Games of Engagement: Postures Within the Regulatory Community*

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This paper seeks to advance understanding of compliance through identifying the constituent elements of four empirically derived postures of regulatees: resistance and disengagement (associated with non-compliance), and managerial accommodation and capture (associated with compliance) (V. Braithwaite et al. 1994). The nature of these postures is investigated through two theoretical frameworks, Meidinger's (1987) notion of regulatory culture (and the construct of social bonds) and Merton's (1968) modes of adaptation (and the construct of commitments to institutional goals and means). Social bonds and commitments to goals and means are important for explaining resistance, disengagement and managerial accommodation. In the case of capture of the regulatees, social bonds are more important than commitments to goals and means. The findings counsel regulatory agencies to establish trust and respect in the regulatee-regulator relationship.

I. INTRODUCTION

Effective regulatory intervention requires an appreciation of diversity in the motivations of regulatees and a range of strategies for dealing with problems of non-compliance (Ayres & J. Braithwaite 1992; Kagan & Scholz 1984). Understanding motivations and choosing appropriate strategies appears not to be straightforward in the life of an inspector (V. Braithwaite et al. 1994). In part, this is because motives are such inaccessible phenomena to the outside observer, a problem exacerbated when observers are inspectors with rewards and punishments to bestow.

Nevertheless, motives can combine with desires, beliefs, feelings, and values to shape a distinctive posture to the regulatory system, a posture that

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regulatees can articulate and are willing to share with others. In an earlier paper on the styles of regulators and the motivational postures of regulatees (V. Braithwaite et al. 1994), four dimensions were identified characterizing the way in which regulatees approached the regulatory system: (a) resistance, (b) disengagement, (c) managerial accommodation, and (d) capture. The argument of the earlier paper was that these postures define social relationships between regulators and regulatees, and that these social relationships hold the key to understanding compliance.

The emphasis on social relationships differentiates this model from the classic motivational model of Kagan and Scholz (1984). They describe the non-compliant regulatee as an incompetent manager, an amoral calculator, or a political citizen. The internal motivational state of the regulatee vis-à-vis the regulations is the primary target for change. In contrast, the basic underlying assumption of our social rift model is that compliant motivations and behavior are as responsive to social relationships as to opportunities to increase profits and evade law. If regulatees and regulators perceive themselves as sharing common ground, the likelihood of law evasion will be diminished and the desire to do the right thing will be increased. If, on the other hand, regulatees identify themselves as the opponents of the regulatory system, every opportunity for law evasion has attraction as the regulatee adopts a game-playing mode where the objective is to win points over the opposition.

The postures described in the social rift model of resistance, disengagement, managerial accommodation, and capture were not theoretically derived, but rather emerged empirically from a study (V. Braithwaite et al. 1994) which sought to test a model of intervention based on that of Kagan and Scholz (1984). The social rift model was empirically linked with levels of compliance, with inspectors' judgments about the need for regulatory intervention, and with interpretations of the regulatory encounter. The earlier paper, however, did not test the basic theoretical assertion about what was being measured, that is, social rift, and most importantly, what social rift entails in this context.

The present paper examines the nature of the dimensions of social rift from two theoretical perspectives. The first, articulated most forcefully by Meidinger (1987), emphasizes the importance of social bonds of trust and respect in the development of shared understandings about legislation and compliance. From this perspective, the central question is the degree to which resistance, disengagement, managerial accommodation, and capture are manifestations of feelings of social connectedness with regulators. The second perspective, embodied in Merton's (1968) theory of modes of adaptation, emphasizes the importance of agreed-upon "truths" about cultural and regulatory goals, and the means for achieving them. From this perspective, attention is focused not so much on the "feel good" nature of the regulatee and regulator bond, but rather on the degree to which the regulator and the regulatee are of one mind on the ways and means to
achieve goals. Explicating the contribution of each of these theoretical traditions to the postures of regulatees is the focus of this paper.

II. THE SOCIAL RIFT MODEL

The dimensions of resistance, disengagement, managerial accommodation, and capture were sufficiently independent of each other to justify considering them as distinct concepts. Theoretically, the dimensions can be thought of as states of the individual, states that are fluid and malleable and that come into play in different contexts. Thus, one may have a propensity for resistance as well as capture. Similarly, identifying with the managerial accommodation posture does not preclude one from adopting a resistance posture in another context. Nursing home directors have multiple roles in their engagement with regulators. One role is to prepare staff, residents and relatives for an inspection; another is to introduce the inspection team to these players; yet others are to discuss matters with the inspection team, to respond to criticisms, to debrief management on the visit, and to negotiate action plans. In addition, nursing home directors may meet these regulators outside inspection events, when they may be discussing new pieces of legislation that affect the operation of their home, government funding, or changes in regulatory practices. Given these different roles, the adoption of different postures in a relatively short space of time by the same individual is a conceptualization that is highly compatible with the realities of business life.

The items comprising each posture scale are given in Table 1. Resistance represents the degree to which nursing home directors adopt a confrontational approach to the regulatory system. Regulators are seen as oppressive and unhelpful, and the government is the enemy.

While high scorers on resistance are engaged in battle with the system, high scorers on disengagement opt to cut themselves off from it. Disengagement represents the degree to which nursing home directors have withdrawn from the regulatory process as well as from their professional responsibilities. Their posture is defensive, hiding behind the claim that "it's not my fault and there is nothing I can do."

Managerial accommodation represents the degree to which directors of nursing have incorporated the regulatory standards into their management plan with the full support of proprietors. The posture is one of professional pride and endorsement of the regulations to achieve the highest standards and offer the best possible care.

Capture is a concept used ironically here to mean capture of the regulatees by the regulators, rather than the reverse. It is a dimension that reflects the degree to which regulatees portray themselves as being at one with the regulatory process. The image is of complete acceptance of the standards and of faith in the regulators. In effect, the dimension of capture
taps the extent to which regulatees see themselves as part of one big happy family, where misdemeanors, even when noticed, are forgiven.

Resistance and disengagement are postures that have been linked with low compliance (V. Braithwaite et al. 1994). Managerial accommodation and capture, on the other hand, are more likely to be the postures of regulatees with high compliance. The strongest correlations among the dimensions are not of a magnitude to threaten the distinctiveness of the constructs. Disengagement is positively related to resistance ($r = .31$), suggesting that cutting oneself off from the system and fighting with the system may be alternating states in the lives of at least some directors of nursing. The other notable relationship is a negative correlation between the helpless state of disengagement and the achievement-oriented state of managerial accommodation ($r = - .30$).

A. UNDERSTANDING POSTURES AS SOCIAL BONDS

The social distance or closeness between regulatees and regulators implied in these descriptions of regulatory postures can be understood within the context of Meidinger's (1987) regulatory community. Meidinger places social bonds at the center of his analysis with shared understandings being a by-product. Shared understandings, however, are not static, nor are they universally accepted.

Meidinger argues that both regulators and regulatees are bound together by a shared culture. Culture is used in a traditional sense to refer to a "set of shared understandings which makes it possible for a group of people to act in concert with each other" (1987: 359). He argues that regulatory culture is the infrastructure that allows legislative requirements to be translated into compliant practices in the real world.

Meidinger (1987) emphasizes the importance of and the value placed on cooperation in the regulatory community. Major actors have ongoing inter-dependent relationships with each other, relationships defined by respect and trust. At the same time, he does not deny tension and differences. Thus, Meidinger allows for a multitude of overlapping and interdependent sub-cultures that will pursue their own independent interests. At the same time, they can be brought together to strive for a shared vision of the common group.

The notion that the regulatory culture enhances compliance through social bonds between the regulatees and the regulators goes against traditional concerns about the capture of the regulators by those who they are supposed to be regulating. Makkai and J. Braithwaite, however, found "little analytical value in a conception of capture as an enduring unitary character trait that is structurally determined by a history of interest group affiliations" (1992: 73). Looking across regulatory contexts, Bardach and Kagan (1982) advance the argument that concerns about capture and the corruption of officials should not overshadow concerns about regulatory
unreasonableness. Reasonableness, they argue, is essential to preserving cooperation and goodwill within the community because it is so intrinsic to public perception of what is fair and just. Bardach and Kagan are sensitive to the importance of communication, face-to-face contact and on-site experience. Their account of the virtues of regulatory reasonableness and how it can be achieved is compatible with Meidinger’s (1987) notion of compliance through a shared regulatory culture.

In studying the Australian nursing home regulatory community, the social bonds highlighted by Meidinger (1987) have emerged as important factors in the way regulators nurture compliance. Compliance is brought about through trust, mutual regard, and respect. Thus, the strategies that have been found to work in improving compliance in nursing homes include regulators offering praise (Makkai & J. Braithwaite 1993), treating regulatees as trustworthy (J. Braithwaite & Makkai 1994), and ensuring that regulatees are disapproved of in ways that reintegrate them into the community when wrongdoing has been identified (Makkai & J. Braithwaite 1994). Informational gains have been shown to benefit regulatees who approach regulators with openness rather than trying to conceal their operations (Rickwood & J. Braithwaite 1994).

In the work of Tyler and his colleagues (Tyler 1989; Tyler, Casper & Fisher 1989; Tyler & Dawes 1993), empirical support also has been forthcoming on the importance of social bonds for cooperative behavior. Tyler’s work demonstrates that people care about their relationship to social groups, and that recognition and validation of their status by the group (in terms of trust and respect) can be far more important than receiving tangible rewards and decisions in their favor.

The reasoning that underlies the above work is that trust, respect, communication, and interdependency contribute to the emergence of shared understandings and goodwill, and these, in turn, translate into cooperation and compliance. This gives rise to the question of whether the absence of social bonds of the kind associated with trust, respect, cooperation, and communication is an integral part of the experience of disengagement and resistance. Similarly, can managerial accommodation and capture be best understood as the postures of those who have strong positive social bonds with the regulatory system? If characteristics of the social bond constitute the major component of regulatory posturing, an argument can be made for trying to maintain a positive and strong relationship between the regulator and the regulatee in spite of differences that might emerge over matters of substance in the management of the nursing home.

B. UNDERSTANDING POSTURES AS MODES OF ADAPTATION

The social bond account of compliance brings regulatees and regulators together through a shared social identity. Much of compliance theory and
practice, however, is not built on this tradition, but rather relies on individualistic rational actor accounts of non-compliance. The challenge that emerges from such perspectives is that social bonds may work very well when the interests of regulatee and regulator coincide, but what happens when they conflict? More specifically, would it not be the case that social bonds melt into insignificance when the goals and means for attaining them for regulatee and regulator are in conflict? From perusing the items representing regulatory postures in Table 1, there is clearly a place for the argument that social distance is a function of the gap between regulators and regulatees in their beliefs about what is best nursing home practice.

A model that directly addresses the issue of agreement or disagreement with culturally prescribed goals and means is Merton's (1968) typology of modes of adaptation. Merton (1968) explains deviant behavior in terms of a tension between cultural values toward which all people are expected to strive and a social structure that restricts access to the approved modes of reaching these goals. Blocking of access results in a variety of modes of adaptation which revolve around the adoption of unorthodox means, or the rejection of goals, or both.

Where cultural goals are valued, and institutionalized means for achieving them accepted, the response to the social system can be described as "conformity." This is the prototype of the non-deviant response, ensuring the stability and continuity of the community and "keep[ing] the wheels of society running" (Merton 1968: 208).

Within the nursing home regulatory culture, the analogue of conformity appears to be "capture" (V. Braithwaite et al. 1994). While the regulation literature is preoccupied with the capture of regulators, the empirical findings of Australian nursing home research suggest that capture of regulatees by regulators is the more important phenomenon. High scorers on the capture dimension are regulatees who see themselves and their industry as being in harmony with the regulators.

Innovation as a mode of adaptation describes the situation where "the individual has assimilated the cultural emphasis upon the goal without equally internalizing the institutional norms governing ways and means for its attainment" (Merton 1968: 195). Merton construes the innovator as being smart and shrewd, using unconventional means to attain coveted goals.

The regulatory posture in the nursing home study that resembles innovation is managerial accommodation (V. Braithwaite et al. 1994). High scorers on this dimension have no problems with the government standards and accept personal responsibility for developing management plans that ensure the highest standards are met (e.g., see items in Table 1). Because the regulations are outcome-oriented, nursing home directors are encouraged to use creativity, initiative, and flexibility in management to achieve the best outcomes they can.

Merton's (1968) mode of retreatism is defined as the rejection of cultural
goals and institutional means, after they have been fully assimilated, but blocked with no hope for realization. Unable to resort to the illegitimate because of internalized prohibitions, the conflict is resolved subsequently through the rejection of both the means and the goals. It is a “privatized rather than a collective mode of adaptation” (ibid.: 209) in which “the individual is asocialized” (ibid: 208). Merton refers to retreatists as “being in the society, but not of it” (ibid.: 207), coping by escaping from the requirements of society with defeatism, quietism, and resignation.

The director of nursing who disengages from her role and from the regulatory process (V. Braithwaite et al. 1994) has a response that can be likened to retreatism. On the dimension of disengagement, directors of nursing expressed lack of faith in their own capacity, lack of commitment to the job, and lack of interest in trying to comply with the standards.

In contrast is the mode of adaptation of the rebel who seeks to set in place a new cultural code. With “rebellion,” previously prized values are denounced and a new set of goals and means are put in the place of the old. Merton (1968) notes the complexity of this response in that rebellious subcultures invariably capture those who condemn the status quo and those who condemn because they resent their failure to obtain the rewards that the old system offers.

The counterpart of the resister is likely to combine both types of responses in nursing home regulation. Resisters clearly expressed opposition to the regulators and claimed that they could not comply with the standards. They believed that like-minded folk should get organized to oppose the regulatory agency. Although specific alternative schemes are not proposed, there is scope for tinkering and fine-tuning the new regulatory system as part of an ongoing dialectic between government and industry.

The final mode of adaptation described by Merton (1968), the ritualist, did not have a counterpart among the regulatory postures that were identified in the previous study. The social ritualist syndrome is one in which actors regard their social situation with distrust, fear disappointment and frustration through setting their sights too high, and settle for lower ambitions that promise satisfaction and security. At the same time as they abandon “lofty cultural goals,” they “abide almost compulsively by institutional norms” (pp. 203–4). It is difficult to believe that ritualism was not a style of some of the nursing home directors that we encountered and we did hear reports that fitted the ritualist category, such as installing wash basins, but not connecting them to the water pipes. The ritualist style, however, is more likely to be identified through observation and investigation than through the self-reports of those being regulated. When the focus is on public positions, the ritualist is unlikely to be distinguishable from the conformist.
III. THE PURPOSE OF THIS STUDY

Meidinger’s (1987) notion of regulatory community and Merton’s (1968) of modes of adaptation draw attention to different facets of the regulatory encounter. At the same time, both theorists explicitly recognize their interconnectedness. Not only do social bonds build shared understandings, shared understandings strengthen social bonds. The link is not inevitable, however, particularly at times of change in the regulatory process. Actors who agree on goals and means may have very little respect for each other. Actors who have strong social bonds may have very different views on desirable goals and means. In order to understand the nature of our regulatory postures, we must address the question of what is more important in shaping the regulatory postures of regulatees: the shared truths about goals and means or the social bonds of respect and trust? This paper addresses this issue through drawing on data from the Nursing Home Regulation in Action Project to develop indicators of the regulatee’s belief in cultural and regulatory goals and procedures, and the regulatee’s perception of herself as part of a regulatory community. These indicators are then compared as predictors of regulatory posture.

A. THE DATA BASE

The primary data were drawn from interviews with 410 directors of nursing after their nursing homes had been inspected. Also used in the analyses below was the overall compliance rating given to each home by the inspection team.

Inspections were conducted by the Australian government and involved state-based teams (minimum size of two, with at least one trained nurse) visiting homes and evaluating them on thirty-one outcome standards. The standards covered seven broad resident-centered outcomes: health care, social independence, freedom of choice, homelike environment, privacy and dignity, variety of experience, and safety (see J. Braithwaite et al. 1990 for further details). After the initial visit, teams returned to the homes to discuss initial compliance ratings and negotiate action plans. The interviews with the directors of nursing were conducted after the standards monitoring process had been completed.

The nursing homes were surveyed over a twenty-month period from May 1988 to March 1990. They were located in four geographical regions surrounding Brisbane (QLD), Sydney (NSW), Melbourne (VIC), and Adelaide (SA). The 410 homes were selected in two ways. Two hundred and forty-two homes represented a proportionate random sample, stratified by number of beds, type of ownership, and the level of disability of residents. The Australian government agreed to visit the randomly selected homes within the prescribed time frame. The response rate was 96 percent. The remaining 168 nursing homes were within the same geographical area, had
been inspected within the study’s time frame, were willing to cooperate, but had not been randomly selected. Preliminary analyses have shown that the random sample and the supplementary sample do not differ on a range of important variables (J. Braithwaite et al. 1990). Thus, the two samples have been combined to give a total sample of 410 nursing homes.

B. THE OUTCOME VARIABLES

Directors of nursing rated each of the items comprising the regulatory posture scales of resistance, disengagement, managerial accommodation, and capture (see Table 1) on a five-point scale from strongly agree to strongly disagree. Scale scores were calculated by summing item scores and dividing by the number of items in the scale. Scale scores, therefore, ranged from 1 to 5. For the purposes of scale construction, items were rescored from the data set so that a high number indicated more of the quality being measured.

The seven-item resistance scale had an alpha reliability coefficient of .72 with intercorrelations ranging from .14 to .46 (median = .27). The scale mean was 2.89 (SD = .61).

The four-item disengagement scale had an alpha reliability coefficient of .56 with item intercorrelations ranging from .10 to .38 (median = .24). The mean for the scale was 2.03 (SD = .57), making disengagement the least commonly adopted regulatory posture.

Managerial accommodation was represented by seven items with an alpha reliability coefficient of .64 and item intercorrelations ranging from .06 to .42 (median = .21). The scale mean was 3.85 (SD = .52), making managerial accommodation the most popular posture.

Capture was measured through five items with intercorrelations ranging from .05 to .32 (median = .18), and an alpha reliability coefficient of .50. The mean was 3.48 (SD = .54).

The alpha reliability coefficients for these scales are not particularly high. Two explanations were considered. The low alpha reliability coefficients may reflect lack of coherence among the items and, therefore, lack of construct validity for the measures. On the other hand, alpha reliability coefficients are sensitive to the number of items in the scale, with coefficients increasing with the number of items, regardless of coherence (Scott 1968). Thus, a low alpha coefficient may be a result of having a relatively small number of items to measure a relatively complex construct. In such cases, two additional checks to establish construct validity can be made.

First, a principal components analysis of each set of items should produce a one-component solution. This was the case for all four posture scales. Second, Scott’s (1968) homogeneity ratio should produce a coefficient between 0 (meaning no coherence) and 1 (meaning complete redundancy in the items). The homogeneity ratio can be thought of as an average inter-item correlation. The optimal level is above 0 but less than 1, since 1 would
Table 1. The Items of the Resistance, Disengagement, Managerial Accommodation and Capture Scales

Resistance
(a) The nursing home industry needs more people willing to stand up against the Department of Community Services and Health
(b) My friends in the industry often say to me that it is important not to let the Department of Community Services and Health push you around
(c) The nursing home industry should get organized to resist unreasonable demands by teams
(d) It is impossible for nursing homes like mine to meet the standards unless the level of Commonwealth funding is increased
(e) Once the Commonwealth has you branded as a bad nursing home, they never change their mind
(f) Standards monitoring teams are more interested in catching you for doing the wrong thing than in helping you
(g) If my nursing home is uncooperative with the team, they will get tough with us

Disengagement
(a) No matter how cooperative or uncooperative the team is with me, the best policy for me is to give them only as much cooperation as the law requires
(b) My own feelings generally are not affected much one way or the other by how well I do on this job
(c) Because the Director of Nursing cannot be everywhere in the home at the same time, it is impossible for her to ensure that the standards are met
(d) There is not much I can do if standards are not met as a result of my staff doing the wrong thing

Managerial accommodation
(a) I will never pass the blame onto others when government standards are not met because I am personally responsible in the end
(b) Our plans to improve our performance on the standards are not just general intentions to do our best: we have a definite management strategy for improvement
(c) I enjoy the responsibility of being a Director of Nursing
(d) The proprietor, not me, must take ultimate responsibility when standards are not met
(e) My proprietor has the attitude that the government standards and regulations must be met no matter what the costs
(f) My proprietor sets me goals that can only be met by breaching the standards
(g) My proprietor sometimes puts me under a financial squeeze that makes it impossible to meet the standards

Capture
(a) If my nursing home is cooperative with the team, they will be cooperative with us
(b) Even though the team will strongly disapprove of my failings to meet any standard, they will still respect me as a responsible professional
(c) No matter how cooperative or uncooperative the team is with me, the best policy for me is to always be cooperative with them
(d) The nursing home industry agrees with nearly all of the Commonwealth outcome standards
(e) If you admit your mistakes, the team will respect you in the long run

a Exact wording of question was 'We would like you to tell us how strongly you agree or disagree with a number of statements by circling a number on this sheet. Circle 1 if you strongly agree with the statement, 2 if you agree, 3 if you neither agree or disagree, 4 if you disagree and 5 if you strongly disagree'.

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indicate an inefficient index where any one item would represent the attribute as well as the set of items.

Scott's (ibid.: 258) analysis suggests that most psychological scales are likely to have homogeneity ratios of the order of .2 to .3. The homogeneity ratios for the posture scales were within this range with the exception of the capture scale. Resistance had a ratio of .26, disengagement of .24, managerial accommodation of .21, and capture of .17.

C. MEASURING COMMITMENT TO GOALS AND MEANS

Operationally defining goals and means is problematic since they are not necessarily mutually exclusive. A goal can be valued in its own right, but can also serve as the means of achieving another goal. For the purposes of this paper, goals are defined as indicators that reflect quality nursing home care. Means are used to refer to the procedures that are set in place to ensure that the goals are attained. Given the focus on the regulatory system, the relevant procedure is the inspection process that serves two purposes: to appraise the performance of a nursing home and to improve performance.

1. Goals

Goals can be conceptualized at the level of the general community or at the level of the regulatory community. At a general community level, nursing homes are expected to provide the highest quality nursing care. Thus, one would expect directors of nursing who have imbued cultural goals to be committed to the nursing profession and to place importance on caring values in the appointment of staff. The two scales used to represent cultural goal commitment were taken from Makkai and V. Braithwaite (1993).

Commitment to the profession was assessed through three items: (a) "Working in a nursing home is not my idea of a top nursing job" (reversal), (b) "If I could choose my career over, I would choose something other than nursing" (reversal), and (c) "If I could choose my nursing specialization over, I would choose gerontics." Items were scored so that a high score indicated high commitment. The correlations among the items ranged from .21 to .34. The alpha reliability coefficient was .54. The mean and standard deviation were 7.14 and 2.23 respectively.

Commitment to caring values within the nursing home was measured by the importance that directors of nursing placed on the following qualities in hiring new staff: (a) helpful, (b) understanding, (c) forgiving, (d) loving, and (e) considerate. The caring values scale had an alpha reliability coefficient of .75 with correlations ranging from .31 to .59. High scores indicated a high priority was being placed on caring values ($M=8.75, SD=1.68$).

Belief in the regulatory goals was assessed through an index taken from Makkai and J. Braithwaite (1991) ($M=121.58, SD=3.18$). Nursing home
directors were asked to judge each of the thirty-one standards first on its desirability and then on its practicability. The total score on the belief index was obtained through summing the number of standards that were judged desirable and the number of standards that were judged practicable.

2. Means

While nursing homes have their own procedures in place for ensuring quality care, these procedures may not correspond to "the institutionalized means" of achieving goals. While nursing home regulations in Australia give directors of nursing a considerable degree of freedom in how they achieve their outcomes, the inspection process itself constitutes an institutionalized means for identifying any practices that are unacceptable. Therefore, agreement with the institutional means for achieving cultural goals was operationalized as agreement with the inspection procedure.

Agreement with the inspection procedure had two components, credibility and legitimacy. Directors of nursing had to believe that the inspectors assessed the nursing home accurately, that they were competent, that they facilitated the development of corrective strategies, and that they commanded authority. Four measures were developed to correspond to these attributes: (a) agreement with the assessment of the team and with action plans to achieve compliance, (b) judged competence and sophistication of the inspection team, (c) belief that inspections provided useful and motivating feedback, and (d) belief that the government has the power to do something if compliance is not achieved.

Agreement with the substantive findings of the inspection was assessed through combining scores from two measures in the interview. One question asked directors of nursing to rate themselves on the thirty-one outcome standards. The number of times a difference was observed between self-ratings and inspection team ratings (M = 2.42, SD = 3.60) constituted the first component of the disagreement index. The second component was the degree to which directors of nursing agreed with the action plans to remedy non-compliance. They expressed their agreement on a three-point scale from "don't really agree" (2%) through "partly agree" (40%) to "entirely agree" (58%). High scores on both measures indicated high disagreement. Agreement with the compliance ratings and agreement with action plans correlated .43. The two scores were standardized before being added to form the disagreement index.

The competency index was the sum of the responses to two items where high scores indicated high competency. First, nursing home directors were asked: "Were there any members of the team who you do not think were qualified to do their part of the standards monitoring?" Respondents were required to identify the team members whom they considered unqualified. Data were scored in terms of "at least one was not qualified" (29%) and "they were all qualified" (71%). Second, respondents rated the inspection
team on a seven-point scale that was anchored at each end by “unsophisticated in their understanding of how a nursing home works” to “sophisticated in their understanding of how a nursing home works” \((M = 5.21, SD = 1.72)\). Responses on these two measures were standardized and combined into the competency index. The items correlated .41.

The feedback index was the sum of standardized scores on three items with high scores indicating helpful feedback. Respondents were presented with a seven-point rating scale from strongly discouraged to strongly encouraged to answer the following question: “Has your recent experience with the team encouraged or discouraged your staff’s motivation to improve the quality of resident care?” \((M = 5.26, SD = 1.47)\). The second question was answered using a seven-point rating scale from “not at all clearly” to “very clearly”: “In general, how clearly did the team explain to you why you got the compliance ratings you did?” \((M = 5.96, SD = 1.68)\). The third question asked respondents to indicate the extent of their agreement or disagreement on a five-point rating scale with the item: “I was unhappy with the amount of information I got from the team at the end of the day of the visit” (reversal) \((M = 3.48, SD = 1.25)\). The alpha reliability coefficient for the feedback index was .65.

Believing that the government had the power to do something to non-compliant nursing homes was measured through a single item: “The Department of Community Services and Health can’t do much if a nursing home decides to defy it” (reversal) \((M = 3.98, SD = .92)\). Responses were made on a five-point strongly-agree to strongly-disagree rating scale with a high score indicating endorsement of the government’s aura of power. The rationale for the aura of power item is to be understood within the context of the sanctions available to the government. The Department of Community Services and Health could apply any of the following: (a) withdrawal of Commonwealth funding for new admissions, (b) withholding of annual Commonwealth funding increase to compensate for inflation, and (c) cutting off all Commonwealth funding. Alternatively, the department could join forces with the state government to use state powers. The sanctions were powerful, and also potentially harmful to residents. Widespread awareness of the negative consequences of applying the sanctions from both the government’s perspective and the nursing home’s made the item, “The department can’t do much if a nursing home decides to defy it,” a highly discriminating measure of an underlying belief in the power of the state. The item conveyed no sense of contextualized threat or coercion. Its focus was not on consequences of non-compliance for the director of nursing being interviewed, but was more distant and generalized. Thus, the item was labelled the aura of power to distinguish it from used or threatened power.
D. MEASURING SOCIAL BONDS

The degree to which actors perceived themselves as part of a shared culture was assessed through four measures reflecting the social interconnectedness between each director of nursing and the regulators: (a) involvement in government consultations, (b) reluctance to engage in tit-for-tat game playing with inspectors, (c) concern to gain the respect of inspectors, and (d) being treated as trustworthy by the inspectors.

The new regulatory standards and procedures were developed in consultation with the nursing home industry. The degree to which one saw oneself as part of this process was an indicator of social embeddedness (though not necessarily of one-mindedness with the government) within the regulatory community. Thus, the first measure of social bonds was involvement in consultation, with high scores indicating high consultation. Nursing home directors were asked: “Do you think you are one of those nursing homes that the Department of Community Services and Health consults with a lot, a little, or one that gets left out of consultation?” (M = 1.59, SD = .73).

The second measure was designed to find out if directors of nursing saw their relationship with the team as being contingent on the team’s behavior. In other words, would directors cooperate to the extent that regulators cooperated with them? This notion of contingent cooperation on the part of the regulatee is Axelrod’s tit-for-tat game-playing strategy, “the policy of cooperating on the first move and then doing whatever the other player did on the previous move” (1984: 13). Contingent cooperation of the form where regulatees state that their level of cooperation will match that of the regulator is used in this paper as a measure of the solidarity of the bond between regulators and regulatees. The variable is called preparedness to adopt a tit-for-tat strategy and comprises the summed responses to two attitude items: (a) My policy is that so long as the team is cooperative with me, I will be cooperative with them (M = 3.18, SD = 1.05), and (b) If the team got tough with me, I would become uncooperative with them (M = 2.25, SD = .79). Both were measured on a five-point agreement rating scale. High scores indicated greater use of a tit-for-tat strategy (M = 5.42, SD = 1.49). The correlation between these two items was .30.

The third and fourth measures represented Meidinger’s (1987) notion of regard and respect. The degree to which directors of nursing valued the respect of the inspectors was assessed through one item: “It matters a lot to me that members of the team respect me as a responsible nurse.” Responses on a five-point agreement rating scale yielded a mean of 4.04 and a standard deviation of .72. A high score represented a value of respect.

The degree to which inspectors treated directors of nursing with respect was assessed through J. Braithwaite and Makkai’s (1994) two-item trust scale: (a) “The team treated me as someone who could only do the right thing when forced to” (reversal) and (b) “The team treated me as a person
who could be trusted to do the right thing." The responses were made on a five-point agreement rating scale with a high score indicating high trust ($M = 8.05, SD = 1.30$). The items correlated $0.40$.

E. CONTROL VARIABLES

The focus of this paper is on the degree to which four regulatory postures can be explained in terms of (a) endorsement of cultural and regulatory goals and regulatory procedures, and/or (b) the social bonds between the regulator and the regulatee. These questions can be answered through least squares regression analysis. In the process, however, a number of variables should be controlled because of their potential for confounding the relationships between the variables of major interest.

Of primary importance as a control variable is level of past compliance. Level of past compliance is related to regulatory postures, and is likely to be linked with acceptability in the regulatory community and shared understandings of what the regulations mean. Level of past compliance is also a public performance indicator and as such may threaten the self-esteem of directors of nursing. A threat of this kind may have the unwanted consequence of coloring the way in which directors of nursing see their world in the period immediately following their inspection. The purpose of the present paper is to understand the way in which endorsement of goals and means and the presence of social bonds contribute to regulatory postures after "the sour grapes" effect of past performance has been separated out.

Past compliance was operationalized as the extent to which each home had met the thirty-one regulatory standards in the period before the interviews. For each nursing home in the sample, scores on the standards were totaled. Homes were given a score of 1 if the standard was met, .5 if action was required and 0 if urgent action was required. In theory, scores could range from 0 to 31 with 31 representing full compliance. As expected, the distribution of scores was skewed, the median being 27.5. It is of note, however, that only 8 percent of homes were in compliance with the legislation. The development of the compliance measure has been discussed in detail elsewhere (J. Braithwaite et al. 1990; V. Braithwaite et al. 1991).

In addition, three other "psychological variables" were controlled. Merton (1968) makes the point strongly that the modes of adaptation he is describing refer to the way in which social structure exerts pressure on individuals: "These categories refer to role behavior in specific types of situations, not to personality" (p. 194) and "people may shift from one alternative to another as they engage in different spheres of social activity" (ibid.). Thus, it is important to control for "psychological variables" in testing the link between the regulatory postures identified among nursing home directors and Merton's modes of adaptation.

Three psychological measures were included. The first two were not necessarily personality characteristics in the sense in which Merton (1968)
uses the term, but they reflect states of mind that are performance-related and that could color the way in which individuals perceive their social bonds and appraise the system just after an inspection. The first, belief in one's abilities, was assessed on a five-point agreement rating scale by the attitude item: "I often suffer from self-doubts about my capacity to make this nursing home a better place for residents" (reversal) ($M = 3.54$, $SD = 1.08$). Motivation to do well was represented by another attitude item: "I am not one of those directors of nursing who sets myself the ambitious goal of having the best resident care of any nursing home in the state" (reversal) ($M = 3.42$, $SD = 1.16$). High scores indicated high motivation and strong belief in self.

The final psychological measure was emotionality. Since inspections are potentially stressful experiences for nursing home directors, particularly when they are following a new format with a new set of standards, judgments may be clouded by the aftermath of heightened emotionality. The six-item emotionality scale represented the core general emotionality component of the Scale of Emotional Arousability (Braithwaite 1987): (1) I frequently get upset, (b) There are many things that annoy me, (c) I am almost always calm — nothing ever bothers me (reversal), (d) I am somewhat emotional, (e) I can tolerate frustration better than most (reversal), and (f) It takes a lot to get me mad (reversal). The alpha reliability coefficient for the scale was .59. Responses were made on a five-point strongly-agree to strongly-disagree rating scale instead of the usual five-point rating scale of "very unlike me" to "very like me." The scale was scored such that high scores represented emotional resiliency ($M = 19.83$, $SD = 3.16$).

IV. DATA ANALYSIS

Least squares regression analysis was used to predict each of the regulatory postures from the social bond variables and the shared goals-and-means variables. Because the theoretical question centers on blocks of variables rather than specific measures, and on the effects of the blocks' net of each other, a hierarchical procedure was followed. For each regulatory posture, the control variables were entered first, the social bond variables were entered second, and the commitment to goals and means last of all. This order of entry addresses the question of whether or not a particular regulatory posture can be explained in terms of commitment to goals and means when the effects of variables relating to performance, psychological resiliency and social inclusiveness are controlled.

A second question is whether or not a particular regulatory posture is better explained in terms of social bonds after controlling for performance, psychological resiliency, and commitment to goals and means. This second question is addressed in relation to each regulatory posture through changing the order of entry of the variables, so that after the control vari-
ables, goals and means are entered into the model, and finally, the social bond variables.

A. PREDICTING RESISTANCE

If resistance can be likened to Merton’s (1968) notion of rebellion, resistance should be predicted from the rejection of cultural and regulatory goals as well as the rejection of regulatory procedures. Within the framework of Meidinger’s (1987) notion of the regulatory community, resistance is likely to be associated with poor social bonds with the regulators and with the regulatory system. Specifically, high scorers on resistance are likely to show little regard for having the respect of the inspection team, to report distrust from the team, to be ready to engage in tit-for-tat game-playing with the inspectors, and to have been left out of consultation sessions with the government.

Table 2 summarizes the contribution of the social bond variables and the shared goals and means variables to explaining resistance, after compliance and the psychological parameters have been controlled. Models A and B represent two different orders of entry for the blocks representing social bonds and shared goals and means. The standardized regression coefficients for the complete model are presented in Table 3, along with the bivariate correlations between the predictors and resistance.

From Models A and B, the social bond variables and the shared goals and means variables each contribute in their own right to the posture of resistance. While there is a degree of overlap in the variance they account for (each accounts for more variance when the other is not present), neither set of variables makes the other set redundant. Shared beliefs about goals and means are likely to be associated with less resistance. Good social relations between nursing home directors and inspectors lower the likelihood further of finding a posture of resistance. Thus, social bonds are not merely the source of shared beliefs nor the by-product of common views of the world in explanations of why actors adopt the posture of resistance. Social bonds have an independent and important contribution to make.

From Table 3, the bivariate correlations confirm the role played by both social bonds and shared goals and means. Three of the four social-bond correlations confirm the hypothesis that resistance is associated with social distance from the in-group. Resistance was higher when there was little consultation by government. Resistance also reflected a readiness to become uncooperative with the government if the government gave the nursing home a hard time, and if the inspection team treated the director of nursing with mistrust. Interestingly, high scorers on resistance wanted to be respected by the team, raising the question of whether their posture would be different if they felt valued by the central players in the regulatory community.
Table 2. $R^2$ and Changes in $R^2$ in Two Hierarchical Least Squares Regression Models Predicting Regulatory Postures From Psychological Resiliency (Controls), Social Bonds and Goals-Means Commitment

<table>
<thead>
<tr>
<th>Model</th>
<th>Predictors</th>
<th>Resistance</th>
<th>$\Delta R^2$</th>
<th>$R^2$</th>
<th>$\Delta R^2$</th>
<th>$R^2$</th>
<th>$\Delta R^2$</th>
<th>$R^2$</th>
<th>$\Delta R^2$</th>
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<td>A</td>
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<td>.14**</td>
<td>.19**</td>
<td>.07**</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>+ Social bonds</td>
<td>.35**</td>
<td>.24**</td>
<td>.10**</td>
<td>.20**</td>
<td>.12**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>+ Goals-means</td>
<td>.45**</td>
<td>.10**</td>
<td>.28**</td>
<td>.22**</td>
<td>.22**</td>
<td>.02</td>
<td></td>
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</tr>
<tr>
<td>B</td>
<td>Controls</td>
<td>.11**</td>
<td>.14**</td>
<td>.19**</td>
<td>.07**</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>+ Goals-means</td>
<td>.36**</td>
<td>.25**</td>
<td>.24**</td>
<td>.11**</td>
<td>.04*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>+ Social bonds</td>
<td>.45**</td>
<td>.09**</td>
<td>.30**</td>
<td>.28**</td>
<td>.22**</td>
<td>.11**</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

** $p < .01$  
* $p < .05$
Table 3. Pearson Product Moment Correlation Coefficients and the Standardized Regression Coefficients for a Least Squares Regression Model Predicting Resistance

<table>
<thead>
<tr>
<th>Predictors</th>
<th>Correlation coefficient</th>
<th>Standardized regression coefficient</th>
</tr>
</thead>
<tbody>
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<td><strong>Controls</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Past compliance</td>
<td>-.23**</td>
<td>.02</td>
</tr>
<tr>
<td>Belief in oneself</td>
<td>-.22**</td>
<td>-.10*</td>
</tr>
<tr>
<td>Motivation to do well</td>
<td>-.05</td>
<td>-.01</td>
</tr>
<tr>
<td>Emotional resiliency</td>
<td>-.16**</td>
<td>-.08</td>
</tr>
<tr>
<td><strong>Social bonds</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Involvement in consultation</td>
<td>-.14**</td>
<td>-.09*</td>
</tr>
<tr>
<td>Tit-for-tat strategist</td>
<td>.37**</td>
<td>.18**</td>
</tr>
<tr>
<td>Valued Team’s respect</td>
<td>.11*</td>
<td>.08</td>
</tr>
<tr>
<td>Treated as trustworthy by Team</td>
<td>-.46**</td>
<td>-.23**</td>
</tr>
<tr>
<td><strong>Commitment to goals</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commitment to nursing</td>
<td>-.11*</td>
<td>-.03</td>
</tr>
<tr>
<td>Commitment to caring values</td>
<td>.01</td>
<td>.05</td>
</tr>
<tr>
<td>Belief in regulatory goals</td>
<td>-.23**</td>
<td>-.06</td>
</tr>
<tr>
<td><strong>Commitment to means</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disagreement with inspection report</td>
<td>.46**</td>
<td>.19**</td>
</tr>
<tr>
<td>Team competency</td>
<td>-.45**</td>
<td>-.14**</td>
</tr>
<tr>
<td>Helpful feedback</td>
<td>-.47**</td>
<td>-.13*</td>
</tr>
<tr>
<td>Aura of power</td>
<td>-.07</td>
<td>.02</td>
</tr>
</tbody>
</table>

Adjusted $R^2$                           .43**

* $p < .05$
** $p < .01$

Five of the seven expected correlations between goals-and-means commitment and resistance were supported. Resistance was associated with less professional commitment, less acceptance of the regulatory standards as desirable and practicable, and lower expectations that anything could be gained from the inspection process. Resistance was likely to be accompanied by disagreement with the inspection report and judgements of the inspection team as incompetent.

From the standardized regression coefficients in the final model (see Table 3), resistance reflects marginalization from the in-group (low consultation, treated with mistrust, readiness to use tit-for-tat strategies) and objection to the inspection process (disagreement with report, perceptions of team incompetence and unhelpful feedback). Furthermore, there was a performance component to the resistance posture. Those high on resistance had serious reservations about their ability to make the nursing home a better place for residents.
B. PREDICTING DISENGAGEMENT

Disengagement was expected to be associated with the rejection of goals and means and with the rejection of social ties.

As was the case with resistance, both social bonds and goals-and-means commitments played important roles in explaining the posture of disengagement (see the changes in $R^2$ for Models A and B in Table 2). From the bivariate correlations in Table 4, two of the four social-bond variables were related to disengagement, showing that disengagement was stronger when nursing home directors thought they were treated with distrust and when they were ready to use tit-for-tat strategies with the regulators. Of the seven variables used to test the shared goals-and-means hypothesis, six confirmed the hypothesis that disengagement meant the rejection of the goals and means used by the society to ensure quality of nursing home care. While rejecting the goals of the "system," both professional and regulatory, it is of note that high scorers on disengagement were neither more nor less likely than others to reject the broader societal goals of caring values.

From the standardized regression coefficients in Table 4, the most important variables in predicting disengagement were distrust in the regulatee-regulator relationship (being treated as untrustworthy and being a tit-for-tat strategist), low professional commitment, and seeing the government as powerless and unhelpful. Two psychological variables completed the characterization of disengagement as being "in the society, but not of it." High scorers on disengagement rejected the idea that they wanted to have the best nursing home in the state and did not believe themselves capable of improving the quality of care that the nursing home provided. Disengagement indicated personal defeat, negativity toward the profession and a dismissive attitude to the regulatory system. Furthermore, high scorers on disengagement perceived the system as being dismissive of them.

C. PREDICTING MANAGERIAL ACCOMMODATION

Managerial accommodation has been described as a posture that was approved within the regulatory community, involving endorsement of the goals of the culture and the regulatory system, and innovation in achieving these goals. Thus, managerial accommodation should be associated with positive social bonds with the regulatory community and support for institutional goals, but not necessarily enthusiastic embracing of the institutionalized procedures for achieving them. High scorers on managerial accommodation may see themselves as being ahead of the inspectors and may sideline the inspection process as a means for ensuring quality care.

These expectations were well supported by the data. From the bivariate correlations in Table 5, managerial accommodation was associated with relatively high levels of consultation from government, respect from regulators and trustworthiness. The only non-significant finding among the
social-bond variables involved use of a tit-for-tat strategy. High scorers on managerial accommodation neither systematically favored nor disfavored this game playing approach.

Managerial accommodation was distinctive in being associated with all three sets of goals: cultural, professional and regulatory (see Table 5). At the same time, high scorers were no more likely than low scorers to be positive about the inspection event, although high scorers were more likely to recognize the authority of the government through their high endorsement of the aura of power index.

In the hierarchical regression analysis (see Table 2), social bonds and goals-and-means commitments both made significant contributions to the posture of managerial accommodation net of each other. Nevertheless, in the final regression model showing the standardized regression coefficients of specific variables (see Table 5), the social-bond variables dominate. Furthermore, Table 5 reveals the importance of the psychological variables.

** Table 4. Pearson Product Moment Correlation Coefficients and the Standardized Regression Coefficients for a Least Squares Regression Model Predicting Disengagement**

<table>
<thead>
<tr>
<th>Predictors</th>
<th>Correlation coefficient</th>
<th>Standardized regression coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Controls</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Past compliance</td>
<td>-.11*</td>
<td>.00</td>
</tr>
<tr>
<td>Belief in oneself</td>
<td>-.28**</td>
<td>-.11*</td>
</tr>
<tr>
<td>Motivation to do well</td>
<td>-.27**</td>
<td>-.21**</td>
</tr>
<tr>
<td>Emotional resiliency</td>
<td>-.13*</td>
<td>.00</td>
</tr>
<tr>
<td>Social bonds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Involvement in consultation</td>
<td>-.03</td>
<td>.05</td>
</tr>
<tr>
<td>Tit-for-tat strategist</td>
<td>.32**</td>
<td>.22**</td>
</tr>
<tr>
<td>Valued Team's respect</td>
<td>-.02</td>
<td>-.03</td>
</tr>
<tr>
<td>Treated as trustworthy by Team</td>
<td>-.28**</td>
<td>-.15**</td>
</tr>
<tr>
<td>Commitment to goals</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commitment to nursing</td>
<td>-.19**</td>
<td>-.14**</td>
</tr>
<tr>
<td>Commitment to caring values</td>
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<td>-.05</td>
</tr>
<tr>
<td>Belief in regulatory goals</td>
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<td>Commitment to means</td>
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</tr>
<tr>
<td>Disagreement with inspection report</td>
<td>.15**</td>
<td>-.04</td>
</tr>
<tr>
<td>Team competency</td>
<td>-.15**</td>
<td>.01</td>
</tr>
<tr>
<td>Helpful feedback</td>
<td>-.25**</td>
<td>-.15*</td>
</tr>
<tr>
<td>Aura of power</td>
<td>-.24**</td>
<td>-.15**</td>
</tr>
<tr>
<td>Adjusted $R^2$</td>
<td></td>
<td>.27**</td>
</tr>
</tbody>
</table>

** $p<.01$  
* $p<.05$  

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Table 5. Pearson Product Moment Correlation Coefficients and the Standardized Regression Coefficients for a Least Squares Regression Model Predicting Managerial Accommodation

<table>
<thead>
<tr>
<th>Predictors</th>
<th>Correlation coefficient</th>
<th>Standardized regression coefficient</th>
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<tbody>
<tr>
<td><strong>Controls</strong></td>
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<tr>
<td>Past compliance</td>
<td>.25**</td>
<td>.23**</td>
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<tr>
<td>Belief in oneself</td>
<td>.21**</td>
<td>.07</td>
</tr>
<tr>
<td>Motivation to do well</td>
<td>.24**</td>
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<td>Emotional resiliency</td>
<td>.29**</td>
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<td><strong>Social bonds</strong></td>
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<td>Involvement in consultation</td>
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<td>Tit-for-tat strategist</td>
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<td>-.02</td>
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<td>Valued Team’s respect</td>
<td>.20**</td>
<td>.15**</td>
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<tr>
<td>Treated as trustworthy by Team</td>
<td>.23**</td>
<td>.08</td>
</tr>
<tr>
<td><strong>Commitment to goals</strong></td>
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<td></td>
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<tr>
<td>Commitment to nursing</td>
<td>.18**</td>
<td>.12*</td>
</tr>
<tr>
<td>Commitment to caring values</td>
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<td>.04</td>
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<tr>
<td>Belief in regulatory goals</td>
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<td><strong>Commitment to means</strong></td>
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<td></td>
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<tr>
<td>Disagreement with inspection report</td>
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<td>.09</td>
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<td>Team competency</td>
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<td>Adjusted $R^2$</td>
<td></td>
<td>.24**</td>
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</tbody>
</table>

** $p<.01$  
* $p<.05$

In explaining this particular posture. High scorers on managerial accommodation are high achievers: they have high compliance scores, they want to have the best nursing home in the state, they are emotionally resilient, and they are committed to their profession. The final regression model suggests that a large part of the managerial accommodation dimension is personal, being driven by one's own agenda to do well and be part of the regulatory community.

D. PREDICTING CAPTURE

Of the four regulatory postures, capture was the most ambiguous. As noted earlier, it resembled Merton’s (1968) description of the conformist, but could also represent the socially acceptable face of the ritualist. The posture of capture was the posture of seeing the regulatory community as one big happy family.

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With this description in mind, the results of the regression analysis proved interesting. Commitment to goals and means did not make a significant contribution to the regression analysis, once social bonds had been taken into account. From Table 2, the addition of the goals-means block of variables added a non-significant 2 percent to the explained variance. This is not to suggest that high scorers on capture failed to support the regulatory system. From the bivariate correlations in Table 6, capture was associated with agreement with the inspector's report, judging the team as competent and giving helpful feedback. High scorers on capture were also more likely to endorse the cultural goals of having caring values. These variables became unimportant, however, when the relationship that the director of nursing had with the inspectors was taken into account (see Table 6). When regulatees wanted the respect of the inspector and were treated as trustworthy, the only goals-means variables to strengthen the posture of capture was perceiving the inspection team as competent. Also of interest was the finding that the posture of capture was associated with willingness to use a

<table>
<thead>
<tr>
<th>Predictors</th>
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<th>Standardized regression coefficient</th>
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<td>Belief in regulatory goals</td>
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<td>Helpful feedback</td>
<td>.17**</td>
<td>.01</td>
</tr>
<tr>
<td>Aura of power</td>
<td>-.01</td>
<td>-.04</td>
</tr>
<tr>
<td><strong>Adjusted R^2</strong></td>
<td></td>
<td>.19**</td>
</tr>
</tbody>
</table>

** p < .01
* p < .05

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tit-for-tat strategy. This conflicted with the notion that high scorers on capture were at one with the regulatory system. Their oneness was clearly conditional on the government treating them properly. The rather low $R^2$ of 19 percent suggests that there is much that remains to be understood about the posture of capture.

V. DISCUSSION OF FINDINGS

In these analyses, support is found for the theoretical interpretations offered by both Meidinger (1987) and Merton (1968). Most importantly, the data show that each theoretical position contributes to our understanding of regulatory postures. Shared understandings and social bonds have independent contributions to make to how managers respond to regulatory regimes and one perspective does not render the other obsolete.

A. SUPPORT FOR THE SOCIAL BOND HYPOTHESIS

The social-bond hypothesis was supported for all four regulatory postures. From the regression analyses, the block of social-bond variables added significantly to the explained variance net of all other variables.

At the same time, the types of social bonds that were important varied across postures. Managerial accommodation was associated with involvement in consultation with the government, feeling trusted and wanting respect from the inspectors. The capture dimension also was linked with wanting respect, and being trusted, but here the social bond was more conditional. Willingness to engage in tit-for-tat strategies indicated sensitivity to the treatment delivered by inspection teams. The co-opted stance that was the essence of the capture dimension was conditional on being treated decently. Posturing of this kind reflects Levi's (1990) notion of contingent consent in compliance. According to Levi, citizens will comply with government as long as government behaves in a way that honors the citizen-government bargain.

Resistance and disengagement were also dimensions characterized by similarities and differences in the social bonds that defined them. Part of both dimensions was the perception of mistrust in the treatment by inspectors and the view that cooperation was conditional on the inspector's behavior. Both dimensions, therefore, showed signs of a social rift between nursing home directors and the central players in the regulatory culture.

The difference in the social bonds defining resistance and disengagement centered on who was accepting of the state of play and who wanted things to be otherwise. High scorers on disengagement conceded nothing to the system that they had rejected: they did not care. High scorers on resistance, however, were more likely to say that they were left out of consultations with the government and that they wanted the respect of the inspection
For high scorers on resistance, rejection by the regulatory community was important.

These findings support the view that the degree of social rift underlying the regulatory postures of disengagement, resistance, managerial accommodation, and capture can be explained in part by the social connectedness of regulator and regulatee. It is worth noting that this assertion does not conflict with the expectations about social ties that can be derived from Merton’s (1968) modes of adaptation typology. The lack of concern that features so strongly in the disengagement dimension is in keeping with Merton’s depiction of a private withdrawal from society. The concern for respect and consultation that typifies the resistance dimension justifies Merton’s warning about distinguishing between the true rebel who dreams of a different world order and the pseudo-rebel who can’t achieve success and seeks to change things just enough to improve his/her chances. Resistance seems to encapsulate the mentality of "pseudo-rebels" since their rebellion is often reversible without macro-level institutional change (V.-Braithwaite et al. 1994).

B. SUPPORT FOR THE MODES OF ADAPTATION HYPOTHESIS

Shared understandings about goals and means had an independent role to play in three of the four postures. The exception was capture. High scorers on capture were not characterized by commitments to goals and means once the social bond variables were controlled. Although the block of goals-means variables did not contribute significantly net of the other blocks, one of the seven variables did have a significant regression coefficient in the final model: capture was higher when the inspection team was regarded as being qualified to do their job and sophisticated in their understanding of the nursing home industry.

In spite of this being a commitment-to-means variable, the finding sits comfortably within a social-bond framework. From the final regression model, high scorers on capture are not confident in their ability to bring about improvements, desire respect, report being treated as trustworthy, are responsive to the behavior of the inspectors, and regarded their inspection team as being competent and sophisticated. The importance of team competence should be interpreted in conjunction with self-doubts about one’s own capacities. Those high on capture were not sure that they could improve the quality of care of their nursing homes. A competent inspection team commands authority and respect and is likely to increase the director of nursing’s confidence that all is well. For high scorers on capture, the "system" appears to be valued because it offers approval and security. Overall, the capture dimension provides limited relevance to principled agreement or disagreement about goals and means.

This is not the case with resistance, disengagement, and managerial
accommodation. For high scorers on managerial accommodation, commitment to goals was more important than commitment to means. Commitments to cultural goals of caring, to the nursing profession, and to regulatory goals were the crux of shared regulatory understandings on the managerial accommodation dimension. Commitment to traditional means, as Merton (1968) would predict, is not guaranteed, although the aura of power of government was duly acknowledged.

What is not consistent with Merton's (1968) theorizing is the psychological profile associated with the dimension of managerial accommodation. In this respect, managerial accommodation was a distinctive posture. It was associated with the personal characteristics of being emotionally strong, ambitious, self-confident and a high performer. This interpretation sits comfortably alongside the work of Jenkins (1994), which shows that those with high self-efficacy are remarkably resilient to the social and regulatory forces that are used to shape their behavior. While this paper does not refute the argument that given the right social context, anyone can be more innovative, the findings place a new item on the research agenda: to what extent do psychological variables limit the modes of adaptation available to the individual at any particular time?

The postures of resistance and disengagement were linked with the rejection of institutional goals and means. The differences between the two postures lay in their professional orientation. Disengagement involved the rejection of the profession and the power of the government. Resistance was associated with neither of these attitudes, but rather with the inspection process. By levelling criticisms at the regulators' assessment of the home and their competence, high scorers on resistance were focusing their attention on things that the regulators could do something about.

C. BEYOND NURSING HOMES

Given that the postures of resistance, disengagement, managerial accommodation, and capture were empirically derived, the question of their generalizability beyond the Australian nursing home context warrants discussion. The ultimate test clearly lies in further empirical work. Research in related areas, however, provides encouraging signs that this framework for analyzing compliance may have wider usefulness.

Resistance has been a well-documented and long recognized posture in regulatory literature and requires no further elaboration here (Bardach & Kagan 1982). Disengagement, on the other hand, has not received attention, possibly because it is not only a posture that is counterproductive to compliance, but also to effective work performance. Thus, one might assume that disengagers would be quickly shown the door by their employers. It should be remembered, however, that disengagement is not a type, but a dimension. Thus, a person may adopt the posture of disengagement at times, but at other times respond more like a high scorer on capture, resist-
ance, or even managerial accommodation. In the qualitative fieldwork for the Nursing Home Regulation in Action Project, we found an extreme example of this multiple-role performance in directors of nursing who had been professional leaders but who, over time, had been burnt out by the demands of the job. They had drifted toward a disengaged posture, waiting for their retirement. In the world of business, disengagement is the likely regulatory posture for those who are finding their corporate responsibilities overwhelming.

Managerial accommodation is the style of engagement that fits businesses that value law-abiding innovation. It is not unusual for companies to want to be ahead of the law, rather than behind it. In Australia, for example, a select group of corporations pride themselves on being ahead of the game in implementing the federal government’s affirmative action legislation (V. Braithwaite 1992). Indeed, this type of innovation is rewarded by the government each year through the Affirmative Action Agency’s awards for best practice. In innovative pharmaceutical and coal mining companies in the United States, people whom we now might reconstruct as high scorers on managerial accommodation take pride in setting corporate standards that exceed legal requirements (Bardach & Kagan 1982; J. Braithwaite 1984, 1985).

Capture by the state is the posture that we have learned least about in this particular study, but it is also the least surprising, whatever the regulatory context. Trying to obey the law is the line of least resistance for most individuals and corporations, and such action often remains unquestioned, until there is provocation to do otherwise.

Theoretically, the arguments for the generalizability of the social rift model rest on the importance of groups for social identity (Tajfel 1978; Turner 1991). Underlying the notion of a regulatory posture is the assumption that individuals are active participants in the regulatory process at two levels. Not only do regulatees decide what move they will make in the regulatory game (level of compliance), but also they evaluate the game vis-à-vis their own social identity. If the regulatory regime offers to enhance their identity, they will become willing players, some (high scorers on managerial accommodation) with a more innovative commitment than others (high scorers on capture). If, on the other hand, the regulatory regime threatens social identity, psychological defenses are brought into play, as is evident in the postures of resistance and disengagement. Thus, wherever individuals are positioned to have their social identities affected by the regulatory process, posturing of the kind described in this paper is likely to be found.

D. IMPLICATIONS FOR REGULATORY PRACTICE

The implications of these findings for regulatory practice go against both intuitive understandings and practice within western culture. The essence of this understanding is represented in Heider’s (1958) balance theory. Heider
proposes states of balance and imbalance in the nature of relations between people and their attitudes toward objects. In its simplest form, Heider proposes that if two people like each other and both approve of a particular object, a state of balance exists. If, however, one of these positive relations becomes negative, that is, one person likes the object while the other does not, or alternatively the actors dislike each other while still both approving of the object, a state of imbalance arises. According to Heider, unbalanced states produce tension and generate forces to restore or achieve balance.

Heider's theory emphasizes the importance of consistency among various beliefs. Following this line of argument, we might be tempted to conclude that if regulators and regulatees don't respect and trust each other, they are also likely to disagree on regulatory goals and procedures. Antagonism between actors, combined with disagreement over beliefs and attitudes would, after all, constitute a state of balance. Moreover, there is support for the proposition that we like people because they hold views that are similar to our own (Byrne 1971; Rosenbaum 1986). There is also support for the reverse process of identification whereby we take on board the views of those whom we like and respect (French & Raven 1959; Kelman 1958, 1961). This interdependence, however, appears to be misleading when applied to the regulatory context.

Within the dynamics of the regulatory game, regulators can shift the posture of regulatees through either changing the social bonds that attract the regulatee to the regulatory culture or through changing the regulatee's commitment to institutionalized goals and means. If regulatees are entrenched in their opposition to the regulatory system, as may be the case with high scorers on resistance and disengagement, their posture can still be modified through trying to straighten social ties with the regulatory community. A shift in the degree of opposition to the rules may then follow later. The findings of this paper suggest that this process is particularly likely to reap benefits with high scorers on resistance who value having a place within a regulatory community. In short, the strategic hypothesis is: "Don't attack the resistance of resisters; first nurture their desire to belong to a regulatory community." Future work will explore this hypothesis as the explanation for why resistance is associated with improved compliance over time in the Australian nursing home context (V. Braithwaite et al. 1994).

At the same time, the separation of social bonds and commitments to goals and means provides insight into the way in which zealous inspectors may inadvertently break compliant postures. High scorers on managerial accommodation may disagree with inspectors on points of procedure. High scorers on capture may not quite understand the importance of certain regulatory goals. In such circumstances, regulators have the responsibility to explain the problems they see and mount a persuasive argument to support their case. The important implication of this study is that in achieving these goals, regulators might be wise to ensure that disagreements are contained and dialogue is respectful. Regulators might be more effective if
they preserve and build on the good social bonds that are centrally important to the maintenance of these positive postures. For regulators to become disrespectful and dismissive in the face of disagreement is to throw away an important lever for lifting future compliance. This is particularly likely to be the case with high scorers on capture because of their sensitivity to the way they are treated. In contrast, high scorers on managerial accommodation may be somewhat more resilient because of their internal commitment to achieving high standards.

Future work will examine the outcomes and changes experienced by those nursing home directors who typify each of the dimensions of engagement posture. A further question that has not been addressed to date, but which has practical importance, is what mix of these regulatory postures is most commonly found among nursing home directors. This issue is one that needs to be dealt with further down the track. At present, the question of the validity of the four basic dimensions remains the major priority. This paper establishes the relevance of both shared goals and respectful relations to the four dimensions of regulatee posturing. The next step is to separate the key concepts temporally to shed some light on their cause-and-effect relationships.

The contribution of this paper is to show that the ways in which regulatees approach the regulatory system bring together the personal (belief in self and motivation), the social (the need to have a place in the regulatory community), and the institutional (one’s beliefs about the system and how it operates). All play a distinct role in shaping the regulatory posture of the individual. These regulatory postures are constructed from the consciously shared opinions of those being regulated. They represent a starting point for understanding how individuals approach the regulatory encounter and how they expect the regulatory game to be played. An understanding of where regulatees are coming from is the first step in making responsive regulation more effective. Regulatory research is only beginning to take this first step. This paper advances the proposition that social bonds and shared understandings are separate levers that regulators can use to shift regulatory postures, strengthen institutions of compliance, and nurture regulatory cultures in which disapproval can be communicated respectfully.

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NOTE

1. Emotionality is conceptually equivalent to the more widely used term of neuroticism defined as a relatively stable personality trait that involves low tolerance for
stress, emotional overresponsiveness and slowness in retrieving emotional equilibrium (Eysenck 1967).

REFERENCES


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