden knappt fyra minuter. Alla svar behandlas konfidentiellt och utlämnas inte till någon annan part.

Självfallet kommer du att få ta del av vår studie och resultaten om du är intresserad av det. Fyll då i din mailadress i slutet av enkäten.

Denna forskning är viktig för oss och vi hoppas du kan hjälpa till! Om du har några frågor överhuvudtaget så tveka inte att kontakta mig på antingen 22400@student.hhs.se eller 070 619 88 33.

Tack på förhand!

Henrik Kilander och Jakub Losenicky

B.2 Survey

Tack!

Tack för att ni tar er tiden att svara på denna undersökning, era svar är viktiga för vår forskning. Vårt syfte är att förstå hur svenska grundskolor förhåller sig till marknadsföring och konkurrens, och denna enkät är en viktig del av vår studie.

Denna enkät har testats på XX respondenter och en genomsnittliga svarstiden är 04:45 minuter. Enkäten har tre delar. Minst svar på rödmarkerade frågor krävs.

Alla svar behandlas konfidentiellt av oss och inga svar delas med någon annan part. Om ni har några frågor tveka inte att kontakta Henrik Kilander på 22400@student.hhs.se eller 070 619 88 33.

(block 1)

(Q1) Vilken/vilka av dessa marknadsföringsaktiviteter använder er skola?*

(1=har aldrig använt, 2=har testat, 3=använder ibland, 4=använder regelbundet)

- Hemsida
- Äppet hus
- Konton på sociala medier
- Annonser på sociala medier
- Annonser i traditionell media (TV, radio, tidningar etc.)
- Post
- E-post
- Pay-per-Click (ex. Google AdWords)
- Mässor
- Blogg
- Podcast
- Nyhetsbrev

(Q2) Hur viktigt är det för er skola att attrahera nya elever?*

(1=inte alls viktigt, 2=ganska viktigt, 3=viktigt, 4=väldigt viktigt)

(Q3) Hur viktigt är marknadsföring för att attrahera nya elever för er skola?*

(1=inte alls viktigt, 2=ganska viktigt, 3=viktigt, 4=väldigt viktigt)

(block 2)

(Q4) Hur upplever ni konkurrensen mellan skolor i ert område?*

(1=ingen konkurrens, 2=liten konkurrens, 3=påtaglig konkurrens, 4=hög konkurrens)

(Q5) Till vilken grad påverkar konkurrensen er skolverksamhet?* (1=ingen alls, 2=liten, 3=påtaglig, 4=hög)

(Q6) Anser ni att konkurrens mellan grundskolor över lag är ett positivt eller negativt fenomen?*

(1=mycket positivt, 2=positivt, 3=neutralt, 4=negativt, 5=mycket negativt)

(Q7) Har konkurrensen haft en positiv eller negativ påverkan på er skola?*

(1=mycket positivt, 2=positivt, 3=neutralt, 4=negativt, 5=mycket negativt)

(block 3)

(Q8) Har ni en kö för anmälan till er skola? Om ja, hur lång?

(ja/nej)

(ange ungefärligt antal år, ex. 3)

(Q9) Vilken roll har du som respondent på skolan?*

(var vänlig fyll i)

(Q10) Vilket kön identifierar du som respondent dig med?

(kvinna, man, annat)

(Q11) Vad är namnet på er skola?*

(var vänligt och skriv ut hela namnet)

(Q12) Vad har er skola för skol-kod?

(om ni vet er skol-kod skriv gärna in den)

Om ni vill få resultatet av studien var vänlig skriv in en mailadress här (ca i Maj):

Tack för era svar!