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Umbrella protectors? Analysing valuing, hybridity, and compromises for Chinese middle managers

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Abstract

Purpose – This paper examines the ways in which Chinese university middle managers evaluate subordinate performance in response to the Chinese Double First-Class University Plan, a national project that ranks the performance of universities. In exploring compromise arrangements, the hybridised valuing activity of middle managers is found to be shaped by emergent and extant macrofoundations.

Design/methodology/Approach – Qualitative data from 49 semi-structured interviews at five Chinese public universities were conducted. Drawing on macro-foundational studies and the sociology of worth theory, the analysis helps to identify socially shared patterns of actions and outcomes.

Findings - The findings elucidate the interplay between diverse economic, social, political and institutional values and the compromise-making by middle managers. We find that contextual factors restrict Chinese academic middle managers’ autonomy, preventing workable compromise. Through selective adoption of international and local management practices, compromise has evolved into a private differential treaty at the operational level.

Originality/value – A nuanced explanation reveals how the macrofoundations of Chinese society influence middle managers who engage with accounting when facilitating compromise. This study helps outsiders to better understand the complex convergence and divergence of performance evaluative practices of Chinese universities, against the backdrop of global market-based forces and moral dimensions of organisational life. The findings have wider implications for the Chinese government in navigating institutional steps and developing supportive policies to enable middle managers to advance productive but also sustainable compromise.

Keywords: University performance evaluation, Middle managers, China, Macrofoundation, Sociology of Worth (SW)

Paper type: Research paper

1. Introduction

The rise of the knowledge-intensive economy has increased government demands on universities to demonstrate evidence of societal impacts through scholarly outputs and outcomes. In the rise and ongoing intensification of a performance audit culture worldwide toward university ranking, it has become common for universities to adopt multi-faceted governance structures to influence and promote performance recognition. As the world’s largest Higher Education (HE) system, Chinese universities are globally significant contributors to this regime, but little is known of their operational impacts requiring further research attention.

The Chinese economy has changed enormously over the last forty years since opening trade with the outside world in the late 1970s. Around the late 1990s, the Chinese HE system emulated this change by moving from educating an industrial low-skilled economy to one that fosters building world-class universities. As part of China’s *Overall Plan for Coordinating the Development of World-class Universities and First-class Disciplines* (hereafter, the Double First-Class University Plan), Western-like performance evaluations, league tables and rankings have increasingly infiltrated Chinese HE. Calculative practices now encompass

quasi-market competition that relies on quantitative indicators of quality and control for measuring, ranking and auditing university and faculty work.

In this paper, we argue that the emergence of internal ranking and calculative practices in the Chinese public university context is linked to significant reforms and a hybrid response that has resulted in ambiguous outcomes. The staged economic development, changing political environment and legacy of a traditional culture have consolidated university management values, beliefs and practices. These views continue to legitimise institutionalised behaviour that both converges with and diverges from Western practices, providing an interesting opportunity to contribute to the HE literature. To date, the literature has predominately focused on Western economies, with minimal attention to developing countries with variations in characteristics that influence intra-university performance management systems (PMSs) (Grossi et al., 2019; Vakkuri & Johanson, 2020). Of theoretical and empirical interest is the emergent managerial values in a non-Western developing country, the convergence and divergence with Western performance management systems, and the resulting hybridity. In contrast to Western countries, emerging economies have traditional cultures and distinct political influences that make the universal application of Western-born management technology problematic. The use of a PMS is an institutional fact that depends on normative and cognitive elements that have become ingrained in society.

With a plethora of actors, value propositions, activities and mechanisms noted for their hybridity (Battilana et al., 2017; Battilana & Lee, 2014; Grossi et al., 2019; Grossi et al., 2017) and increasing attention to microfoundation research, the existing empirical literature is silent on the unfolding process of mutual constitution between the micro and macro forces. When studied separately, the broader picture of why actors might engage in these behaviours as well as the broader dynamics gets lost (e.g., Steele & Hannigan, 2020; Steele et al., 2020). In this paper, we contribute deeper insights into the emerging, hybrid PMS as a nested system (Pekkola et al., 2020; Pekkola et al., 2022), which enables more reflection on the constitutive interplay between micro-activities and macro systems (Meyer, 2010).

Insights of middle managers on how they engage with PMS and manage conflicts are important, particularly given that the organisations they operate in are composite assemblages eliciting multiple values. Acknowledging that HE organisations are not managed singularly, middle managers are placed between the strategic apex and operating core, and thus serve as important intermediaries for shaping strategies and organisational outcomes (Balogun, 2003; Wooldridge et al., 2008). While early research focused on middle managers as sources of resistance (Guth & MacMillan, 1986), later accounts highlight their potential as agents of change and coordination (Oldenhof et al., 2014). Because middle managers' roles take place at organisational, hierarchical and professional interfaces, their managerial practices provide an important point of observation from which to study the coordination of organisational life. Little is known in terms of how middle managers interact with the environment to construct or advance hybrid compromise in internal management accounting arrangements. We thus contribute to the literature by exploring how PMSs are confounded by Chinese university academic managers whose values are under the influence of macrofoundational forces.

Participants for our qualitative field study data comprise Deans and Heads of Departments from five Chinese research-intensive universities, providing a better understanding of the institutional macrofoundation influences (Haack et al., 2019; Harmon et al., 2019) and associated multi-layered PMSs. Boltanski and Thévenot's (1991, 2006) Sociology of Worth (hereafter, SW) is used to theorise the micro-processes and the active role of university middle managers in forging compromises between old and new, Western and Eastern values, and internal and external conflicts. These theoretical frames offer a fresh insight into

accounting as an embedded social mediating mechanism linking together different macrofoundational contexts, actors and aspirations (Miller & Power, 2013), underpinned by the following research question: *How do macrofoundational values shape performance evaluation in Chinese universities via hybridised middle management?*

This study contributes to the interdisciplinary accounting literature in two important ways. Firstly, by drawing on SW theory and macrofoundations, we contribute to an understanding of the hybridity of middle-management governance in Chinese universities. We provide evidence as to how macro institutions intertwine and reinforce one another, intimately anchored by accounting compromises. Secondly, our results contribute to middle management research by shedding light on the processes that play out in structural conditioning and blending of values by Chinese middle managers. The interviews with participants show that, while accounting fosters a concrete focus of attention, it also requires performative force for those sandwiched in a middle manager position and dealing with conflicting values. However, the compromises they constitute, negotiate and institutionalise are based on selective adoption of international practices. This engages subordinates and local management in a narrower conception of performance, thus building PMS tension. This study demonstrates the interplay between macrofoundations, regimes of moral evaluation, and middle managers' capacity to transform calculative practices. The findings have practical implications for the Chinese government in better advancing sustainable compromises against the backdrop of an expanding market-based economy.

The remainder of the paper is as follows. Section 2 provides a discussion of literature on hybridity in university performance evaluation and the role played by middle managers. Section 3 outlines the theoretical framework; which is followed by a discussion of the research method in Section 4. Section 5 presents the empirical results of our fieldwork. We present discussion of these and their contributions to knowledge in Section 6. The paper concludes with limitations and opportunities for further research in Section 7.

2. Literature Review

2.1 Understanding hybridity in university performance evaluation

Accounting hybridity emerges when actors with a plurality of values complicate accounting measures of impact, value and performance evaluation (Berry et al., 2009; Kurunmäki, 2004). Under a neoliberal audit culture (Shore & Wright, 2015; Shore et al., 2015), performance is now measured according to different value propositions, activities, processes and outcomes (Battilana et al., 2017; Battilana & Lee, 2014). Universities typify the notion of hybrid organisations (Kastberg & Lagström, 2019; Pache & Santos, 2013), inevitably rife with competing institutional pressures, contradictory and conflicting rationalities, and inter-organisational relationship complexities.

Universities increasingly straddle multiple spheres and combine different forms, identities and values. Consequently, performance evaluation in the university sector is never neutral, dealing with global and local regulations, accrediting bodies, and markets and cultures that steer what universities do (Kallio et al., 2021; Kallio et al., 2016). In efforts to demonstrate legitimacy, a range of values are required to meet the interests of diverse stakeholders. PMSs provide this performative role, as a form of calculative order that generates an illusion of control, verification and clarity and largely supports rational, economic logic (Gebreiter & Hidayah, 2019b; Kastberg & Lagström, 2019), or accountingisation (Martin-Sardesai et al., 2020). Core facets of a PMS are linked to funding organisations and governments which have sought to

develop a production model of performance measures and targets to improve accountability and performance improvements within universities. The adoption of business-like practices thus has implications for university funding as well as individual tenure and promotion.

Therefore, balancing different measurement rules in practice is complicated, not only due to the conflicting nature of hybridity itself (the multidimensional characteristics, ambiguous and ambivalent missions and activities) but also the complexity of valuing performance as a consequence of different and conflicting demands (Vakkuri & Johanson, 2020). It has been argued that the process of PMS consensus decision-making has the potential to facilitate the misalignment of goals, performance measures and organisational behaviour (Chenhall et al., 2013). Despite external demands for objective systems, universities operate in an uncertain, fragmented and contested environment (Xia et al., 2023). In practice, performance measurement tends to be enacted in terms of output and impact which are difficult to identify and unclear in terms of attribution (Vakkuri & Johanson, 2020). Performance indicators may be cherry-picked to demonstrate more favourable outcomes, focus on what is measured, or provide leeway for organisations to decide how to legitimise their actions to different university audiences. Dobija et al. (2019) find that performance information within different university departments or units meets ceremonial, symbolic or rational decision-making purposes, with the latter revealing ambiguous outcomes and resulting value conflicts. Institutional environments and politics, along with a coalition of interests and power, influence the way in which university PMSs are used in rational and symbolic applications.

Understanding the way individuals engage with PMS is important to predict future actions and effects (Hyndman & Liguori, 2022). Hybridity also underscores the power of agency in the formation, reproduction and transformation of activities and logics (Greenwood et al., 2017; Meyer, 2010). Previous research suggests that a pervasive performance control culture, developed by university authorities, has a tendency to amplify the controls imposed by external authorities (Agyemang & Broadbent, 2015). While the use of audit culture may be accepted by some, this has led to counter-productive outcomes, with the managerial oversight of academic work causing a movement away from traditionally-held academic values (Craig et al., 2014). These academic subjectivities are held at a distance by university management and politicians, with individual academics unable to respond to inappropriate mission drafts and quantitative key performance indicators (Gebreiter & Hidayah, 2019a; Martin-Sardesai et al., 2020).

2.2 *Embedded middle managers*

While middle managers are under the direction of senior management, their ability to translate and adjust organisational-level values into operational-level ones is a widely regarded contribution (Rouleau, 2005; Sveningsson & Alvesson, 2016). The literature agrees that, compared to senior executives, middle managers experience a range of frequently intense value conflicts, with conflicting, inconsistent yet multiple expectations and cues from top managers, organisational groups, and coalitions (Hope, 2010; Sims, 2003; Splitter et al., 2021). Middle managers can be easily torn in a relational tussle because of their close ties to both top managers and subordinates. From their intermediary role, scholarship recognises middle managers' experience as the subjective and objective in-betweenness of their middle managerial role. At the same time, because their role entails extensive vertical code-switching upwards and downwards, Gerpott and Van Quaquebeke (2022) posit that this leads to 'kick-down' behaviour, that is, being exploitive when interacting with subordinates.

Many public sector middle managers such as academics (and hospital doctors) are noted for their hybrid ability in operating both managerial and professional roles. Thus defined as

hybrid middle managers, Burgess et al. (2015) compare these with non-hybrid managers, maintaining that non-hybrids adhere to compliance regulations while hybrid middle managers operate under professional dissonance. The latter type are likely to negotiate compromise when faced with competing values, rather than ignoring or bypassing conflict. Hybrid middle managers meet quantitative performance measurements and targets by engaging with a plurality of values simultaneously. They do this to minimise the potential drawbacks that have been imposed by high authority (Burgess & Currie, 2013; Burgess et al., 2015), but when enacting this flexibility, tensions arise that can suppress professional autonomy.

Broadbent (2011) argues that academic middle managers are uniquely placed in the university governance operating model, with a stronger academic identity and motivation to resolve tensions between market-efficiency ideology and academic values. In exploring the concept of middle-levelness from above and below, Gjerde and Alvesson (2020) find that middle manager-academics are the umbrella-carrying protectors, addressing the concerns of academics and shielding them from excessive or unnecessary demands from top managers so that optimal professional work can be performed at the lower levels. This runs counter to previous research that portrays middle managers as constrained agents who either conform with or separate professional from personal values (Patriotta et al., 2011).

To date, the existing literature doesn't provide insights into middle-level PMS activity to produce constructive compromise. This is an important research gap, whereby the existence of co-existing values must be accounted for. This implies a navigational challenge for academic managers who must negotiate between conflicting demands and expectations, with accounting being an important compromise or mediating tool to promote hybridity (Busco et al., 2017). Indeed, being in the 'middle of the sandwich' and at the interstices of organisations and different groups, academic managers do not have the option to circumvent morally difficult decisions. They are expected to work with a mix of disparate values and mediate role conflicts while making strategic choices to maintain legitimacy.

Extant research on HE accounting has mainly been conducted on developed countries, with fewer studies focusing on universities in emerging economies. Meanwhile Cardinale (2018) envisages agency as the actors' engagement with the various contexts through which they are afforded the choice to follow one set of rules while rejecting others. Agency in this regard exists in the habitual and taken-for-granted practices within institutions (Emirbayer & Mische, 1998). In this regard, the Western context differs significantly from emerging economies in many different contexts including in their economic and political systems. A traditional culture frequently legitimises informal practices; and institutional conditioning results in more controversy when emerging economy universities try to follow their Western counterparts when introducing calculative practices. It is thus important to understand how middle managers in non-Western universities construct compromise via accounting that incorporates extant and emergent, formal and informal, and visible and invisible practices.

3. Theoretical Approach

3.1 Macrofoundational lens to explore hybridity

Recent studies have concentrated their efforts on microfoundations, or the process through which individuals and sub-groups adopt cognitive frames and actions to construct the mechanisms at work in producing, reproducing and changing hybridity (Bedford et al., 2019; Morinière & Georgescu, 2021; Rautiainen et al., 2021). Frequently overlooked but equally important is the power of macro-structures and forces in shaping local events and day-to-day

actions that critically condition hybridisation (Scott, 2020). While the theories of macrofoundations are assumed to be in counterpoint with those of microfoundations, institutionalists recognise the notion of macrofoundations as malleable. Macrofoundations can be viewed as social-cognitive infrastructures underpinning local activities, or in a dialectic between the macro (structure) and the micro-dynamics (agency), constantly entwined in co-constitutive interplay. According to Gehman (2021), an exclusive focus on either the micro- or the macro-level might be problematic and partial in uncovering collective construction. Similarly, Steele and Hannigan (2020, p. 21) contend:

“...macrofoundations are not linkages to stable and given entities, which hover above local activities; rather, they are concrete concatenations of activities and states of affairs over multiple sites – specific flows of effects and reactions, which work to pin local activities into place”.

From this perspective, attention to macrofoundations can not only reduce the risk of obscuring the contextualising powers of institutions but also cast light on an unfolding process of the mutual constitution of the macro- and the micro-levels (Gehman et al., 2016; Lounsbury & Wang, 2020). That said, this intertwining is the foundation, or ‘optometric’ imagery, of being and institutions (Meyer et al., 2020; Steele & Hannigan, 2020; Steele et al., 2020). Scott (2020) urges a resurgent broadening of the scope of macrofoundational contexts by looking at regional, societal or transnational systems that embody distinctive norms and may serve as a significant form of macro-context underpinning the adoption of arrangements and acts. Hence, each level is worthy of study in their own right or in combination with others. Biygautane et al. (2020) also call for more attention to unpacking the macrofoundations of non-Western societies, and how they shape organisational forms.

Such a conception is significant, as the emphasis on the co-constitutive character of macro and micro dynamics enables us to begin to acknowledge the institutional effects on and of PMSs. This is in line with the increasing body of research on hybrid organisations which comprise multi-layered and complicated links between the micro-, meso- and macro-levels of governance, and on accounting systems, which remain poorly understood (Vakkuri et al., 2021; Vakkuri & Johanson, 2020). However, much of this research still pays relatively one-sided attention to the influence of the overriding field-level dynamics of the PMSs. This is problematic because, on the one hand, the PMS plays an important constitutive role in the sense that it is not only a reflex of social realities but also contributes to shaping the environment (Miller & Power, 2013; Millo et al., 2021). On the other hand, organisational and management hybridity is embedded in meso- and macro-levels of society and evolves in different societies and in different episodes over time. The contingent nature of the macro-institutional context is particularly relevant for non-Western contexts in a time when management accounting technologies from the West have been indiscriminately applied across different cultures.

While not primarily focusing on the hybrid concept, an extensive body of research has analysed issues of the diffusion of neo-liberal ideologies being imported into different cultures (e.g., Ezzamel & Xiao, 2011; Hopper et al., 2017; Hopper et al., 2009). Quite often, expectations of economic liberalisation that have prescribed new public management (NPM)-type reforms and de-institutionalised the old pyramids do not live up to expectations, and the type and intensity of NPM varies from country to country (Hopper et al., 2009; Van Helden & Uddin, 2016) due to the existence of indigenous cultural factors that pervade the public sector (Uddin & Tsamenyi, 2005). In the context of China, scholars (e.g., Chiwamit et al., 2014; Ezzamel et al., 2007; Lin & Yu, 2002; O’Connor et al., 2006; Yang & Modell, 2015) theorise how country-specific market, social and cultural factors create a stark contrastive context for

the diffusion, assimilation and adoption of Western-born accounting practices. For example, the unprecedented economic reforms mentioned earlier have radically shaped Chinese organisations and individual PMSs. Notably, these changes are rather more extensive in the private sector than in the public sector, because of the authoritarian control of the state-party in public sector administration (Liang & Langbein, 2015). Likewise, studies point to the importance of Confucianism and feudalism which have had deep roots and influence over thousands of years (Ezzamel et al., 2007; Li et al., 2017). This further generates a space in which multiple values may compete for priority and where hybrid middle managers can express different experiences while holding different values (Yang & Modell, 2013).

3.2 Sociology of Worth

The SW perspective, developed by Boltanski and Thévenot (1991, 2006), can advance and complement macrofoundation studies by drawing attention to the interplay of structures and agency and micro and macro social processes, and to the constitutive effects of compromise arrangements. These common goods are exemplified by six generalised orders of worth, or common worlds: *market*, *industrial*, *domestic*, *civic*, *inspiration* and *fame*. Each worldview specifies a higher-order guiding principle (*state of worth*), expertise on which to draw (*qualified subjects*), toolkits with which to build a case (*qualified objects*), and associated *tests* and normative schemes of evaluation, which help to prescribe appropriate actions within a particular order of worth. According to Boltanski and Thévenot (2006), the civic world is dominated by the search for the common good such as equality and solidarity. The domestic world values familial belonging and respect for tradition, and subjects in this world are seen as superiors or fathers. The industrial worth is assigned to the notions of long-term efficiency and professional expertise. The market world represents market competitiveness and the search for short-term profits. The inspirational order of worth values creativity and novelty; while the world of fame is based on reputation and public recognition (see Appendix 1).

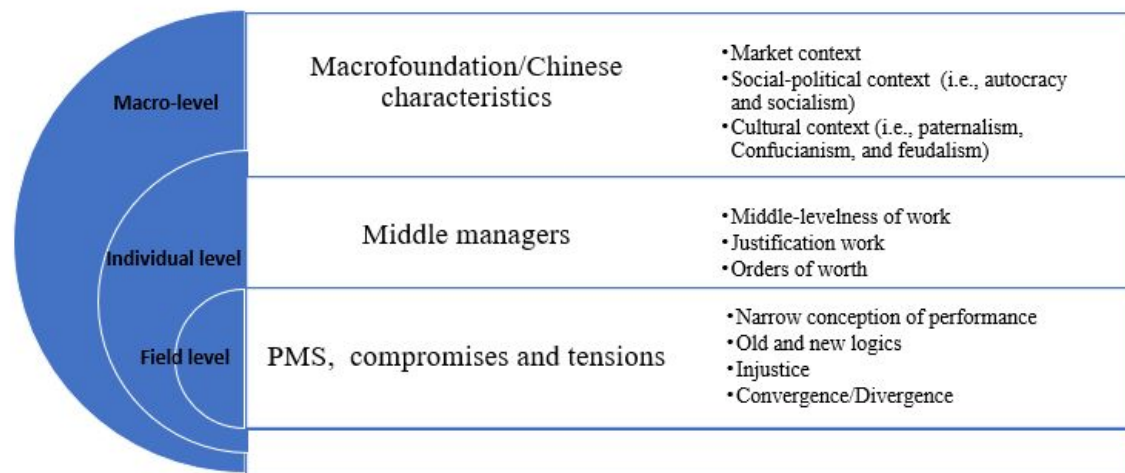
A society is conceived by Boltanski and Thévenot as socially founded, with conventionalised practices involving multiple agreements, underpinned by the mobilisation of multiple orders of worth. Conventionalised practices are fragile, because no two worlds can exist together without reducing the significance of one of the two. Especially in universities populated by multiple imperatives, disagreements arise from a single world or across worlds. When actors enter disputes over what is regarded as legitimate, they criticise some orders of worth by prioritising and justifying certain orders of worth. Thus, these normative principles, though drawn from different sources, may coexist as they are deployed by actors on different occasions and at different points in time. On other occasions, these orders of worth may become so incompatible that they create tensions. Disputes can be forged through 'recourse to a test' within a world, search for an ad hoc private agreement or represent a compromise between worlds (Boltanski & Thévenot, 1999). Compromise, a focus of the present study, can be reached without clarifying the principles held by competing parties (Vesty et al., 2018).

The SW perspective thus offers a useful lens to examine hybrid middle managers and associated PMS implementation. Firstly, it places human agency at the forefront by drawing attention to the pragmatic means by which hybridity is enacted by individuals. This is consistent with a pragmatic micro-level approach to accounting imbued with a stronger sense of agency. The precedence that is afforded to individual agency enables us to generate insights into the ways through which academic middle managers develop hybridisation practices. Secondly, the SW framework has been elaborated to inform the macro-sociological types of comparison of political culture and practices, exploring differently weighted regimes of worth (or national cultural repertoires of evaluation) inculcated in socio-cognitive infrastructures, and the displacement of distinct worths and practices in various societies, in

studies by Boltanski and Chiapello (2005) and Lamont and Thévenot (2000). Their findings suggest that the degree of validity and legitimacy of an established cultural repertoire is subject to differences in the macrofoundations of society (Thorslund & Lassen, 2017).

Overall, we consider that combining both macrofoundations and SW theory can be of great value to increase our understanding of middle manager leadership approaches to PMSs while enhancing institutional analysis. In this paper, we bridge these perspectives by studying how Chinese-specific market, social and cultural contextual factors, as macrofoundations, are localised and become the felt context that influences Chinese university middle manager enactment and hybridisation of PMS control. The logic of appropriateness, as explained by the SW lens, when constructing compromise PMS arrangements, in turn, can shape the trajectory of the operational field. **Figure 1** presents the three levels of analysis. The macro-level context establishes the foundational grounding that influences middle managers' justification work and approach to the PMS at the individual level. The act of compromise by middle managers dictates the operational performance measurement agenda and influences the field level.

Figure 1: Theoretical framework



4. Methodology

4.1 Setting: The Double First-Class University Plan

Given that China has the world's largest HE system, this is an important setting to explore. Like their Western counterparts, Chinese universities play a crucial role in the state's economic and social development. The Chinese government pushed for ambitious goals through both Project 211¹ and Project 985². These early initiatives lead the Chinese HE sector to realise significant improvements in quality, and the recent research competitiveness of Chinese universities has risen enormously according to the international ranking (Tan, 2022).

¹ Project 211 (University for the twenty-first century) is a project initiated by the Chinese MOE in 1995 for further research and overall quality improvement. 115 universities have been designated as Project 211 institutions.

² Project 985 began in May 1998 when it was initiated by the Chinese government and aligned with the declaration made by President Jiang Zemin that China's HE system must establish a world-class status in the face of increasing competition globally. Only 39 first-tier universities have been designated as Project 985 institutions, to which annual funding is allocated to promote research reputation and make them world-class.

Since then, many problems have come to light including a lack of competition between key universities and the uneven development of Chinese universities and disciplines.

In 2015, the State Council and the Central Party Committee announced the Double First Class University Plan (The State Council, 2015). The overall goal of this new program has been to bring high-level Chinese universities and disciplines to the world's top ranking and, by so doing, make China a high value-added economy. This guiding document has provided a basis for the promulgation and implementation of a series of new policies. In January 2017, the Ministry of Education (MOE), Ministry of Finance (MOF) and National Development and Reform Commission (NDRC) added clarity to what is expected of universities by releasing a document titled, *'Implementation Measures to Coordinate Development of World-Class universities and First-class discipline construction'*.

This new plan is concerned with enacting policies that seek to build key universities in China. In promoting world-class universities, prior national programs focused on improving research and innovation in science in flagship universities. The new, Double First-Class University Plan does the same, setting explicit ranking goals for Chinese institutions, but differs in that it also pursues disciplinary excellence beyond science. Forty-two Chinese research universities have been designated to reach world-class standards. Meanwhile, 95 disciplines in other universities will be assisted to become world-class, accounting for less than 5% of the total number of Chinese universities and colleges. The scheme is a performance-based system that aims to direct research funding and build innovation excellence. A unique feature is the introduction of dynamic adjustments that aim to increase competition between institutions and break the pre-existing 'only-in-no-out' regime which enabled universities to continue to retain the title and benefits of being a Project 211 or 985 institution even if they did not meet performance expectations (Gao & Li, 2020). Now, participating universities and disciplines are re-assessed every five years, and those poorly rated will be downgraded or even eliminated from the priority funding list. This renders universities more accountable to the Double First-class initiative, where resources are allocated on specific measures to enhance innovation. These measures are divided into three categories: management actions, support actions, and building actions. Management and support actions are implemented at the government level, while building actions are implemented at the meso- and micro-levels under governmental guidance. The broad governance principles relate to research capabilities, research internationalisation, faculty quality, and cultural development and inheritance. Universities are encouraged to promote their advantages and characteristics and, in so doing, highlight the key discipline construction or building toward world-class recognition. Comparable measurement systems, schemes, procedures, and performance measurement criteria in Western countries are utilised in the development of China's world-class universities. Nevertheless, discipline construction remains ambiguous, and university rankings and research are still regarded as the main quality indicator for defining what is a first-class institution in China.

4.2 Data collection and analysis

With the Double First-class initiative having a direct impact on disciplinary development at the institutional level, we selected five Chinese public universities and their business schools to document their performance management practices. Despite differences in history and size, these universities are all national 'double first-class' institutions and affiliated with the central government. They are coded A, B, C, D, and E for anonymity (see Appendix 2).

Data used in this study are a series of one-on-one, semi-structured interviews. Interviews were first conducted with 19 business Deans and Heads of Schools and Departments who fulfill an

important role in engaging in performance measurement system design and implementation (Gallos, 2002). On average, these 19 middle managers are responsible for the performance of 20-40 academics along with aligned research groups, institutes and research centres. During the interviews, they were asked what they do in their positions, and how they and their peers engage in performance evaluation while dealing with in-situ controversies and compromises. As differences between words and actions (Schaefer & Alvesson, 2020) and world views (Boltanski & Thévenot, 2006) may exist, we interviewed a further 30 academics with different academic ranks³ and levels of management experience. Interviews with these latter academics help to further understand the role of academic middle managers in facilitating practices of hybridisation. This results in a total of 49 interviews. We use the label 'head' to refer to the academic middle managers (as HA1, HA2, HB1, and so forth) and the term 'academics' (as A1) to refer to the non-heads. The interview data were mainly collected from 2018 to 2019. Interviews lasted between 40 and 60 minutes, and were recorded when permissions were granted, while the others involved the taking of notes. By comparing self-reporting with subordinates' observations and documentary evidence, we are able to gain a rich understanding of the middle management's underlying values, beliefs and actions.

Transcripts were recorded in Mandarin and analysed in their original versions. Transcriptions were analysed by the lead author who immersed himself in the data. The transcripts and notes were read and reread carefully and categorised and labelled into chunks or segments of text. The researcher systematically examined the recurrent ideas, beliefs and themes, with the units of meaning being coded manually. While coding was guided by a priori themes, the data were also examined for emergent themes. During the first stage, the lead author worked iteratively between the interview data, archival data (such as government agency reports, papers, procedural manuals, university news reports, regulations, and policies, bonus schemes, employment documents, regulations on academic evaluations, and promotion requirements) and literature to develop initial themes and codes (Rossman & Rallis, 2017). At the second level, the first two Chinese authors re-examined the data through the analytical lens provided by the SW framework. Attention was given to the justifications of performance measurement choices, and their application (how heads use accounting objects to form compromises, what contexts help a certain world, and micro-institutionalised practices prioritised), which can be studied as cultural conduits for middle managerial work. When these themes were invoked, the authors shifted back to an inductive mode of analysis. This made it possible to identify hybridity in practices, either similar to Western performance expectations or unique to the Chinese context.

5 Findings

In understanding how Chinese academic middle managers evoke compromise and interpret reality as they respond to the new public university ranking system - the Double First-Class University plan - attention was firstly given to the influences of the market context on the mobilisation of orders of worth by middle managers. Next, we examine how the political, social and cultural signifiers impose competing demands on middle managerial values, affording precedence to certain orders of worth and consequently creating a new compromise arrangement. We conclude by examining the fragility of the current compromise and its constitutive effects.

5.1 Market context, PMS, and heads

³ Academic ranks in China usually include professor, associate professor and assistant professor (or lecturer).

In working in a Project 211 or 985 institution, and compared against peer institutions, the interviewed heads firstly acknowledged that their universities are increasingly relying on an assemblage of managerial practices and situating themselves in a market-like environment:

The Double World-class university initiative brings about both challenges and opportunities for us. Many second-tier institutions, even third-tier ones, aspire to join the group by placing greater precedence on upgrading research capacity to gain higher status and more financial resources. The core principle for us is to keep the wheels turning and speed up the process. (HB2)

This world view must be understood in light of the shift in the macro-order and its impact on the Chinese HE sector. The effort to build world-class universities in China to reflect the country's economic rise to power has been sustained by the central government since its transformation from a centralised planned economy into a socialist market economy. In many ways, neoliberal scripts and supranational organisational rhetoric underscore China's ideological support and legitimise their ideals of reconfiguring the nature of neoliberal power. The initiative of the double first-class university initiative is no exception, being influenced by globally dominant neoliberal rationales and an audit culture, originating from Anglo-Saxon countries, that sanctify marketisation with competition, efficiency and accountability. This is reflected in a selective pattern of strategic state investment with a growing emphasis on performance management and the adoption of external performative indicators that determine access to resources.

All the interviewees acknowledged the introduction of the managerial and market forces. For the heads, this created an environment for the proliferation of international benchmarks. The effects of new higher-level managerial forces and audit culture seemingly more or less unstoppable, beyond school and university governance and their power to reverse. The interviewees pointed to the heightened focus on competition and performance regarding "looming assessments" and "moving up the academic league table" by the top management.

In University C, for example, personnel carried out interim internal assessments designed to track the completion of the phased goals and to prepare for future external ranking assessments. This internal assessment employs weighted categories, including discipline self-evaluation (10%), panel review at the school level (10%), department peer review (30%), and expert assessment at the university level (50%). Every department's research achievement, faculty composition, funding and academic disciplinary development during the statistics-gathering period are reported. Likewise, the resource redistribution within the university is determined according to those who win the competition:

The resource redistribution process within the university is becoming more objective. The university has set an internal 'Double First-class performance award' and 'pilot reform performance funds' which stipulate desired goals and measures. The primary criterion is schools' and disciplines' ranking within domestic and international league tables: whether the discipline is rated as the top 1% in the Essential Science Indicator (ESI), the state-level key discipline in the China University Subject Rankings, etc. High-performing schools and departments are provided with further special provisions, while underperforming ones would have funding cut. So, we not only need to compete with external universities but also with other disciplines in the university. (HC1)

There is a unanimous agreement from the interviewed middle managers that more performance measures are deployed now than those used in the Project 985 and 211 eras.

Similar to other international cases (e.g., Grossi et al., 2020; Guarini et al., 2020; Kallio et al., 2016; Martin-Sardesai et al., 2020; Ter Bogt & Scapens, 2012), quantitative performance measures, such as publications according to journal rankings and the number of project grants, are conceived of as appropriate tests to demonstrate the industrial and market orders of worth. The in-betweenness experienced by the hierarchical middle was discussed by the heads in relation to the pressure to follow high-level guidelines. At one level, the PMS has a monitoring purpose. At another level, the middle-manager heads value the quantitative performance measures, in the belief that the emphasis and strengthening of performance in evaluation lead to progress in organisational outcomes.

Furthermore, we can note that the middle managers tend to uphold pressure and amplify performance demand from above to below (e.g., “*academics must keep an increasing rate of publications*” (HD3)). This is largely because of decentralising the university policy administration to middle managers through performance metrics:

Ranking becomes a key battlefield and performance is the key concern for us. If you don't continue working on improving your performance, you will drop back in the competition and lose the resources and status. Everyone looks at ranking systems, no matter whether they have problems, and this is our performance. (HA1)

While the market context fosters the notion of efficiency, it is ranking and accounting in the PMS that makes them feel the comparative pressure and direct their attention upward. Accordingly, the pressures to outdo others can be considered particularly important for heads and thus create a fertile breeding ground for facilitating the establishment of a proactive calculative culture that fosters the reproduction of industrial/market worth:

We frequently adjust evaluation requirements and make these requirements explicit to everyone, from recruitment to an explicit contractual employment relationship, to rewards and promotion. (HA5)

In addition to universities' incentive schemes for rewarding individual contributions, these schools and departments have incentive policies encouraging academics to publish more in high-impact journals. For example, a bonus value varies depending on the journal's ranking or impact factor and is generally between 10,000 to 50,000 yuan. Whilst incentives for publishing articles have been hotly debated in China and criticised for over-emphasising the Western research paradigm and paying inadequate attention to indigenous issues, and even for luring academics away from teaching, we did not find that the interviewed heads experienced a conflict between managerialism versus academic ideals (collegiality and meaningful research), emerging from the inspired and civic orders of worth, when exercising their value-laden and professional discretion in implementing reforms. The following quotation best captures heads' views in this regard:

A couple of years before, few academics published papers in English journals, but now there is an increase in the number of Chinese business studies published in leading international journals. Incentivising international publications has a positive effect on stimulating faculty to be productive. (HB2)

In this context, the performance of the world of fame aligns somewhat with the industrial and market worths, conferring new visibilities with reputational benefits leading to tangible benefits; which, in turn, expands the use of accounting as a representational test of worths, to enhance the institution ranking within the league tables and notoriety (fame world), market world competition, and industrial world's operational productivity performance:

Having a good reputation in government assessments can attract recognition and funding from donors, students, community, and professional associations, inter alia. We will have more investment and capital in research and innovation. This is supported by robust performance management and monitoring. (HE4)

Heads admitted that a transactional mindset informs the design and adoption of the PMS and accepted that expectations are arguably excessive and a source of distress; but they were also convinced that, given they too had to meet performance goals, they had to impose these demands. Expanding on this market-oriented transactional approach, an American-style tenure-track employment strategy is commonly used as a vehicle by heads for the realisation of their goals. For staff employed in tenure-track positions, publications are usually the only performance indicator, tested by a quick return on investment and competitive ethos. The following quote reveals that the market value is casually constituted and driven by a broader process of economising:

Schools are being more market responsive, since producing immediate outcomes is paramount. We offer highly competitive salary packages for newcomers, what they received is higher than many old and senior faculty members. In return, they must meet specific research performance criteria. Competition means selecting the superior and eliminating the inferior. Only in that way will we secure a good position. (HE2)

In summary, it is the deliberate changes to the values, structures and processes in the Chinese government programs, with the objectives of increasing universities' efficiency, effectiveness and excellence, that has produced a new coherent social reality. This has provided the enabling conditions under which heads demonstrate 'middle up-down' agency to pass and attenuate performance pressures from above. This agency is apparent in the deliberate mobilisation of calculative vocabulary as legitimising rhetoric to impress stakeholders. However, the heads' hybridisation practices are complex in the Chinese context.

5.2 Social-political and cultural contexts, compromises, and heads

5.2.1 The enduring influence of the Chinese state

In China, the government influences the appointment and evaluation of managers and cadres extensively, with work achievements (ji) and work capacity (neng) constituting important aspects of performance evaluation for middle managers. Moreover, instead of a genuine decentralisation in university governance and supposedly reduced bureaucracy, a distinct feature of Chinese university administration that has emerged in the reform era is an ostensible integration of political power and enhanced Chinese bureaucratic power in deciding, appropriating and controlling resources. Although the program of building world-class universities is made in the form of broad principles, the extent of designing and meeting targets is subject to multiple interpretations and manipulations. Under a politically aligned, institutional management model, all public universities are subject to policy directives of the functional authority of the MOE. Along with the vertical, functional lines, the burden of administrative oversight and enforcement has forced the Chinese state to delegate authority to the lower levels. The Communist Party leadership is the highest authority (Wang, 2010), while local governments are empowered with procedural autonomy to coordinate the laws and regulations through their respective administrative arenas, overseeing the socialist direction of the institution to ensure adherence to party policies and economic goals:

The Double First-Class construction is a national program: the MOE conducts mid-term and final assessments to evaluate the extent to which we are successfully implementing required policies. Even though our university is not under the jurisdiction of regional governments, the provincial government and local education and finance departments also carry out periodic evaluations to do the institution and subject evaluation. The government's yardstick for evaluating the business school performance is how many national, provincial and ministerial projects are undertaken by the school, and the level and number of papers, titles and awards. (HE1)

This type of paternalistic form of political authority relationship and upward accountability structure aptly represents the domestic worth. Once policy targets are allocated to different levels of the administrative judications and universities, specific quantitative measures involving different interpretations and perceptions, together with a set of bureaucratic milestones or deadlines and annual or periodic reviews, are set by government agencies. The entwined nature of outcome-driven inspection procedures and bureaucracy draws organisational attention to these designated tasks, rendering schools more dependent upon state support while generating tremendous pressures on heads. From this perspective, accounting has multiplied, inspiring further demand to measure the performance of disciplines and evaluate agents even if measurement is incomplete, asymmetric or ambiguous. These observations direct our attention to a striking characteristic of the Chinese audit regime, which is guarded by quantifiable scientism and distinct from the neoliberal audit culture. This paternalistic characteristic is also ingrained in the Chinese bureaucracy's power which is infused with the political authority of the Party-state and the domestic forms of Chinese habitus, both inherited from historical legacies.

However, not everyone spoke candidly about this constraint, as heads are inevitably caught in the chain of command, dually embedded in both political and managerial contexts. The impacts of political and bureaucratic forces on their judgments is visible:

Audits of research performance of academic departments are summarised and reduced to quantified metrics: publication quantum, journal ranking, and the quantity and level of grant income. Getting a good result is the most important job and task to the university, school, and me; one needs to complete it no matter what. In each performance audit, we need to demonstrate we are improving in each performance audit. (HA3)

Here, obedience as the qualified value in the domestic order of worth is used to respond to commands from political and administrative orders and managerial tasks. It is also the case that holding an official career (guanwei) is a sign of great status in one's life in China, given the inculcation of Confucian and feudal beliefs (Wang et al., 2019). Such concerns have become ingrained in the consciousness of heads such that they talk of their academic accomplishments as 'hits' more than the intellectual value. Therefore, this is part of the converging audit regime and the confucianisation of Chinese bureaucracy, as a result of the changing role of the state, rendering a smooth integration of industrial, market, civic and domestic orders of worth.

5.2.2 Re-evaluation based on a differential mode of association: the middle of the sandwich

Interestingly, the middle manager heads appear to experience a common value conflict, between continuously conducting performance requirements and the inequality arising from the proliferation of the industrial and market orders of worth. This value conflict manifests

itself almost exclusively in old-track academics. Here, the parental theme - a form of parental leadership in their protection - presents in many of the interviews, indicating a view deriving from the lingering effects of Chinese traditions:

When we accounted for performance, we found a large group of faculty members grossly underperformed in research. They have a limited capacity for conducting quality research. The school is sympathetic to old-track faculty staff and usually gives everyone 'a pass' in the regular performance reviews before sending the results to the university. The heightened research performance indicators mainly served a motivational purpose and were used in allocating rewards and determining promotions. (HC5)

Scholars have remarked that Confucian values of vertical and horizontal social order, emphasising norms of collectivism, harmony, social hierarchy, paternalistic leadership and renji guanxi (personal connections), are fundamental to organising Chinese workplaces and society (Farh et al., 1997; Farh et al., 1998). This traditional culture, interrelated with upholding the cause of social harmony (civic world), contributes to middle manager identification with subordinates and a fatherly benevolent management that stresses paternalistic leadership, where leaders should maintain a familial relationship through benevolence and fatherly authority (domestic world).

In these circumstances, rather than challenging the industrial perspective or positioning the dispute from a civic or domestic order of worth, heads adopt a moderate approach (involving a mix of paternalistic and transactional approaches as a reflex of domestic and civic or industrial and market orders of worth). Put differently, there is a 'double looking', upwards and downwards:

Even the university institutionalises the old rule for old people, everyone is subject to performance evaluations. But we are very lenient in the annual performance evaluations. If they are doing the work, then they are safe. (HE2)

The university focuses more on the school's performance. So, we lower annual performance requirements to enable everyone to pass at the faculty level... Promotion is conducted at the university level. They must be very good in order to get promoted. (HA1)

On the one hand, as there is a high level of the hierarchical and patriarchal social relationships characterised by Hofstede (1980) as a 'high power distance' cultural dimension, it is essential for heads to show compliance with top-down power and authority, and such compliance is vital to signal one's commitment and legitimacy. On the other hand, varied local circumstances, laterally or from below, pull and push the actual PMS implementation, which we discuss further below. We note that the head was frequently referred to as a parental figure who offers family-like commitments, by many academics we spoke with:

My head treats us well. He knows what we are struggling with. He can single out under-performers and let us lose face. But he never does this for us. Many things are being changed I have a feeling that he put much effort to treat us as if we were part of the family. We appreciated his efforts. (A3)

However, variance amongst middle managers in constructing different identities is also evident when dealing with different groups of subordinates, meaning that this protector role and associated fatherly benevolence varies case by case. The differential mode of association

is evident when heads construct an opposition of 'us' (*"We had been colleagues and friends for many years"* (HD4), *"We worked on several projects together, we know each other and sometimes we go out together with family members"* (HB2) and *"We enter in the workplace in the same time, we co-authored some papers and did favor"* (HA3)) and "them" (those newly recruited academics with fewer or no social ties to managers: *"He is a young academic staff in the school, other than that, there is no communication"* (HE2), and *"He is a promising scholar and he is my subordinate"* (HB3)) in the PMS implementation, driven by the domestic justification that is focused on interpersonal relationships.

Such changing leadership ideals should be interpreted according to how an acquaintance society, and increased managerialism, interactively and collectively inform the decision-making process. As Fei (1947) remarked, kinship is the most social relationship in the Chinese society. Analogous to clans and kinships, Chinese social relations are based on the differential mode of association. Relations vary with the distance across family ties, kin, friends, strangers and outsiders. Expanding this situation, social morality is justified based on a person's position in the web of social relations and interaction with others: the core is the family; and the closer to the centre of the web, the greater the emotional and moral obligations. As one's social distance increases away from the agent, intense social relations are less and more formal and impersonal unless they overlap with other social circles on different occasions and times. Depending on one's social distance to the centre of the concentric circle, social relations can be intimate or impersonal. These social relations are extended, by analogy, to the cases in the present study which embody an obvious social form of acquaintance. Fei (1947) furthermore argues that an acquaintance society such as China is constituted by a series of concentric circles, each individual is surrounded by a series of concentric circles, and everyone is in different circles at varying times and occasions. These social circles are intersected such that one's social networks may come into contact with others in different places. Unlike an instrumental network which is transient and based on a reciprocal social relationship (Greif et al., 1994), personal ties and social group membership often characterise forms of domestic relations that exchange humanised obligations (Lin, 2001). The domestic order of worth is extensive and intensive in the present study in that, given that many academic middle managers are promoted internally, socialisation in the form of past work experience, common background, network relations and the everyday work environment induces intimate intensive interaction.

Although some heads hold more industrial and market values and thus are reluctant to continue to be lenient, they rarely escape their embeddedness, guided by the Chinese acquaintance society when circumstances warrant it. For example, both University B and University D experienced open objections to PMS reforms in their departments. The following quote reflects the complexities involved in implementing change:

Our schools set up a disciplinary program. But this program was abolished last year because it was resisted by many old employees. Many of them have relatives and friends in schools, functional offices, or higher levels, including a handful of important positions. You were not in that situation, which was very complex for me. Then the situation can be tricky. They mobilised guanxi with those in power at higher levels to resist the policies. The consequences can be serious if their interests are threatened. Chinese universities have long manifested as a guanxi-based particularistic society that values dependency on the network. Enforcing disciplinary actions must be careful. (HB2)

Here we see different interests and power between different actors in different circles that are multicentred but overlapping, which fuel the negotiation process. Consciously or not, heads

who espouse the industrial and market worths are caught up in a relational identity orientation that they do not like, but they need to consider guanxi and renqing seriously. The domestic world is observed in this episode where the conflicts are resolved in a friendly manner to maintain old staff in a harmonious relationship, with heads thus refraining from implementing PMS standards strictly.

By contrast, tenure-track employees have only worked the universities for a short time, and the majority have few connections with management. Heads thus commonly expressed a strong superiority to tenure-track faculty by treating them impersonally and focusing on the explicit work-related economic exchange. Put differently, the more distant tenure-track staff are from the centre, the less obligation heads have towards them:

We pay higher salaries to tenure-track staff. As a result, we need to add pressure on them. If they fail to accomplish the work, they should leave. There is not anything that can be negotiated. (HC1)

Using the dual-track system is likely to be an attractive approach for school managers, not only because they believed this to be a conflict resolution option that benefits everyone involved but because it provides them a springboard for creating an equivalence between differing justifications and, thereby, for facilitating a compromise to deal with conflicting values from above, below or horizontally. The use of a performance-driven system while retaining part of symbolic performance measures for existing staff, for instance, allows heads to enhance efficiency and compliance while maintaining harmony in the workplace. At the same time, introducing the tenure-track system enables faculty to balance out the conflicting pressures.

5.3 Institutional effects of 'productive' compromises

While the current dual-track PMS is a solidified compromise, it thus remains fragile and is seriously questioned. The first critique is centred on the selective objective and subjective controls used by heads that evoke a strong sense of unfairness. Most newcomers reportedly face a multitude of challenges resulting from an intensification of workload, registering discontent with the arrangement which is deemed exploitive and unfair:

All the pressure is given to young academics in the school. Satisfying the performance criteria in the contract is not a guarantee of keeping the job. We are only contract-based staff without job security. The head of school often changes policy without notice. And only those who have more outputs than others can stay. I need to work around the clock to get more publications and surpass others. This is an endless race for us. (E6)

Everyone knows the tenure track is demanding and stressful. But the system implemented by our head is to legitimise competition, overwork and elimination. To maximise economic value, each year at least four or five staff in the school will be laid off. The prospect of insecurity looms among outside-of-the-system staff. (D5)

The interviews reveal that heads tend to use the power structure for driving tenure-track academics to achieve centralised competitiveness. This includes pressuring behaviours to increase performance, and abusive behaviour to accentuate performance demands. Seemingly, the differential mode of association (domestic worth) is the antithesis of impersonal rules in the industrial world that remove personal ties and of informal case-by-case flexibility. However, the tension is exaggerated when the hybrid middle managers use performance

measures that are infused with the characteristics of differential, flexible treatment, hierarchy, and broader societal processes of managerialism, making the performance standards more difficult and forcing them to compete with each other.

In addition, the compromise is generally open to critique from other justifications and corresponding values outside the current compromise. It emanates from the inspired worth and industrial worth (both long-term), as most academics in the study felt that a narrow functionalist perspective has crept into the world of academia. A situation exists where market and industrial worths and bureaucratisation of civic and domestic worlds have been interwoven and subtly made their way into performance evaluation:

The orientation of scholarship is interpreted by the head as a reducible set of numbers. He is thinking more to gain a higher ranking, obtaining more resources, and producing a higher profile. In the staff meeting, he rarely mentions the extent of actual contributions of staff research or teaching. (C5)

Academics across the field underlined that the value orientations are not on the same footing, as the performance measures are reductionistic, result-oriented and promoting a rationality of calculation and efficiency. The heads play a crucial role in fuelling the replacement of vocational underpinnings and social relevance of academic work by a narrow conception of performance.

In sum, compromise as a managerial strategy can enable productive solutions to value conflicts and provide temporary stability (Boltanski & Thévenot, 2006). However, the act of compromise is likely to yield only a temporal 'agreement to disagree'. A reframing that combines elements of extant and emerging conceptions of performance in our cases does not necessarily contribute to good outcomes and even may do more harm than good, particularly when compromise by heads evolves into an ad hoc private agreement without continually testing the worthiness and representing wider audiences in the competing orders of worth.

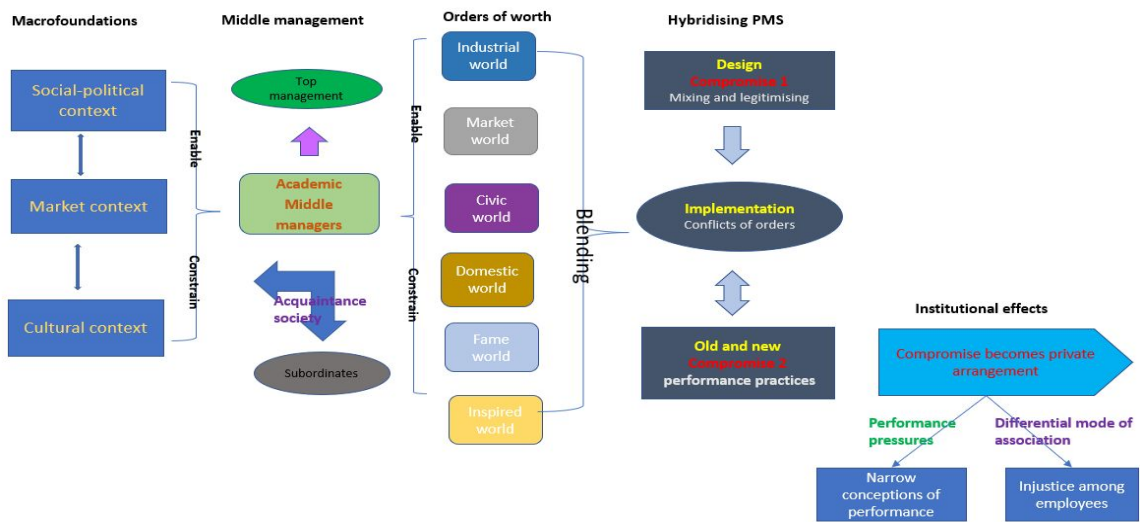
6 Discussion

This study examines how macrofoundations of Chinese society influence performance evaluations in Chinese universities via middle managers. In this article, the macro contexts are used as the outer ideological frame within which specific compromise-making is elaborated. The outcomes are ultimately an ideological arena in which old and new frames of hybridisation contend for legitimation. We describe two compromises that represent different ideals of Chinese public universities at different levels, between the market and industrial versus the civic and domestic worths (the design and implementation of PMs in response to the Chinese Double First-Class University Plan). In addition, we describe the loose coupling associated with compromise (the dual-track performance measurements and controls) when heads deal with conflicting values and associated PMS practices. The compromise is not typically organisation-specific but has an institutional character that emerges and shapes the setting. The institutional conditioning becomes operational and is mobilised through accounting techniques.

The findings suggest that the contextual specifications of the transitioning political and social economic, market and cultural contexts of Chinese society, presented on the left side of **Figure 2**, are composed of taken-for-granted institutional rules, myths and beliefs that create a 'tangled web' of influences. These shape the processes whereby the middle manager becomes instilled with social meanings and values. We posit that these macrofoundational

forces are dynamic and fluid. However, we argue that this is a fundamental change to the Chinese social-political context, which makes the boundaries between macrofoundational values - such as market and culture contexts - more permeable, transcending any historical boundaries. For example, liberalism which is beginning to gain momentum in China is linked to the Chinese government's major macroeconomic policies and the social-economic reform agenda that has begun to embrace economic rationalism and build a knowledge-based economy where universities are important pillars (Mok et al., 2020). These developments drive universities and disciplines into a global marketplace, activating market- and industrial-oriented views. Overlapping with its evolution, the Chinese HE system is highly regulated and administered and serves as an integral part of the Confucianisation of bureaucratic Chinese universities.

Figure 2: Institutional Effect on and of PMS by/for Middle Managers



At one level, we find the use of PMS as an imitation tactic, mimicking private sector practice and which models Western counterparts and peer universities. This tactic is recognised through both the utilitarian function and myth imputation emergent in new management techniques. While it can be argued that agents often act more rationally than efficiently, in our study the middle manager heads demonstrate strong agency, with extrinsic pressures and vested material interests in ranking, in outdoing others for short- to medium-term performance targets and career progression. They have been promoted to this position because of favoured performance criteria (efficiency and/or a well-connected network) (Chong et al., 2013), demonstrating how well they are embedded in the market and/or domestic worlds. The incessant search for efficiency improvement is also paralleled with the economisation of universities and disciplines, with more operational decision-making power becoming vested in the Deans and Heads who fill key strategic portfolio roles.

At a second level, this study identifies the presence of an environment associated with coercion, where accounting is adopted as a conscious obedience with externally and internally direct coercive measures and indirect induction of market competitive behaviour. The Chinese state is a central interest group for universities, heavily influencing their missions, philosophies and strategies. Managers at different levels in Chinese public universities are the executive agents of the central authorities and of universities' top management. The command

1 hierarchy implies a moral obligation of one's deferential compliance to the expectations of
2 superiors. Due to the Chinese governmental demand for increased institutional accountability
3 and productivity in HE, this manifests as two perceptible cultures, a performance evaluation
4 culture and an audit culture, whereby Chinese university managers are pressured to respond
5 partly to quasi-market competition and partly to bureaucratic enforcement and inspection.
6 From the macrofoundational perspective, this demonstrates a profound shift in government
7 philosophy and societal expectations, which drives the universities' strategic apex. This
8 permeates down to the Deans and Heads whose values align or comply with the shifting
9 scripts of central authorities and universities. Nevertheless, performance standards foster
10 varying orders of worth that have been interwoven by middle managers when they measure
11 and manage subordinate performance.
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15 Middle managers also need to navigate their way through coordination issues and
16 inconsistencies. Herein, they make judgments on the basis of varying regimes of moral
17 evaluations and are moved by a request to "satisfy the concern of justice" (Boltanski &
18 Thévenot, 2000, p. 210). When faced with old-new tensions, we found evidence that the
19 interviewed heads exert key impacts on the hybridisation process (as represented in **Figure 2**).
20 However, this remains 'behind the scenes' or 'under the radar'. Not solely pushing
21 performance expectations from above (Currie & Procter, 2005) or protecting from below
22 (Gjerde & Alvesson, 2020), the middle managers reconfigure a compromise at the individual
23 level that involves each party giving up something to achieve a mutually beneficial resolution.
24 On the surface, it is the test of accounting performance that is implemented by heads, leading
25 to a process of a new compromise (Annisette et al., 2017). Situated within complex
26 environments and a crossfire of pressures (Gallos, 2002), the academic middle managers also
27 are not necessarily a homogenous group (Gjerde & Alvesson, 2020), having varying
28 judgements, choices and incentives which form an integral part of a co-construction of
29 compromises associated with hybridity (Meyer & Jepperson, 2000; Miller et al., 2008; Miller
30 & Power, 2013). A close examination shows that some are inclined to rely on the civic and
31 domestic orders of worth to justify and maintain a familial workplace relation through
32 benevolence, moral obligations and fatherly protection of old staff members, when top-down
33 goals do not fit in the local situations (Farh & Cheng, 2000). For others, criticism of past
34 social schema is evident. The construction of compromise here thus is more complex,
35 pluralistic and dynamic, involving a 'tug of war' between historical and contemporary rules,
36 central and local influences, and external and indigenous practices.
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42 Our study thus highlights that the same cultural disposition, and the aggregation of the
43 habituated practice of maintaining micro-social institutions such as generalised kinship of
44 intimate, strong ties and 'common-sense', are reproduced through enduring societal level
45 influences. Such reproduction is in terms of the entrenchment of social networks and the
46 socialisation of non-anonymous and personal connections being practised at the individual
47 and operational levels, where the domestic order of worth is one of the norms (Fei, 1947).
48 Apparent from our research is both the ambivalence of ideational transition and the
49 prevalence of informal social institutions that are not widely rejected among Chinese people
50 even though they may have faded. We demonstrate that relationship management still exists
51 to add flexibility and connectivity above formal institutions. Its relevance is thus interesting to
52 note, in that the market and cultural context are not easily blended, while middle managers
53 have to blend varying values.
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56 Our findings also resonate with a previous argument that the operation of compromise is
57 fragile and contestable, reflecting a temporary and fragile agreement (Gehman et al., 2013;
58 Stark, 2009; Vakkuri et al., 2021). This is evident in our cases, where the initial recrafted
59 compromise seems to be good enough, containing different orders of worth, but is later
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contestable and evolves into a private arrangement as heads infuse more of their own interests into the process. One criticism of the differentiated approaches, from a Confucian lens, is the loose coupling generated between symbolic versus substantive forms of compliance for old staff, while, at the same time, there is a squeeze on tenure-track staff effort and resources. Liu (2006) shows that a differential mode of association generates intimate social relations as well as an impersonal face, depending on one's social distance from the agent. However, we find that, when pressures intensify, transactional and paternalistic practices can conflict, boosting the middle manager's engagement in kick-down behaviours towards the more unacquainted subordinates. This is evident in being extremely demanding to tenure track staff through increasing performance requirements and/or introducing uncertainty to gain productivity. This kick-down behaviour, as has been illustrated in management studies (Erickson et al., 2015; Gerpott & Van Quaquebeke, 2022), results in better, albeit short-term productivity gains (Liao et al., 2021). Triggered by the PMS where middle managers are directly competing on hard numbers but partly liberated by the centrally planned political economy, heads are able to exercise a range of kick-down behaviours to improve performance. This conclusion, notwithstanding, must be interpreted cautiously, however, because of variation in evidence. This variation is conditioned by ethical struggles involving personal preferences over social responsibilities. In this way, we contribute to the literature by exploring the differential mode of association that can both enable and constrain middle manager behaviour towards subordinates, amidst China's economic transformation. This understanding can facilitate local problem-solving when policy making is ill-suited in the workplace. However, on the other hand, the pervasiveness of the domestic worth is a threat to the industrial worth, with accounting PMS as a technology that facilitates action at a distance (Richards et al., 2017) and thereby inhibits the establishment of justice.

The findings here agree with prior literature reporting on the superior or the subordinate aspects of the in-betweenness in the hierarchical middle: being a senior person informed by guan-wei as captured in the Confucian lens (Lai, 2010), a subordinate under the co-influence of audit culture and authoritarian bureaucracy, or a protector. Distinct from previous literature, our study examines how PMS is crafted as a form of middle-managerial agency, and extends the middle management research (Gjerde & Alvesson, 2020) by showing how middle-levelness can entail fluidity, according to extended clans and kin-based interaction, when these deliberately and selectively frame the leadership approach (from performance driver to umbrella protector). The influence of social and 'relational' context is relevant in the cases where managing renqing is one of the salient dilemmas of the in-between experience of this middle-level role.

However, whilst prior literature stresses that hybrid middle managers are placed within organisations to mediate the effects of performance-oriented policy, workers' expectancies of autonomy, and managerial authority (Burgess et al., 2015; McGivern et al., 2015), our field work illustrates that their academic values are marginalised in a web of morally thick relations, as heads further narrow what is seen as legitimate aspects of organisational performance (Modell, 2019; Modell, 2021). The erosion of subject positions thus represents a particularly important challenge for Chinese university management. Resonating with Kurunmaki (1999), management in universities is not simply a function of the visible power of institutional rules, tied to performance measures, that drive their professional orientation, but is part of the relational context as constitutive of the self-production through accounting. Indeed, heads' adaptation to the institutional environment, collectively, indicates how accounting is a simultaneous intervention that provides a frame of meaning for middle managers, shaping their cognition and purposive actions (Miller & Power, 2013). While the changing political and economic agenda has projected the normativity of efficiency ideals deep into universities, it is the constitutive powers of accounting, through prescribed performance measures, audits

of quality, benchmark comparison and associated accountability reporting requirements, that link directly to financial resource provision and performance evaluations. These render institutions and individuals calculable, visible and comparable, and consequently foster the institutional valorisation of productivity, reputation and compliance (Espeland & Sauder, 2007; Espeland & Stevens, 1998; Lamont, 2012).

7. Conclusion

This study has revealed the influences of macro-foundational forces on the development of the design and implementation of PMSs, and how their consequences are mediated by hybrid middle managers in Chinese universities. Attending to macrofoundations is not just a matter of contextualising the key characteristics and ongoing dynamics of the macrofoundations of Chinese society, but also serves as a means to unveil the co-constitutive interplay between the macro and micro unfolding (Steele & Hannigan, 2020; Steele et al., 2020). Framing the analysis within theories of SW and macrofoundations, our study contributes to the existing understanding of hybrid PMS as a nested system of compound influences at multiple levels (Grossi et al., 2021; Johanson & Vakkuri, 2017), with insights into the pivotal role played by middle managers in Chinese universities, in engaging with accounting to help manage tensions through compromise (Oldenhof et al., 2014). The homogenisation of compromise tactics implies that various middle managers are imbued with similar socially constructed values, which are in turn influenced by macrofoundational forces. This is in contrast to previous research that presupposes that actors follow a less orderly path as they struggle to align actions with PMSs (Yang & Modell, 2013). In addition, we contribute to the concept of a “national repertoire of evaluation” (Lamont, 2012), and move valuation studies beyond the West by enriching their description of common worlds, drawing on a range of Chinese national cultural and political ideologies that impact philosophy and practice of management and organisations.

The combination of ideologies, moreover, allows us to add critical nuance to a recent discourse around the struggles of those in positions of middle power. Our theorising goes beyond extant research streams that have focused on the management of conflicting values between those above and below (Gerpott & Van Quaquebeke, 2022; Gjerde & Alvesson, 2020; Sims, 2003), to treat institutions and middle managers’ roles and behavioural inhibition as a combined phenomenon. Moreover, previous research has so far primarily focused on the agentic work done by middle managers that have a positive leadership impact (Yang et al., 2010), but has not investigated how middle managers craft compromise that can induce contentious effects. In this paper, we specify the factors that can influence hybrid middle managers’ ability to construct compromises, alongside the processes through which their compromise-making enables both functional and dysfunctional influences, which is thus not necessarily an irrational practice.

By examining what are the most legitimating values that heads feel responsible for, our findings are relevant to HE and accounting scholars in better understanding Chinese middle managers’ differential managerial accounting practices, against the backdrop of the expanding market-based economy. It is essential for newcomers to understand the convergence and divergence of PMSs between the West and China, since Chinese academic middle managers have more power at the local level than we anticipated. The findings here suggest that governments need to embrace a broader conception of performance and develop proper institutional steps in development of a supportive PMS, to encourage local managers to pursue long-term value creation and to facilitate better integration of knowledge production.

There is scope for future research. Building on our research, future scholarship could examine the micro-activities of various actors (policy makers, senior management, domestic academics, non-Chinese academics working in China, and possibly more female academics (an acknowledged limitation of this present study) that affect hybridisation practices, which will help to expand our knowledge of public hybridity in Chinese public universities. Future research would likely also benefit from comparative analysis to disentangle and explore the process of hybridisation and the transformation trajectory in wider and different hybrid organisational milieus. Research, furthermore, can extend Boltanski and Thévenot's contributions in accounting, particularly the dynamics in the construction of valuation devices, and being more cognisant of the complexities in developing countries where the use of such a theoretical perspective would lend further insight.

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Appendix 1: SW theory

Orders of worth	Higher Common Principle & Mode of Evaluation	Tests& Relevant Proofs	Qualified Subjects	Qualified Objects	Time Formation
Market	Competition Rivalry, Price	Completion of deal/contracts, Money	Competition, Clients, Buyers	Wealth	Short-term Flexibility
Industrial	Efficiency Productivity	Controls using measurable criteria	Professional experts	Methods Accounting PMS, Budgets, Graph	Long-term planned
Civic	Civic duty, Collective vote	Moral cause, Formal directives, Official statements	Collectives. Representatives	Legal forms, Legislation	Perennial
Domestic	Generation, Hierarchy, Traditional	Trust, Good sense, Respectability, Duty, Relationships	Superiors, Inferiors (leader, father figure)	Rule of etiquette, Good manners, Gifts, Titles	Generational
Fame	Public opinion	Presentation,	Stars,	Brand,	Vogue trend

		Launch	Leaders	Media, Campaign	
Inspired	Inspiration, Innovation, Creativity	Adventure, Quest, Journey, Emotional	Visionaries	Emotionally Invested body	Future generations

Source: Adapted from Vesty et al. (2018)

Appendix 2: Profile of the universities

Code	Affiliation	Size of the business school	Number of interviewees
A	MOE	80-90	10
B	MOE	60-70	8
C	MOE	Around 100	10
D	Ministry of Industry and Information Technology	70-80	11
E	MOE	70-80	10

Appendix 3: Information of heads

Code	Age	Gender	Length (min)	Taped or notes
HA1	50-60	M	30-40	Notes
HA2	40-50	M	40-50	Taped
HA3	40-50	M	40-50	Taped
HA4	40-50	M	30-40	Taped
HA5	50-60	M	50-60	Notes
HB1	50-60	M	50-60	Notes
HB2	50-60	F	40-50	Taped
HB3	40-50	M	30-40	Taped
HB4	30-40	F	30-40	Taped
HC1	50-60	M	30-40	Notes
HC2	30-40	M	30-40	Taped
HC3	50-60	M	30-40	Taped
HC4	40-50	M	30-40	Taped
HC5	40-50	M	30-40	Taped
HD1	40-50	M	30-40	Taped
HD2	50-60	M	30-40	Notes
HD3	40-50	M	30-40	Taped
HD4	40-50	M	40-50	Taped
HD5	30-40	M	40-50	Taped
HE1	40-50	M	30-40	Notes
HE2	40-50	M	40-50	Taped
HE3	50-60	M	30-40	Notes
HE4	30-40	M	30-40	Taped

Appendix 4: Information of academics

Code	Title		Age	Gender	Length	Taped or
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					(min)	notes
A1	Professor		50-60	M	40-50	Taped
A2	Associate Professor		50-60	F	30-40	Taped
A3	Associate Professor		40-50	M	40-50	Taped
A4	Assistant Professor (Tenured)		30-40	M	40-50	Notes
A5	Assistant Professor (Tenured)		30-40	M	40-50	Notes
B1	Associate Professor		40-50	F	40-50	Taped
B2	Associate Professor		40-50	M	40-50	Taped
B3	Assistant Professor (Tenured)		30-40	M	30-40	Notes
B4	Assistant Professor (Tenured)		30-40	M	30-40	Notes
C1	Professor		50-60	M	30-40	Taped
C2	Associate Professor		40-50	M	30-40	Taped
C3	Associate Professor		40-50	F	40-50	Taped
C4	Assistant Professor (Tenured)		30-40	F	40-50	Notes
C5	Assistant Professor (Tenured)		30-40	M	40-50	Notes
D1	Associate Professor		30-40	M	30-40	Taped
D2	Associate Professor		50-60	F	30-40	Taped
D3	Assistant Professor (Tenured)		30-40	M	30-40	Taped
D4	Assistant		30-40	M	30-40	Notes

	Professor (Tenured)					
D5	Assistant Professor (Tenured)		30-40	M	40-50	Notes
D6	Assistant Professor (Tenured)		30-40	M	40-50	Taped
E1	Associate Professor		50-60	M	30-40	Taped
E2	Associate Professor		50-60	F	30-40	Taped
E3	Associate Professor		40-50	M	30-40	Taped
E4	Assistant Professor (Tenured)		30-40	M	40-50	Taped
E5	Assistant Professor (Tenured)		30-40	M	40-50	Taped
E6	Assistant Professor (Tenured)		30-40	M	40-50	Taped

When West collides with China: Valuing and compromise faced by Chinese middle managers

Comments from Editor:

I have pleasure in provisionally accepting your manuscript for publication in Accounting, Auditing & Accountability Journal, subject to minor revisions. Therefore, I invite you to respond to the referee(s)' comments, revise and submit your final version manuscript. Please submit this to us WITHIN 30 DAYS.

Response:

Thank you so much for giving us this opportunity to revise the paper. We have tried to carefully review and address the issues the reviewer raised. The paper has been written by fully engaging the referees' comments. The point-by-point responses are provided below.

Comments from Reviewer 1:

Thank you for the opportunity to review your paper. This is a much improved version of the paper and I can see authors have taken a significant effort to attend to comments raised in the previous submission. I would like to raise few more comments, to help authors polish the paper.

Response:

Thank you for your positive comments as always. We have revised the paper as per your detailed comments and suggestions. Please see our responses below.

Major points:

1. Page 10: Secondly, our results contribute to Sim (2003).... " I think authors better present the contribution as the process of value blending by middle-manager. The mention of Sim (2003) seems odd because throughout the paper, Sim (2003) is mentioned once or so, and never been discussed in details, so your contribution can not be just to this paper, same with Modell (2021).

Response:

Thank you for your comments. We have rewritten/revised the contribution part in the introduction section and made sure this connects with the rest of the paper. See the change below:

The study contributes to the interdisciplinary accounting literature in two important ways. First, by drawing on SW theory and macrofoundation, we contribute to an understanding of the hybridity of middle-management governance in Chinese universities. We provide evidence as to how macro institutions intertwine and intimately reinforce one another and are anchored in compromises through accounting. Secondly, our results contribute to the middle management research by shedding light on the process of value blending by Chinese middle managers through which regimes of value play out and can be structurally conditioned on the ground. The interviews show that while accounting constitutes concrete foci of attention for them with a performative force, having a sandwiched position is common among Chinese university middle managers and dealing with conflicting values is an integral part of their work. But the compromises they constituted, negotiated, and institutionalised are based on the selective adoption of international towards different

subordinates and local management working to the narrower conception of performance building PMS tension. This study eventually demonstrates the interplay between macrofoundations, regimes of moral evaluation, and middle manager's capacity to transform calculative practices. The results have practical implications for the Chinese government and help advance sustainable compromises against the backdrop of an expanding market-based economy.

2. Page 25: "This article studies..." I think "This study examines..." will read better because the word "article" means a piece of writing, it cannot study.

Response:

Thank you for your comments. We have revised this point.

3. Page 26: "the middle manager heads demonstrate strong agency with extrinsic pressures and vested material interests in ranking and outdoing others for short to medium term performance targets and career progression." This is interesting, but in the findings, there is not much about the heads background. I expect that they come to the positions because they outperformed others according to certain criteria, and with my understanding of Chinese culture, they would also have very well-connected networks of relationships so they are already embedded in the market world and domestic world. I also expect that not every manager would behave in the same way, depending on how well they manage tension of conflicting values

Response:

Thank you for your comments. We agree with your points. We have reinterpreted the findings in the discussion section and made this part clearer for the readership. Please see the change below:

At one level, we find the use of PMS as an imitate tactic presenting mimicry in their replication of private sectors', Western counterparts', and each other models, which is attributable to both utilitarian function and myth imputation ascribed to new management techniques. While it can be argued that agents often act more rationally than efficiently, in our study, the middle manager heads demonstrate strong agency with extrinsic pressures and vested material interests in ranking and outdoing others for short to medium-term performance targets and career progression. They come to this position because they outperformed according to some performance criteria (efficiency and or well-connected network) (Chong et al., 2013). This means they are already embedded in the market world and domestic worlds. The incessant search for efficiency improvement is also paralleled with the economisation of universities and disciplines as accounting entities at a macro level, with more operational decision-making power becoming vested in the deans and heads who fill key strategic portfolio roles.

Moreover, we also reminded readers in the paper that there is a variation in terms of how middle managers engage with kick-down behaviour via accounting PMS. Thus, our results must be interpreted cautiously.

However, we find that when pressures intensify, transactional and paternalistic practices can aggravate each other, boosting the middle manager's engagement in kick-down behaviours towards unacquainted subordinates, such as being extremely demanding through continuously strengthening performance requirements and

introducing uncertainty to gain productive resources from tenure-track staff. The kick-down behaviour has been illustrated in management studies (Erickson et al., 2015; Gerpott & Van Quaquebeke, 2022), resulting in better productive resources for the manager, or at least the short-term self-serving or organisational goals (Liao et al., 2021). Partly triggered by PMS where middle managers are competing directly based on hard numbers and partly liberated from the centrally planned political economy, heads are able to exercise a range of kick-down behaviours to improve performance. This conclusion, notwithstanding, must be interpreted cautiously because the degree is varied in our cases that is conditional on how well Chinese university middle managers can manage coordination issues and are bothered by this ethical struggle over personal preferences versus social responsibility.

4. Abstract: "The findings have wider implications for the Chinese government in navigating institutional steps and developing supportive policies to enable middle managers to advance productive compromise." What do you mean by productive compromise? I am thinking about the tenure academics being "squeezed more and more" because they do not have relationship with the heads, and the old staff being given a symbolic performance evaluation. Is it a way to manage the tension but still produce?

Response: Thank you for your comments. Confusing words are excluded from the paper. We have reframed this as a sustainable compromise.

5. Appendix 1: try to reproduce the table as the current format looks poor.

Response:
Thank you for your comment. We have revised the table.