



NAV local offices' interaction with employers

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Summary

NAV's main goal is to help more people to be active and in the workforce.

Traditionally NAV's predecessors - the Norwegian Public Employment Service (Aetat), the Norwegian State National Insurance Service (trygdeetaten) and Social Welfare Services focused on people who were outside the workforce. This focus has shifted and there is an increasing focus on what can be done in the work force and with employers. The establishment of NAV paves the way for an intensification of focus on what can be achieved in the workplace and with employers – forms of interaction with employers which integrate Inclusive Workplace policies and Labour Market Policies. Employers are both NAV's customers and NAV's most important partners. NAV's ability to interact with employers is the key to the success of the NAV reform process.

This study examines the way in which NAV local offices organise their work. In addition to the traditional forms of contact with employers local offices have established several new forms of contact with employers.

The balanced score card system is known and used in the local offices which are the focus of this study. This is an indication that strategies used to implement the balanced score card system have been successful. However there are still challenges associated with finding relevant indicators. Specifically NAV is having difficulty finding indicators to measure the degree to which NAV integrates inclusive workplace policies and employment market policies.

One of the consequences of increased interaction with employers is that local offices are questioning some of NAV's structures. This study identifies that interaction within NAV is a challenge for the organization. Knowledge transfers between local offices and the Workplace Support Centre and Market Team is, in places, problematic and in other places totally lacking.

NAV is an organization that is learning to live with contradictory goals and considerations. Local offices are developing strategies for integrating Inclusive Workplace policies and Labour Market Policies.

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1. Introduction

The Norwegian Labour and Welfare Organisation (NAV) came about when the Norwegian Public Employment Service (Aetat), the Norwegian State National Insurance Service (trygdeetaten) and Social Welfare Services merged in a reform process which lasted started in 2006. The NAV reform is the largest reform in the public sector ever undertaken in Norway.

NAV's main goals are:

- More people active and in work, fewer people on benefits
- A well-functioning job market
- To provide the right services and benefits at the right time
- To provide services tailored to users' needs and circumstances
- Comprehensive and efficient labour and welfare administration

NAV's vision is "We give people opportunities". NAV's vision is meant to create pride and commitment within the organization as well as communicating to users, partners and the rest of the community what NAV aspires to achieve.

NAV administers a third of the national budget through schemes such as unemployment benefits, work assessment allowances, sickness benefits, pensions, child benefits and cash-for-care benefits.

Local authorities and the central government cooperate to find solutions for users through 456 NAV offices in municipalities and city boroughs. Each local authority and NAV agree on which local authority services their office should provide. The services provided by a NAV office will thus vary from local authority to local authority.

NAV employs around 19,000 people. Of these around 14,000 are employed by the central government, the Norwegian Labour and Welfare Service, and around 5,000 are employed by the local authorities. NAV has approximately half the Norwegian population as their clients.

In addition to the local NAV offices there are more than one hundred specialist units. The specialist units perform centralized duties that it would not be appropriate for front line local NAV offices to perform.

NAV is the central government agency which has responsibility for the Cooperation Agreement on a More Inclusive Working Life (IA Agreement). The Cooperation Agreement for a More Inclusive Working Life (IA) was signed in 2001. The main goal of the Agreement is: "To improve the working

environment, enhance presence at work, prevent and reduce sick leave and prevent exclusion and withdrawal from working life.”

The three national subordinate goals of the IA Agreement are:

- 20 per cent reduction in sick leave compared with the 2nd quarter 2001. This means that on a national level, sick leave must not exceed 5.6 percent.
- Prevent withdrawal and increase employment of people with impaired functional ability.
- Active employment after the age of 50 to be extended by twelve months. This means an increase in the average labour force participation rate (for people over the age of 50), compared with 2009.

One of NAV’s specialist units, the Workplace Support Centre, has particular responsibility for the Cooperation Agreement, but NAV’s local offices also have tasks related to the agreement.

The intentions of the NAV reform and the IA agreement define the relationship between NAV and employers. Put simply; employers are both NAV’s customers and NAV’s most important partners. (Reiersen, and Langeland 2006)

In order for NAV to achieve its main goal of getting more people active and in work and fewer people on benefits it is necessary for NAV to develop competencies and structures to interact with employers. Employers employ the unemployed and know best their own need for labour. In addition it is employers who are in a position to take care of employees so that they stay in work. Cooperation between employers and NAV is therefore absolutely necessary for the NAV reform to succeed.

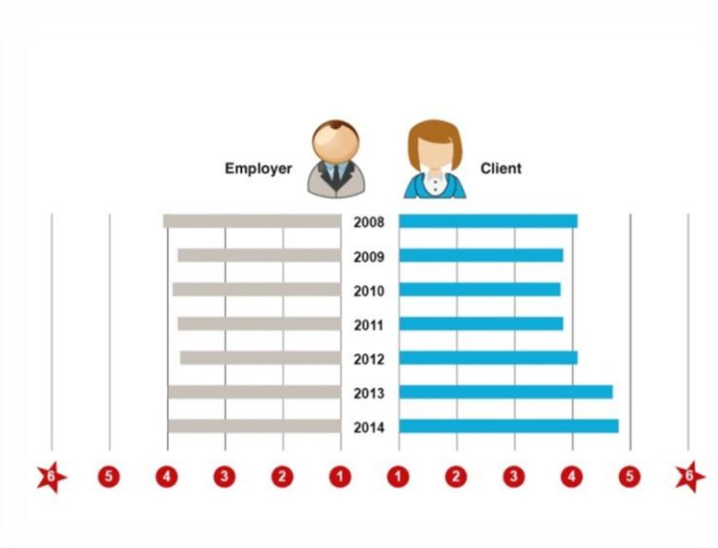
NAV’s local offices are managed by both local authorities and central government. It is therefore interesting to see what priorities the local authorities and also the central government have for NAV’s local offices. The central governments priorities are expressed in the Planning Target and Allocation Letter which the Directorate for Labour and Welfare sends to local offices annually. The local authorities’ priorities can be found in each authority’s annual budgets and plans. However on a more general level the priorities are expressed in a document, know the Local Authorities Letter, which the Directorate for Labour and Welfare sends to local authorities each year.

The Directorate for Labour and Welfare states clearly that cooperation and dialogue with employers is one of the main priorities for NAV local offices in 2015. In the Planning Target and Allocation Letter for 2015 the Directorate states that “(NAV’s local offices) shall ensure that there is cooperative dialogue with employers so that more of NAV’s users can obtain or keep jobs”. The letter states that:

“Contact, interaction and dialogue with employers is crucial for the agency to get the best possible knowledge about employers’ challenges, demand for labour and needs for assistance from NAV. NAV should sound knowledge of both employers' needs and the labour market locally, regionally and nationally in order to facilitate effective dissemination of labour.” (NAV's mål og dispneringsbrev 2015 til fylkene)

The Local Authorities Letter also clearly states that cooperation and dialogue with employers is a priority for NAV’s local offices. In this document the Directorate expresses that the main goal for local NAV offices in 2015 is “to contribute to more users obtaining jobs.” (Kommunebrevet 2015) The Directorate specifically mentions that the Qualifying Program, which local authorities are responsible for, is the government’s most important initiative to encourage transition to work and to combat poverty.

It is clear that two of NAV’s important stakeholders – the central government and the local authorities- expect NAV to prioritise contact with employers. It is also relevant to briefly investigate how employers feel about contact with NAV. Each year NAV conducts a customer survey among employers who have used the agency's services. NAV also conducts a customer survey of users and it is thought-provoking to see results from both surveys together. Employers are, overall, less satisfied with NAV than individual users. More importantly, in my view, is that the level of employers’ satisfaction with NAV has not improved. There is a distinct possibility that the customer surveys give an oversimplified view. There is no distinction in terms of feedback to the many and varied parts of NAV’s large and complex organisation. There is a definite possibility than large individual variations will be camouflaged within these surveys. The surveys do however provide a source for reflection and a basis from which to start further investigation.



Average score 1= very displeased, 6= very pleased

Figure 1: **Employer customer survey compared with user customer survey**

(source: NAV Facts and Figures: 2014)

NAV is an organization that is learning to live with contradictory goals and considerations. NAV has found a number of pragmatic solutions to organisational problems in its 456 local offices, rather than one generic solution. This is perhaps not surprising. Norway has a diverse labour market and, while unemployment is low compared with other countries, unemployment rates vary considerably within Norway. The sizes of the local authorities which the National Labour and Welfare Service cooperate with in running the local NAV offices also vary considerably. In addition the services provided by NAV offices vary from local authority to local authority.

Traditionally NAV's predecessors - the Norwegian Public Employment Service, the Norwegian State National Insurance Service and Social Welfare Services focused on the individuals who were outside the workforce. This focus has shifted and there is now an increasing focus on what can be done in the workplace and with employers (Alm Andreassen and Fossetstøl, in Alm Andreassen and Spjelkavik: 86). In Norway one can see specific results of this change in the focus of the first IA agreement and establishment of NAV's Workplace Support Centre (arbeidslivssenter). NAV's local offices have specifically been given responsibility for following up employers' efforts with sickness benefits. There has been a strong focus on dialogue 2 meetings with employers, and, more recently there has been a focus on quantitative measurements of NAV's offices contact with employers.

It is absolutely necessary for NAV to have knowledge about the labour market and the requirements of various jobs. The Office of the Auditor General 's (OAG, Riksrevisjonen) investigation into NAV's vocational monitoring of persons with impaired work points out that:

“The lack of relevant information about the labour market has further consequences for whether case workers fail to highlight work opportunities that can be concretised and pursued in the activity plans.

Both case workers and managers emphasize that inadequate knowledge of the labour market and working conditions has been a constant challenge in NAV. In OAG's opinion knowledge about the labour market and what is required in various professions is a prerequisite for being able to work purposefully towards finding possible jobs for the individual user.” (Riksrevisjonen, dokument 3:10 (2013- 2014)

NAV is responsible for implementing two sets of policies; inclusive working place policies and employment market policies (Alm Andreassen and Spjelkavik: in Alm Andreassen and Fossetøl, 2011).

NAV's ability to interact with employers is the key to the success of the NAV reform process. In 2006, at the very start of the reform process, Tormod Reiersen and Stein Langeland concluded that the establishing NAV paved the way for better coordination of employment market services for employers. (Reiersen and Langeland: 2006) In 2011 Alm Andreassen and Spjelkavik concluded that the NAV reform had provided better opportunities to integrate employment market policies into work with employment market policies, but that local NAV offices still had a considerable amount of work to do.

In this paper I explore the factors which contribute to local NAV offices in developing competencies and structures to interact with employers. I look specifically at factors concerning leadership, structure and organisational culture. There are a number of specialist units in NAV which provide specific services and support to employers. The Workplace Support Centre has very specific responsibilities for the IA agreement. In addition in some counties NAV has established Market Teams which provide recruiting support to employers.

In this paper I will limit my discussions to the function of NAV's local offices in regard to employers. There are three reasons for that I have decided to focus on the role of NAV's local offices. Firstly I have an intrinsic interest in the matter. I 2007 was given the task of establishing and leading one the

first local offices in Rogaland. I have led the local office through the first phase of the NAV reform and am now leading the office through an organisational cultural change process – the aim of which is to create a “recruiting culture”. As a local manager it is important for me to understand what factors contribute to my organisation achieving its goals.

Secondly I believe is of interest to follow up some of the research of the NAV reform process. A good deal of the research which has been conducted so far has concluded that the process is under way, but that it is too early to conclude if the NAV reform is on the road to success or a political mistake.

Thirdly I believe that it is interesting to study how an organization balances completing demands and goals. Christensen and Lægreid (2011) suggest that:

“This seems to be a systemic feature of public sector organizations that needs to be taken into consideration when reorganizing the administrative apparatus... Organizations have to learn to live with trade-offs and dilemmas rather than searching for the one generic solution. Trying to find one best way of organizing based on a ‘one size fits all’ approach is normally not a successful reform strategy, partly because administrative reforms are often a political exercise with rather ambiguous roots in organisational or management theory.” (Christensen and Lægreid: 2011: 5)

I will discuss the leadership, structure and organisational culture of NAV’s local offices. In 2012 NAV’s local offices were required to establish a role which was known as “Recruiting Contact”. The role of the Recruiting Contact was described in detail in a job description produced by NAV’s county office. The role of recruiting consultant was appointed to a person already employed in the local offices – there were no extra budget funds made available nor were there any tasks which were specifically taken away or given a lower priority. Local offices were given a deadline until autumn 2012 to appoint a recruiting consultant and NAV’s county office established a network for the recruiting consultants along with role specific training for the consultants. Some local offices have managed to increase the amount of contact they have with employers, while others struggle to meet their targets. Employer’s satisfaction with NAV has improved slightly in the last few years, but employers still report that they find it difficult to contact NAV. The strategies used to implement the role of Recruiting Contact varied from local office to local office and relate to issues of leadership, structure and organisational culture.

Local offices’ targets for both dialogue 2 meetings and contact with employers are prioritized in NAV’s balanced scorecard system. Target and result performance management is the main tool for

leading from Departments to Directorates in Norwegian administration (Breivik: 2010) A balanced scorecard system can be used to “let the managers manage” or alternatively to “make the managers manage”. In this paper I will discuss how local offices have used NAV’s balanced scorecard and what effect their use has had on employer contact.

The main issue I address in this paper is:

“How successful have NAV local offices been at integrating inclusive work place and labour market policies?”

The research questions I pose in order to address the main issue are:

1. Have NAV offices organised their work relating to employers in a manner that assists such integration?
2. How does NAV’s balanced scorecard system contribute to the integration of inclusive work place and labor market policies?
3. How do NAV’s structures contribute to the organisation’s interaction with employers?
4. How does NAV’s organisational culture contribute to the organizations interaction with employers?

2. Theory

The aim of this study is to discuss to how successful NAV local offices have been at integrating inclusive work place and labour market policies. The research questions chosen to discuss this issue have concentrate on matters of structure, leadership and culture. These matters are intertwined and interdependent. In order to analyse matters of structure, leadership and culture I have chosen to present theories relating to organisational change, culture and learning.

Max Weber gave us the first theories of bureaucracy – and the expression itself. The development of the formal concept of organisational structure owes a great deal to Weber’s classic work (Onsman: 2003) Weber saw the organisation as a machine that could be finely tuned, with clear lines of accountability and precise descriptions of organisational units. Until relatively recently, almost any organisational structure could be represented with neat, clean, straight lines on a piece of paper called the organisation chart. The lines in the chart connect various jobs to indicate who reports to whom and who can issue instructions to whom. (Onsman: 2003: 103)

In a survey conducted in 2014, NAVs own employees describe their own organisation as “bureaucratic” and “hierarchical” (OHI 2014). These are values, which can be negative for organisational health. (Keller: 2011) Today, bureaucracy and hierarchy are not fashionable words and the notion of organisational structure is more complex and sophisticated. (Keller: 2011)

Andersen and Skinnarland describe the NAV reform as «an interaction reform». The NAV reform is a reform where employees with very different professional and academic backgrounds are shaken together in order to provide services in a new way. (Andersen and Skinnarland, in Alm Andreassen and Fosseth : 2011). At a local office level choices concerning forms of cooperation and structure are of vital importance. While NAVs local offices have had freedom to define their own organisational design and their own learning environment some key restraints are fixed – for example the choice of computer systems. Regardless of this NAV’s local offices have had to find their own way forward to an organization where staff and the office as a whole can perform the tasks NAV reform imposes on them to solve.

Lewin – three phases in a change process

Lewin presents three phases organisations must go through in a change process. The first phase is an unfreezing process. In this stage the focus is on creating motivation for change. It is crucial to create a sense of urgency and necessity for the change. It is also necessary to create a certain psychological security and attempt to reduce fear and resistance to change. The second stage is the change process. In this stage new attitudes are created and new behaviour adapted. Measures to achieve change include training, changes in the organisation's formal structure and changes in management style. (Jacobsen and Thorsvik: 2013: 403) In the third stage, freezing, the changes are accepted and become the norm. This stage is about establishing stability. In this stage the measures used need to be evaluated and the organisation needs to check that the new attitudes in the organisation conform to the actual behaviour. (Jacobsen and Thorsvik: 2013: 403)

Schein

Schein maintains that culture is to a group what personality or character is to an individual. (Schein: 2010) We can see the behaviour that results, but we often cannot see the forces underneath that cause certain kinds of behaviour.

“The culture of a group can now be defined as a pattern of shared basic assumptions learned by a group as it solved its problems of external adaption and internal integration, which has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems” (Schein: 2010: 18)

Schein lists twelve embedding mechanisms to highlight the difference between the most powerful daily behavioural things that leaders do and the more formal mechanisms that come to support and reinforce the primary messages. The six primary embedding mechanisms are the major “tools” that leaders have available to them to teach their organizations how to perceive, think, feel, and behave based on their own conscious and unconscious convictions. They are visible artefacts of the emerging culture that directly create what would typically be called the “climate” of the organization. (Schein: 2010: 236)

Schein's definition of organisational culture has facets which are useful to my study. Schein's definition includes group learning and problem solving as well as the notion that new members are taught the organisations culture.

Less powerful, more ambiguous, and more difficult to control are the messages embedded in the organization's structure, its procedures and routines, its rituals, its physical layout, its stories and legends, and its formal statements about itself. These six secondary mechanisms can provide powerful reinforcement of the primary messages if the leader is able to control them. The important point to grasp is that all these mechanisms do communicate culture content to newcomers. Leaders do not have a choice about whether or not to communicate. They only have a choice about how much to manage what they communicate. (Schein: 2010: 257)

Schein describes what a learning culture might look like:

1) Proactivity

2) Commitment to Learning to Learn

Learning" must include not only learning about changes in the external environment but also learning about internal relationships and how well the organization is adapted to the external changes.

3) Positive Assumptions About Human Nature (Theory Y)

4) Belief That the Environment Can Be Managed

5) Commitment to Truth Through Pragmatism and Inquiry

What must be avoided in the learning culture is the automatic assumption that wisdom and truth reside in any one source or method.... As the problems we encounter change, so too will our learning method have to change.... The toughest problem for learning leaders here is to come to terms with their own lack of expertise and wisdom. Once we are in a leadership position, our own needs and the expectations of others dictate that we should know the answer and be in control of the situation. Yet if we provide answers, we are creating a culture that will inevitably take a moralistic position in regard to reality and truth. The only way to build a learning culture that continues to learn is for leaders themselves to realize that there is much that they do not know and must teach others to accept that there is much that they do not know (Schein, 2009a). The learning task then becomes a shared responsibility.

6) Positive Orientation Toward the Future

7) Commitment to Full and Open Task-Relevant Communication

8) Commitment to Cultural Diversity

The more turbulent the environment, the more likely it is that the organization with the more diverse cultural resources will be better able to cope with unpredicted events. Therefore, the learning leader should stimulate diversity and promulgate the assumption that diversity is desirable at the individual and subgroup levels. Such diversity will inevitably

create subcultures, and those subcultures will eventually be a necessary resource for learning and innovation. For diversity to be a resource, however, the subcultures or the individuals in a multicultural task group must be connected and must value each other enough to learn something of each other's culture and language. A central task for the learning leader, then, is to ensure good cross-cultural communication and understanding. Some ideas of how this can be accomplished will be covered in the next chapter. Creating diversity does not mean letting diverse parts of the system run on their own without coordination. Laissez-faire leadership does not work because it is in the nature of subgroups and subcultures to protect their own interests. To optimize diversity therefore requires some higher-order coordination mechanisms and mutual cultural understanding.

9) Commitment to Systemic Thinking

The learning leader must believe that the world is intrinsically complex, nonlinear, interconnected, and "overdetermined" in the sense that most things are multiply caused.

10) Belief That Cultural Analysis Is a Valid Set of Lenses for Understanding and Improving the World

(Schein: 2010: 374)

Bang – a definition of organisational culture

The term "organisational culture" has since the beginning of the 1980s become common place. One aspect of the NAV reform which has received particular focus is the organisational culture aspect of merging three organisations to form NAV. (Andersen and Skinnarland in Alm Andreassen, and Fossetøl: 2011: 171)

Henning Bang has clarified the concept of organisational culture (Bang: 2013).

While researchers highlight different aspects of the term "organisational culture" and the concept "culture", researchers seems to have reached a common understanding of how to conceptualize organisational culture, says Bang.

"Organisational culture is defined as sets of shared norms, values and beliefs that develop in an organization as the members interact with each other and their environment, and that are manifested through the members' behaviour and attitudes at work." (Bang: 2013: 326)

Both Bang and Schein include an aspect of the organisations internal workings and how the organisation relates to its external environment.

I have chosen to use Bang's definition as a basis for my discussions concerning organisational culture. Bang's definition combines the concepts "norms", "values" and "beliefs", includes the actions of people in organisations interacting with their environment and embraces the idea that these are demonstrated through behaviour and attitudes. The notion that norms, values and beliefs advance and change in organisations is also included in Bang's definition. He says that they concepts "develop" in an organization. I believe notion of interaction is also relevant to my study. I am looking at the ways in which NAV local offices interact with employers as well as how employees in local offices interact with each other. Bang's definition covers both instances – internal interaction and external interaction.

Bang describes that terms most often used by researchers when the content of a culture is described, are norms, values and perceptions. (Bang: 2013). Norms, values and perceptions are not directly visible but are expressed through various symbolic processes, objects, structures and actions in the organization. These symbolic elements are often called cultural expressions or artefacts. The organisation's cultural expressions are visible, observable products of the culture, and can be interpreted as carriers of cultural content. They cannot be directly read as organization culture, but must first be construed to find what significance they have in the specific organization.

There may therefore be difficulties when outsiders attempt to decode messages from cultural expressions. Outsiders are not necessarily aware of the various symbolic meanings, but outsiders have a set of interpretative tools developed in the organizations they have been members of. Thus they are in danger of drawing conclusions which might have had validity in their organisational culture, but which do not apply in the culture being studied.

Argyris

Argyris is probably best known for distinguishing between learning that challenges the status quo, called double- loop learning, and learning that is routine, called single- loop learning. He is recognised for disseminating pioneering ideas about how learning can improve organisational development

success He is probably best known for distinguishing between learning that challenges the status quo, called double-loop learning, and learning that is routine, called single-loop learning.

Double-loop learning is about solving difficult problems, according to Argyris. We discover and establish truth when we subject people's claims to rigorous tests. That allows us to see more clearly the causal processes embedded in those claims. Argyris calls this transparency. Double-loop learning depends on stewardship, or the internal commitment by employees to seek truth, transparency, and personal responsibility in the workplace. For single-loop learning, people are programmed to believe that transparency and truth are good ideas, but only when they're not threatening or embarrassing, he says.

A commitment to seek truth implies a willingness to accept failure and to admit to failure. (Argyris: 1990:43)

Organisational defensive routines make it highly likely that individuals, groups, intergroups, and organizations will not detect and correct the errors that are embarrassing and threatening because the fundamental rules are to 1) bypass the errors and act as if that were not being done, 2) make the bypass undiscussable, and 3) make its undiscussability undiscussable. (Argyris: 1990:43)

A challenge which often arises is how leaders can develop a culture where failure can be discussed openly without giving rise to an "anything goes attitude". If people in organisations aren't held responsible for failures, how can one make sure that they try as hard as possible to do their best? Edmondson calls this type of concern a false dichotomy.

"In actuality, a culture that makes it safe to admit and report on failure can—and in some organisational contexts must—coexist with high standards for performance." (Edmondson: 2011: 3)

Senge- Organisational learning, leadership and structure

Senge writes that "a learning organization values, and develops competitive advantage from, ongoing learning, both individual and group. Senge contends that "organizations learn only through individuals who learn. Individual learning does not guarantee organisational learning. But without it no organisational learning occurs." (Senge: 2000: 139). Senge believes that there are five dimensions, or as he call them disciplines which are "vital... in building organisations that can truly learn." (Senge: 2000: p 6) The five disciplines are systems thinking, personal mastery, mental models,

shared vision, and team learning. (Senge: 2000) Senge proposes that people put aside their old ways of thinking (mental models), learn to cope with others (personal mastery), understand how their company really works (systems thinking), form a plan everyone can agree on (shared vision), and then work together to achieve that vision (team learning).

Senge contends that once you have “shifted your personal paradigm” you must master something called systems thinking, a scientific discipline that helps you understand how organizations work.

Senge believes that structures are important and that leadership is vital to ensure organisational learning. “Structures of which we are unaware hold us prisoner... learning to see the structures within which we operate begins a process of freeing ourselves from previously unseen forces and ultimately mastering the ability to work with them and change them.”(Senge:2000: 94)

The nature of structure in human systems is subtle because we are part of the structure. We often have the power to alter structures within which we are operating, however, we ordinarily don't see the structures at play much at all... we just find ourselves bound to act in definite ways. (Senge: 2000: 44)

Leadership is vital, specifically in order to ensure that organisations are structured to enable learning.

“No one has a more sweeping influence than the designer... it's fruitless to be the leader in an organization ion that is poorly designed...”(Senge: 2000: 341)

Senge argues that systems thinking does not mean overlooking complexity. Systems thinking means organising complexity into a coherent story that illuminates the causes of problems and how they can be remedied permanently. Senge suggests “that the fundamental “information problem” faced by managers is not too little information but too much information. What we most need are ways to know what is important and what is not important, what variables to focus on and which to pay less attention to- and we need ways to do this which can help groups or teams develop shared understanding” (Senge: 2000 page 128)

“Leadership in a learning organisation starts with the principle of creative tension (Fritz, 1989). Creative tension comes from seeing clearly where we want to be, our “vision”, and telling the truth about where we are, our “current reality”. The gap between the two generates a natural tension... Leading through creative tension is different than solving problems....”

Senge contends that leadership and culture formation are intertwined . (Senge in Mintzberg: et al: 2003:59)

Senge discusses two forms of learning – generative learning and adaptive learning. Generative learning is about creating while adaptive learning is about coping. Generative learning requires new ways of looking at the world whether in understanding customers or in understanding how to better run a business. Generative learning requires seeing the systems that control events. When we fail to grasp the systemic source of problems, we are left to “push on” systems rather than eliminate underlying causes. The best we can ever do is adaptive learning. (Senge in Mintzberg: et al: 2003:59)

Garvin

Garvin has contributed to the body of theory concerning learning organisations by focusing on the “gritty details of practice” (Garvin: 1993: 78). He contends that a basic fact which most organisations fail to understand is fundamental – “continuous improvement requires a commitment to learning” (Garvin: 1993: 78) Garvin is critical to writers such as Senge and Nonaka, claiming that while their ideas are idyllic and desirable they are also reverential, utopian and don’t provide a framework for action.

Garvin attempts to provide a framework by discussing what he considers to be the three critical issues which he contends are left unresolved by other writers. He considers these three issues to be essential for effective implementation. He calls the issues three Ms – meaning, management and measurement.

The first issue, meaning, is related to the definition of learning organisations. Garvin argues that a clear definition of the term has been elusive and provides a definition:

“A learning organization is an organization skilled at creating, acquiring, and transferring knowledge, and at modifying its behaviour to reflect new knowledge and insights” (Garvin: 1993: 80)

Garvin points out that his definition is based on an important concept: that new ideas are crucial if learning is to occur. The inclusive of the concept that knowledge is transferred is important to the definition. In addition the notion that action is a part of learning organisations is useful. Following knowledge creation, acquisition and transfer, use of the knowledge in the form of adapting behaviour is central to the definition.

The second issue is related to management. Garvin espouses the need for guidelines for practice and operation advice.

The third issue is measurement and Garvin takes up the need “tools for assessing an organization’s rate and level of learning”. Referring to the notion that “if you can’t measure it, you can’t manage it” Garvin suggests that organisational learning can be traced through three overlapping stages. In the first stage the organisation’s members are shown new ideas and begin to think differently. In the second phase employees change their behaviour and internalise new insights. The third stage involves measurement improvements in results as a result of changes in behaviour. (Garvin: 1993: 90)

Garvin argues that organisations which actively manage the learning process by design are successful because they apply distinctive practices and policies. He call these the “building blocks of learning organisations” (Garvin: 1993: 81) He contends that there are five activities which learning organisations are skilled at: “systematic problem solving, experimenting with new solutions, learning from their own experience and past history, learning from the experiences and best practices of others, and transferring the knowledge quickly through the organisation.” (Garvin: 1993: 81)

It is particularly relevant for my study to comment in a little more detail at the third building block: learning from past experience. Garvin uses the concepts of unproductive success and productive failure. Garvin defines an unproductive success as a situation where something goes well, but nobody in the organisation knows how or why it went well. (Garvin: 1993) There is little chance of learning occurring because the organisation has no clear idea as to the cause of the success. On the other hand a productive failure is when a mistake is made and the organisation is able to identify the cause of the mistake and learn from it. This necessitates that there is enough openness in the organisation to talk about mistakes. (Garvin: 1993)

Sveiby

Sveiby defines knowledge as the capacity to act. The emphasis here is in on the action element. “A capacity to act can only be shown in action” (Sveiby: 2001: 345). Further Sveiby argues that knowledge “is dynamic, personal and distinctly different from data... and information” (Sveiby: 2001: 345). Sveiby contends that structures in organisations are constructed in a “constant process by people interacting with each other” (Sveiby: 2001: 345). Most “things” is organisations are

relationships. Sveiby argues that “people in an organisation can use their competence to create value in mainly two directions: externally or internally. When leaders “direct the efforts of their people internally, they may create tangible structures... such as better processes and new designs for products. When they direct their attention outwards, they can create, in addition to tangible things... intangible structures, such as customer relationships and new experiences.” (Sveiby: 2001: 346)

Sveiby argues that a knowledge based theory of the firm can use useful because

“in contrast to tangible goods, which tend to depreciate in value when they are used, knowledge grows when used and depreciates when not used... The knowledge I learn from you adds to my knowledge but does not leave you. Thus from an organisational viewpoint the knowledge has effectively doubled. Knowledge shared is knowledge doubled”
(Sveiby: 2001: 347).

Sveiby compares the production of physical goods and the transfer of knowledge. When physical goods are manufactured and transported from suppliers, via a factory to a buyer a value chain emerges. When knowledge is transferred the value chain collapses and the relationship “should better be seen as a value network; an interaction between people in different roles and relationships who create both intangible... and tangible \$- value.” (Sveiby: 2001:347)

The value creation Sveiby describes is predominantly determined by the tacit/ explicit transmission of knowledge between individuals and in the transformation of knowledge from one type to another. This can be described as a series of knowledge transfers within and between structures in organisations.

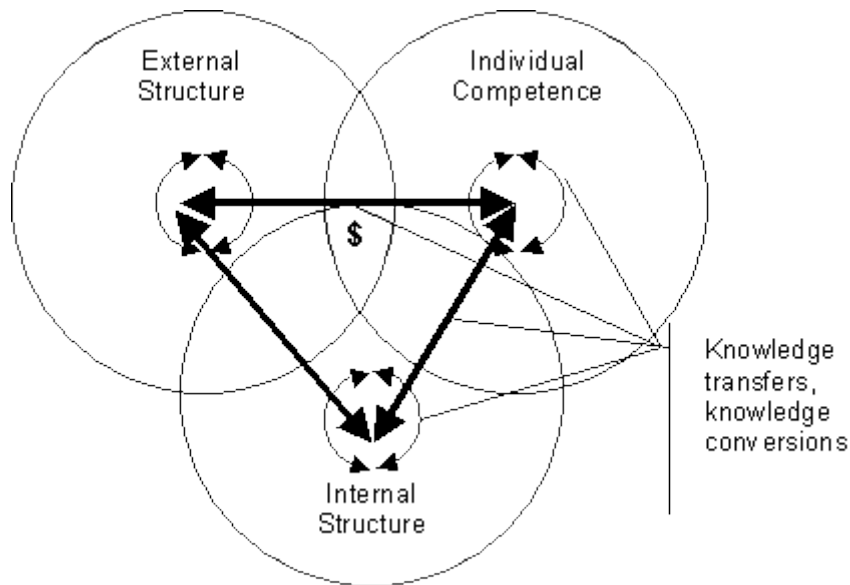


Figure 2: the firm from a knowledge-based perspective

(Source: Sveiby: 2001)

According to Sveiby “the key to value creation lies in how effective these communications and conversions are” (Sveiby 2001). Sveiby also contends that “since knowledge cannot be managed the knowledge strategist looks at enabling (von Krogh et al 2000) activities.” (Sveiby: 2001). Sveiby points out that “most organisations also have legacy systems and cultures that block the leverage. From an individual viewpoint, knowledge shared may be an opportunity lost if the effect of sharing is lost career opportunities, extra work and no recognition.” (Sveiby: 2001 : 348)

3. Methodology

Social Research Design

The fundamental goal in designing social research is to attain maximum control over the research process. (Blaikie: 2000) Research design can be seen as a plan for getting “from here to there” (Yin 1989, quoted in Blaikie: 2000: 33)

The main purpose in designing research is to:

- “Make the research design decisions explicit
- Ensure that the decisions are consistent with each other and with the ontological assumptions adopted; and
- Allow for critical evaluation of the individual design elements, and the overall research design, before significant research work commences”

(Blaikie: 2000: 35)

It is imperative for researchers to deliberate over their relationship with the research participants. Further it is important for researchers to reflect over the particular ontological and epistemological dilemmas and challenges which their relationship with the research participants represents. (Blaikie: 2000) Given that my role in NAV causes definite ontological, epistemological and ethical dilemmas I deal with these issues specifically under a discussion of ethical considerations.

Case Study

Case studies are widely used in social research. Case studies are used in a variety of ways and for various purposes. The extent to which the researcher has control over the events being studied and the types of questions the researcher ask determines the ways case studies can be used. (Blaikie: 2000: 213) The purposes case studies have been used for include: exploratory, descriptive and explanatory research. (Blaikie: 2000: 213)

There are many definitions of case studies. Hammersley provides a definition which compares experiments, surveys and case studied. In experiments the researcher attempts to control the

situation being studied and by doing so controlling theoretical some of the relevant peripheral variables. Surveys involve the concurrent selection for study of a rather large amount of naturally occurring cases. Case studies have features of both experiments and surveys. Case studies involve

“... the investigation of a relatively small number of naturally occurring (rather than researcher- created) cases”. (Hammersley 1992: 185, quoted in Blaikie: 2000: 218)

This is the definition chosen for this study. Three NAV offices are studied– a relatively small number. These three offices are, of course, naturally occurring

Case studies have received criticism for a range of factors:

- “There is a possibility of sloppy research and biased findings being presented.
- Case Studies cannot be used for research purposes where the aim is to generalize.
- Case studies are time consuming and produce a large amount of data”

(Blaikie: 2000: 218)

The risk of sloppy research and biased finding is a valid issue, however these concerns can be alleviated through the researcher demonstrating a focus on ethical issues and remaining true to the research process.

The case which is the focus of this study is complex and there are many variables which can influence the study. As a result qualitative interviews, documents, reports and earlier studies are used to supplement the findings. Triangulation is concept much used in the social sciences. Blaikie argues that a new concept is needed because problems with triangulation are that:

- “Lip service is paid to it but few researchers use it in its original conception as a validity check (mainly because convergence is very rare
- It means so many things to so many people; and
- It encourages a naïve view of ontology and epistemology”

(Blaikie: 2000: 270)

Blaikie suggests that what is required is a “more systematic understanding of how different research strategies, methods and data can be used creatively within a research project” (Blaikie: 2000: 270)

Data

Choosing data which can assist in answering the research questions has demanded reflection. There is an enormous amount of information available about NAV and a potential to include too much data which is not relevant. I have attempted to take this into consideration while choosing data.

The data used as a basis for this study are:

- Interviews with three NAV Local Office Managers
- Interviews with three members of staff at NAV local Offices
- Internal documents such as procedures
- Results from customer surveys carried out by NAV
- Reports about NAV
- Studies and master theses about NAV

Validity and reliability

Regardless of the research strategy which is chosen, a problem which social researchers need to deal with is that observations will always be seen through points of view such as “language, culture, discipline- based knowledge, past experiences... and the expectations that follow from these”. (Blaikie: 2000: 120). It is important to focus on the factors which can influence research. Some of these factors can, to a certain degree be managed but introducing factors such as multiple investigations. In the end however all observation is theory dependent and there will always be a gap between collected data and reality. (Blaikie: 2000: 120)

Blaikie points out that a danger if conducting research in one’s own society is to assume that, since it is familiar, research can progress in a straightforward style. He maintains that societies are heterogeneous and that member as well as researchers will normally only experience a restricted array of this diversity. (Blaikie: 2000: 87) This is certainly my experience with this study. While I work in NAV and understand many aspects of the organisation I cannot assume that that I discern all aspects of the organisation. It has therefore been important to continually remind myself to keep an open mind and take time to consider and reflect over the data collected.

This study attempts to gain a greater understanding of the integration of inclusive work place policies and labour market policies in NAV local offices. As a consequence there is more focus on the appropriateness of the study rather than with the possibilities to generalise or theorise from it. Bassey focused on educational research and called this relatability (Blaikie: 2000: 222)

To paraphrase Bassey's and replace his context with the context of this study:

“An important criterion for judging the merit of a case study is the extent to which the details are sufficient and appropriate for a (NAV Manager) in a similar situation to relate... decision making to that described in the case” (Blaikie: 2000: 222)

A method for creating a high level of validity is to use several different sources of data. This gives a richer and more complete description of the subject being studied. In this study various sources of data and used in an attempt to strengthens the study's validity.

Timing

All social research takes a standpoint regarding the timing of data collection. (Blaikie: 2000: 228). This study was conducted from February to May in 2015. Interviews were conducted in March 2015. I point this out because the context of time is important to the understanding of the context within which the study took place.

NAV, like many organisations, is in a state of constant change and development. While the study was being carried out NAV underwent both small and large changes. Processes were started which will lead to further change in the organisation. I mention three events to illustrate this point.

One of the offices where interviews were conducted had recently restructured. The reasons for the restructuring and the effects the informants expected are relevant to my topic. At the time the interviews were being conducted it was too early in the process to say to what extent the restructuring was having an effect. Had the interviews been conducted prior to the decision to restructure or much later afterwards the responses received from informants would have been different.

In April 2015 the Expert Group released its final rapport “A NAV with opportunities” (Et NAV med muligheter). The report discusses some of the issues focused on in this study and many which fall

outside its scope. The report is now a matter for consultation with a wide range of stakeholders, and will no doubt be the source of discussion and change within NAV. Likewise the sacking of NAV Director, Joakim Lystad, by the Minister for Labour and Social Welfare in April occurred after interviews were completed. The Minister argued that there was too little focus on “work” in NAV – a remark which naturally creates discussion, reflection and maybe some change in the organisation. As the data collection occurred at a specific point in time the results of this study need to be viewed with this in mind.

Ethical considerations

Blaikie contends that the main ethical issue in most social research is related to the treatment of respondents (Blaikie: 2000: 20) I have chosen to study an organisation where I work as a manager and I consider that it is also relevant to reflect on ethical considerations concerning my role in the organisation and the organisation itself.

There are a range of issues I have considered relating to the treatment of my informants. The right to privacy and the issue of anonymity is important. I have not used the names of my informants, but this is not enough to secure their anonymity. Anonymity in the form of not using names is not enough as other information can easily disclose the identity of informants. (Glesne and Peshkin: 1992, 118) While NAV is a large organisation which employs over 19000 people it is still transparent enough that specific information about my informants, such as the office where they work or even the results the office has achieved in NAVs balanced scorecard system may reveal their identity. I have therefore chosen not to identify the names of the offices where my informants work. I have reviewed the interview data I obtained and have concluded that information about the office is really of no relevance to my findings. The one exception in my study is an office which undertook a restructuring of teams in March 2015. I assume that most colleagues in NAV in Rogaland will be able to identify this office relatively easily. The restructuring itself is well known and unproblematic and as my discussions about the topic are kept separate from other responses and information from the respondents I believe that informants’ anonymity is protected.

All the interviews were carried out in the informants’ offices. This was perhaps a practical solution as the informants were generously giving of their time to talk to me; however it also had an ethical aspect. Conducting the interviews in the informants own offices meant that they had a “home

ground advantage". My intension here was to compensate for the inherent power imbalance there is in a leader- employee relationship.

Leaders as researchers

Cupido et al has studied the ethical dilemmas emanating from the power relationship between researchers as managers and participants in research processes. They contend that managers who conduct research within their own organisation need to consider three different audiences; the researcher, the organisation and the broader community. The first audience relates to how writers engage in inquiry and learning for themselves. The second audience relates to how the study would benefit the organisation and the third audience relates to the contribution towards overall theory. (Cupido et al: 2007)

An inherent tension and challenge for me is how I as a manager, working and conducting research within NAV, balance the interests and rights of the three audiences. Attaining support and trust co-workers is particularly important as they have two roles; they are individuals and they are also members of the organisation. They may become apprehensive about how the results of the study may affect them as individuals.

All informants participated voluntarily. They received a short, written description of the research topic and the themes about which I wanted to talk with them. Informants not only agreed to participate, but seemed to be eager to share their knowledge and viewpoints. I did not find this surprising. NAV has been the subject of much attention from researchers and NAV's employees are accustomed to participating in research projects and surveys.

My intension throughout my study has been come to a richer and clearer understanding of the processes NAV has been involved in and to present my reflections in such a way that they can be of benefit to the organisation.

Qualitative research interview

In total I interviewed three managers and three staff members in three different NAV offices. The NAV offices I selected varied in size, but I did not place any particular emphasis on selecting or not selecting informants based on other criteria. I saw no particular benefit in going to a great deal of trouble to find a “typical” or NAV office or case to study. Mitchell points out that

“... concern with this issue reflects a confusion of enumerative and analytic methods of induction.” (Mitchell 1983, quoted in Blaikie: 2000: 222)

A structured interview guide was produced and interviews were recorded. This provided me the opportunity concentrate fully on the informants and their responses including aspects like tone of voice and body language. Later recordings were replayed and detailed notes made and where necessary direct transcriptions of informants responses.

4. Results and Analysis

Type of contact with employers

In their study in 2011 Andreasesen and Spjelkavik found that NAV offices had the following types of contact with employers:

- Dialogue 2 meetings and meetings dealing with sick leave follow (sykefraværsoppfølging)
- Work related measures (tiltak)
- Recruitment
- Restructuring assistance
- Various open forums and meeting places

(Andreasesen and Spjelkavik in Alm Andreassen, and Fossetøl, 2011: 90)

It is appropriate to provide an account of employer's level of satisfaction with their contact with NAV and to describe new forms of contact which local NAV offices have developed.

NAV's survey of employers

Each year NAV conducts a customer survey. For the purpose of this paper it is appropriate to briefly look at the feedback employers have given NAV in two areas:

- Employers total level of satisfaction with NAV
- Cooperation with NAV concerning work-related measures (arbeidsrettede tiltak)

I deem employers total level to satisfaction to be relevant as it gives an indication of a general trend in feedback from employers. Feedback about cooperation concerning work-related measures is relevant because it is the only set of questions which pinpoint employers feedback to NAV local offices. These customer surveys give an oversimplified view. Large individual variations can be camouflaged within these surveys. The surveys do however provide a source for reflection and a basis from which to start further investigation.

Total level of satisfaction with NAV

Employers are asked to assess NAV on a scale from 1 to 6, from "1 – not satisfied" to "6 – very satisfied". Over time fewer employers are very satisfied with NAV's service overall. In 2013 this trend stops and there are a larger proportion of employers that answer 4, 5 or 6 to this question. The results for 2014 are about the same level as in 2013.

While the customer survey is very broad and these types of results may certainly camouflage large differences between different units in NAV it does provide a source of reflection and discussion for the organisation.

It is of concern that, over time, fewer employers are very satisfied with NAV's service overall. While employers' satisfaction with Inclusive Workplace services is stable, satisfaction with NAV's services in regard to recruitment and restructuring has varied. It would seem that when NAV focused on recruitment and restructuring services in the years after the financial crisis satisfaction increased. In the following years satisfaction levels were lower. Changes in redundancy regulations may have affected the results in this area. However this does not explain the drop in satisfaction entirely – there have also been changes in inclusive workplace regulations in the same period. A more credible explanation is that NAV's focus on recruitment and restructuring services has varied. In addition feedback from employers concerning satisfaction with NAV's follow up of work related measures has been relatively low since 2008. There have been positive developments since 2008, but these are quite small. It would seem that NAV local offices need to reflect on their interaction with employers in regard to work related measures.

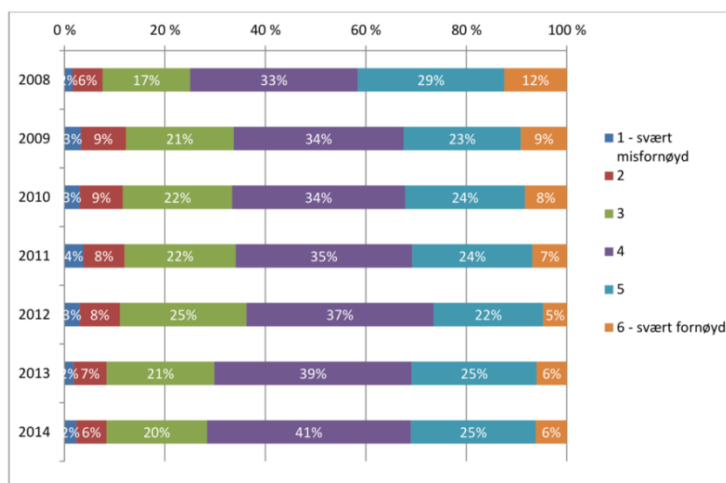


Figure 3: Employers' total level of satisfaction with NAV, (Source Arbeidsgiverundersøkelse 2014)

Cooperation with NAV concerning work-related measures

In the survey, there are three questions related to companies' cooperation with NAV when it comes to work-related measures (arbeidsrettede tiltak). Work-oriented measures can be schemes such as work placements, wage subsidies or training activities. Employers provide varying feedback on this area. They are very satisfied with work-related measures in general (average score 4.6). They are slightly less satisfied with participants who are referred from NAV (average score 4.3). Businesses are least satisfied with NAV's monitoring and follow up during the implementation period (average score 4.1). There have been positive developments in all three questions during the past few years even if the changes from year to year are relatively small.

This is one of the few sets of questions which focus on issues which only NAV's local offices are responsible for. The gradual improvements in the scores is positive. However it is problematic that satisfaction with NAV's monitoring and follow up is relatively low. Employer's are more satisfied with NAV's clients and with the schemes than with NAV's actual follow up and monitoring. There can of course be a range of explanations for this, but it is none the less a matter which deserves further consideration.

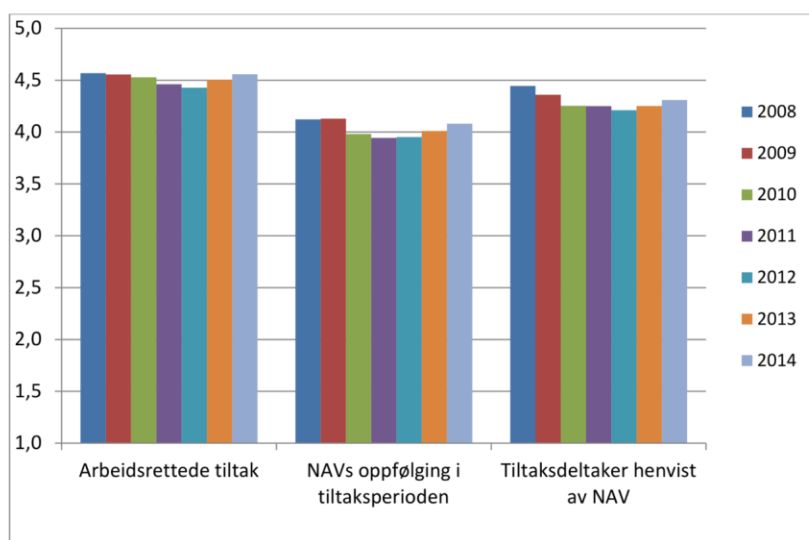


figure 4: Cooperation with NAV concerning work-related measures (Source Arbeidsgiverundersøkelse 2014)

New forms of contact with employers

In my interviews with NAV Managers and staff I have found that NAV offices have developed several new forms of contact with employers. These new forms are in addition to the types of contact described by Alm Andreassen and Spjelkavik (Alm Andreassen, T and Fossetøl: 2011)

This is not surprising. Klemsdal contents that NAV local managers are faced with two main challenges. On the one hand managers, together with their staff are faced with a new situation which has to be dealt with, and by dealing with the new situation literally develop the organisation in practice. On the other hand local managers are faced with a reform which has to be practically put in place. (Klemsdal in Alm Andreassen and Fossetøl: 2011: 193) Quoting Herbst, Klemsdal means that the NAV reform is a “minimum critical specification design minimum critical specification design” reform. In a minimum critical specification design reform much of what is done in practice is not specified in the reforms documents, but is delegated or entrusted to the local offices. Brunsson and Olsen assert that reforms in the public sector are often minimum critical specification design:

“.. reform ideas consist of principles rather than detailed descriptions, theories rather than perceptions, i.e. reforms present ordered ideas which cannot encompass all the complexity of the real world, but which therefore seem clearer than reality.” (Alm Andreassen and Fossetøl: 2011: 194)

The minimum design is part of the NAV reforms nature. This is especially the case as the NAV reform is radical, and is about doing things in new ways that employees have done before. The lack of reference to past experiences makes it impossible to describe the reform in the form of detailed procedures for what to do to implement them. Rather it lies in the nature of that part of this contextualization and specification of reform must happen in practice. (Klemsdal in Alm Andreassen and Spjelkavik: 2011: 194)

Local offices are in the process of trying new ways of constructing links with employers. These attempts by the local offices vary in scope and nature and seem to be dependent on the local authority’s employment market, leadership of the local offices and the culture in the local office. Three new forums which informants discussed are; job chat, sector meetings and breakfast meetings.

Job chat

The local NAV office with the widest range in their types of contact with employers is also the largest local office in the county of Rogaland. The local office has developed a forum which they have called “Job Chat” (Jobb drøs). The forum is a weekly meeting where job seekers have the opportunity to come to the NAV office and meet with a local employer who talks about their company, the industry they work in and the skills and requirements they look for when recruiting. As the title “Job Chat” implies the forum is informal and first and foremost provides job seekers with an opportunity to learn about employers and possible jobs. The Office Manager explains that it is a forum where employers can present vacant positions for which they require labour. The local office has been running “Job Chat” for several years and the office’s Recruiting Contact points out that NAVs employees also attend the meeting regularly. In this way NAV’s employees are constantly updated on available jobs and developments in the labour market.

Sector meetings

The office has also developed a forum which they call “sector meeting”. This forum is specifically for NAVs own staff and employers are given the opportunity to present their companies, the sector they operate in and the requirements that there are to work in the sector. Normally two or more employers from the same sector will be invited to hold a short presentation and employers will often have specific recruitment needs which are publicised prior to the meeting. NAV staff search their databases prior to the meetings and find candidates who meet, or nearly meet the employer’s requirements. NAV staff then have the opportunity to present the candidates CV’s to employers at the end of the sector meetings. Sector meetings have therefore several objectives. Firstly the meetings are a forum for NAV’s staff to maintain and develop their labour market competence. Secondly the meetings provide employers with the opportunity to gain access to potential employees.

There has been a very low level of unemployment in Norway and especially Rogaland in recent years and one local manager points out that NAV has not had candidates who meet the requirements of local employers. She points out that “NAV doesn’t choose its users” at times NAV has not had candidates who have all the necessary skills which local employers require. As consequence sector

meetings have also been a forum where employers and NAV could discuss measures to assist NAV candidates to obtain the necessary qualifications required by employers.

Breakfast meetings

Two of the offices surveyed have regular breakfast meetings with local employers. The aims and focus of these meetings vary, but Office Managers were clear that their main aim with meetings was to build a network with their local employers. Initially the Local Offices set up the topics to be discussed and they report that the meetings were well attended and that local employers appreciated the initiative. When the breakfast meetings became a regular forum local employers themselves started to suggest topics for the meetings.

Organisation of NAV's local offices

In this section I present my findings concerning the internal organisation of NAV local offices. NAV is a large organisation and it is expedient to deal with matters concerning the internal structure and organising of local offices separately from matters dealing with the relationship between local offices and other parts of the NAV organization. Senge defines structure as including how decisions are made and “the “operating policies “ whereby we translate perceptions, goals, rules, and norms into actions” (Senge: 2000: 40). I will return to matters dealing with the relationship between local offices and other parts of the NAV organization.

A dominant paradigm – two teams

Andersen and Skinnarland (Alm Andreassen, and Fossetøl: 2011:171) content that NAVs local offices have had freedom to define their own organisational design and their own learning environments, but at the same time have had some key restraints– for example the choice of computer systems. I have interviewed managers and employees in three NAV offices in the county of Rogaland. One of the offices is very large with over 90 employees while the other two offices are medium sized offices with between 20 and 30 employees. I question whether in fact NAV's local offices did in fact have the freedom to define their own organisational design.

A dominant paradigm, in Rogaland at least, has been a generalist model with offices organised into two teams. Alm Andreassen and Fossetøl (2011: 18) describe the organisational model which was used to place staff and tasks in the new NAV offices. They describe a demarcation between a Reception Department and Follow- Up Department. The names given to the two departments vary from office to office, but the functions are largely the same. The Reception Departments are responsible for users' first meeting with NAV and helping users to clarify the assistance they require from NAV. Reception Departments will also often initiate short term measures for users Follow-up Departments are responsible for assisting users who require support from NAV over a longer period of time.

NAV local offices' tasks are described in NAV follow up model. The tasks are

1. Receiving a request for assistance from a user
2. An initial examination of the user's request
3. A detailed assessment of the user's ability to work if this is deemed necessary

4. Making a plan with the user
5. Implementing the plan
6. Evaluating the plan with the user

The demarcation between the two departments varies from office to office, but in many office the Reception Department will be responsible for tasks 1 and 2, while the Follow Up Department will be responsible for task 3,4, 5 and 6. NAV's Follow Up model is illustrated in figure 5. The figure illustrates the tasks with NAV local offices are responsible for and also the tasks which are carried out by NAV Benefits Administration.

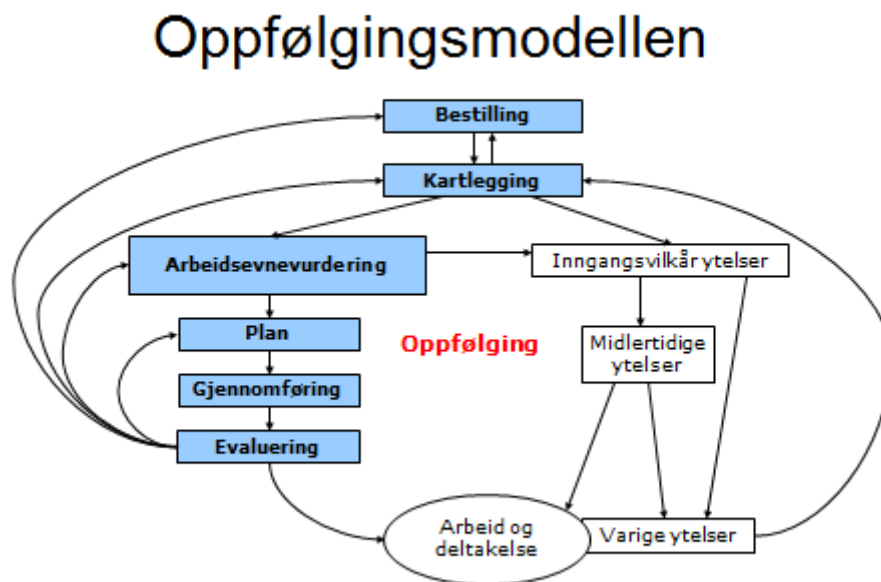


Figure 5: NAV's Follow Up model

The two team organisational model adopted during the establishment process seems to have quickly become a dominant paradigm. A NAV leader reflects over this and wonders why it was so:

“It’s interesting. No one really said we had to use the two team model, but it seemed to be the only acceptable way to organise the NAV office at that time”

Senge contents that “No one has a more sweeping influence than the designer” (Senge: 1992: 341) and the designers of the first NAV offices seem to have had enormous influence. Now, years after NAV offices were established changes are occurring in the organisational of the NAV offices.

Senge also contends that “Structures of which we are unaware hold us prisoner... learning to see the structures within which we operate begins a process of freeing ourselves from previously unseen forces and ultimately mastering the ability to work with them and change them.”(Senge: 2000: 94) It would seem that the Manager’s difficulty is seeing the limitations imposed by the dominant two team model hampered the development of his office. While it is too early to conclude as to whether the new model produces results, the manner in which the office went through to arrive at a new way of doing things seems to have been a learning process in itself.

A new paradigm

The manager who questioned the two team model recently instigated a restructuring of his office. The organisational model is still two teams, but the tasks carried out by the teams are quite different. One team is responsible for all follow up of NAVs users. This team is responsible for all work related follow up regardless of whether the user requires assistance from the NAV office over just a short period of time or if the assistance required is long term. The second team is responsible payments of social welfare benefits to users. The manager explained that staffs were constantly interrupted in tasks relating to work follow up by the time consuming tasks in processing social welfare benefits. Staff found it difficult to prioritise follow-up tasks as processing social welfare benefits was often urgent. He expects that the team which is now responsible to follow up will be able to deliver results as they are free of the time constraints involved in processing social welfare benefits. He also explains that the demarcation between user requiring short team and long term assistance was not always very clear. He expects that the new organisation will be more efficient because users will be followed up by the same staff member who receives them and clarifies the level of assistance they need from NAV.

The process followed by this office and the solution they have arrived at indicates a willingness to discuss failure. In addition it indicates an ability to learn from failure – a process Garvin call productive failure. (Garvin: 1993)

Internal and external orientation and organisation in NAV offices

Sveiby contends that structures in organisations are constructed in a “constant process by people interacting with each other” (Sveiby: 2001: 345).

I have discussed the various types of meetings which local offices have with employers. One of the forums developed has been called Job Chat. I see this initiative as a simple but effective method of dealing with several challenges simultaneously. There are obvious elements of knowledge transfers occurring. If one views the two customer groups involved, employers and job seekers, as external structures then there are knowledge transfers occurring within the external structures. Sveiby points out that focusing on how “the competence of customers is transferred between stakeholders in the external structure provides a richer range of possible activities than traditional customer satisfaction surveys” (Sveiby: 2001: 351)

By facilitating these conversations between stakeholders NAV is improving stakeholder’s competence. It is, in a sense, a forum where supply meets demand. On the one hand job seekers, the supply element in the labour market equation, improve their knowledge of local employers and the skills they require. On other hand, employers, or the demand element of the equation, meet candidates for vacant positions and improve their competence with regard to the skills available in the labour market.

My study has also revealed that NAV office have a range of internal meetings where the focus is on learning about local employers and increasing knowledge about the local labour market.

All the offices I studied have made time available for the Recruiting Contact to inform colleagues about vacant positions and developments in the local labour market. Two offices set off time in the departmental meetings for the Recruiting Contact to present this type of information to the teams. One office has organised a specific meeting twice a month which the Recruiting Contact leads and were the focus for discussion is development in the local labour market.

All the Recruiting Contacts I spoke to emphasised the importance of their Managers’ role in their work. One Recruiting Contact explains the importance of her Manager’s actions:

“She is in the forefront and gets things done. Even though she is extremely busy, she attends the meetings where I discuss the labour market. This is a clear signal as to where her priorities lie.”

Recruiting contact

NAV local offices were instructed to establish a function known as “Recruiting Contact” in 2013. The directive came from the Directorate of Labour and Welfare and its implementation in the local offices was followed up by NAVs County Management. All the informants surveyed answer that the Recruiting Contact is one of the leading factors which contribute to the goal of increasing contact with employers. Informants describe the tasks which the Recruiting Contact are responsible for as being the Offices’ contact point for employers, a change agent within the office as well support for management in contact with employers. The establishment of the Recruiting Contact role ensures that there is contact with employers right down to the local office level.

One manager sums up the establishment of the Recruiting Contacts

“that tactical move was smart, very smart. “

This office has produced a written procedure which describes the Recruiting Contacts role and responsibility. Amongst the tasks and responsibilities the Recruiting Contact in this office has is to:

“Encourage the office’s staff, and especially staff responsible for sick leave follow up, to inform employers about the services the Recruiting Contact can provide”

Sveiby argues that “people in an organisation can use their competence to create value in mainly two directions: externally or internally. When leaders “direct the efforts of their people internally, they may create tangible structures... such as better processes and new designs for products.” (Sveiby: 2001:346)

The NAV offices efforts in producing written procedures about the Recruiting Contact tasks and responsibilities is evidence of the manager directing the efforts of her staff internally and creating a tangible structure – in this case a written procedure.

A member of staff at a large local office points out that Recruiting Contacts have tasks which a similar and in some cases overlap with one of NAV’s specialist units – the Market Team.

“This creates some uncertainty- you have two separate organisational units with pretty much the same function”

Managers and NAV staff also have a clear view of the Recruiting Contact as a change agent in the office. All informants are clear that the targets set for each office’s contact with employers are too high for just one person to achieve. One Recruiting Contact says:

“The target for this office is 250 contacts per month. That would be impossible to meet if it was just up to me. We need ensure that everyone contributes to meeting the target.”

The same respondent describes his role as

“I am a change agent in regard to contact with employers and work to ensure that all staff use the possibilities which lie in contact with employers.”

One manager describes the Recruiting Contact role as “two pronged”. She describes the role as

“receiving requests for staff from employers and matching these request with candidates in the NAV system. “

All informants also answer that the establishment of the Recruiting Contact is an important factor in integrating inclusive workplace policies and labour market policies. All of the NAV offices surveyed have organised the role in their department which is responsible for long term follow up case work. Typically these departments focus on people who have been sick for more than a year and need extensive or long term support to return to the work force. As one manager puts it

“Clients in the follow up department have the greatest need for assistance to return to the work force and the recruiting contact’s function is to network with employers who can help these clients back into the workforce.”

In their study Anderessen and Spjelkavik found that NAVs Labour Market specialists sheltered from the NAVs users who were furthest from the labour market. (Anderessen and Spjelkavik: 2011:104) The Recruiting Offices in the local offices don’t seem to be sheltered from these users at all. Indeed thought has gone into where the resource which they represent can be best used.

Recruiting Contact- a productive success

One Recruiting Contact told of how his competence has been used in his office. He tells the story of a reasonably typical dialogue two meeting at which he was asked to assist. Prior to the meeting the NAV office had received information which clearly indicated that because of medical reasons the employee couldn't continue in his job. However he didn't want to quit and the employer didn't want to retrench him. The NAV counsellor suspected that ungrounded concerns from both the employer and employee were the cause of this stalemate. The NAV counsellor asked the Recruiting Officer to attend the meeting. At the meeting the Recruiting Officer was able to present the employee with a list of vacant positions for which he was qualified despite his health problems. He was also able to present the employer with a list of candidates with the type of qualifications he required. The Recruiting Officer says that as a result:

“Both the employee and employer were relieved and happy with the service we provided. They were both able to move on.”

The Recruiting Contact's story demonstrated three elements which I will discuss from the perspective of organisational learning.

Firstly the office, in this case represented by the NAV counsellor, demonstrates an ability to learn from past experience. The counsellor had experienced these kinds of stalemate situations many times previously. It is reasonable to assume that he may also have failed to help resolve these types of situations earlier and was aware the methods he had used earlier would probably not help. In short, he was demonstrating a form of learning from past experiences. By inviting the Recruiting Contact to attend the meeting he was demonstrating an ability to learn from others. Both of these aspects, learning from past experiences and learning from others are buildings blocks of learning organisations according to Garvin.

Secondly the meeting and the knowledge transfers that occurred are evidence of the types of knowledge transfers which Sveiby describes as creating value for the organisation. There are knowledge transfers between individuals. There are knowledge transfers from individuals, in this case the Recruiting Contact, to external structures the employer. The Recruiting Officer shares his labour market knowledge with the counsellor. The story is described as a typical event in the office, rather than a one off occurrence. In this sense it is evidence of a transfer from individual competence to internal structures. It is a typical “action based learning process” described by Sveiby (Sveiby: 2001: 351)

Thirdly the story is an example of adaptive and generative learning in the organisation. It can be described as adaptive learning in the sense that the counsellor was solving a problem there and then. Senge describes this as coping. (Senge in Mintzberg et al: 2003) However the counsellor and Recruiting Contact were also doing more than coping. The stalemate situation was a typical challenge which the NAV office faced during dialogue 2 meetings. Inviting the Recruiting Contact to contribute to the discussion with his labour market competence is evidence that the counsellor was looking at the problem in a new way.

The Recruiting Contact told me the story as an example of the success the office had experienced. It was clear that he felt that his labour market competence had contributed to solving a problem. Garvin argues that it is important that organisations learn from past experiences, in particular failures from which the organisation can gain insights and new understandings. He also reflects on unproductive successes, “when something goes well, but nobody knows how or why.” (Garvin: 1993: 86) Perhaps the Recruiting Contacts story is a productive success, an example of something going well and the organisation knowing why.

In a study of NAV local office’s contact with employers conducted in 2011 found that lack of time was a major factor which contributed to NAVs employers having as “less contact with employers than desired” (Alm Andreassen and Spjelkavik :2011: 99). They found that NAV employees wanted to visit companies more, have more knowledge about local employers in order to be better able to match candidates with jobs and to increase trust and confidence to NAV from employers. An increase in trust and confidence was desirable as it was seen as important when NAV wanted to cooperate with employers with work related schemes. Two studies (Alm Andreassen and Spjelkavik 2011, Alm Andreassen and Reichborn- Kjennerud: 2009) found that tasks related to processing benefits and payments were prioritised more than following up employers and users.

Informants state that since the introduction of the Recruiting Contact function in NAV offices contact with employers has increased. The NAV offices I surveyed were all involved in activities to further increase contact with employers and parallel with this increase their staff’s competence in regard to local labour markets.

Managers, Recruiting Contacts and interaction

Informants described that the role played by managers was one of the most important factors for the success of the Recruiting Contact role in local offices. One informant described her manager as a very

busy woman. This informant stated that the manager words were important, but that her actions gave an even clearer indication as to where her priorities lie.

“The fact that she makes it a priority to attend meetings organised by the Recruiting Contact is a powerful signal.”

This is a primary embedding mechanism. (Schein: 2010: 236) The organisation is very aware that the manager has many demands on her time, and taking time to attend the Recruiting Contact’s meetings shows the organisation clearly what the manager is paying attention to.

Bang describes organisational culture as result of processes involving the interaction of members and behaviour. Informants talked about the various meetings their offices arranged. These meetings are important forums for information exchange and learning. In addition informants were clear that the attitude and actions of managers was of vital importance in large part determined the status meetings forums were given in the organisation.

One informant described a process whereby her office had established a regular forum for the Recruiting Contact to speak to all staff members about developments in the labour market. Previously this type of information had been shared for five or ten minutes at the start or end of team meetings. The Recruiting Contact found out that this was too little time and that it resulted in this information, and the Recruiting Contact’s role, not being given sufficient status. The Manager had been clear about the fact that the Recruiting Contact role was a priority. He determined that the office would establish a specific, regular meeting forum where the Recruiting Contact had time to not only present information about the labour market, but lead a discussion with the staff about how this information could be used. The informant concluded:

“All members of staff now know that this is the manager’s priority”

Managers’ actions are forming their staff’s behaviour and, it would seem, changing staff’s attitudes. Meetings, especially meetings with Recruiting Contacts, seem to be important forum for members to interact with each other. Several offices have meetings with staff and employers. There are also forums where staff, employers and job seekers meet. All of these are causing development in the local offices, and this appears to be a gradual process. One informant commented

“Our score card shows that we have gradually improved our results concerning contact with employers”

NAV's balanced scorecard

Local offices' targets for both dialogue 2 meetings and contact with employers are prioritized in NAV's balanced scorecard system. Target and result performance management is the main tool for steering from Departments to Directorates in Norwegian administration (Breivik: 2010: 1) A balanced scorecard system can be used to "let the managers manage" or alternatively to "make the managers manage". Breivik found that one of the challenges with NAVs balanced scorecard system was that is difficult to find good goal and result indicators.(Breivik: 2010.118) This appears to be the case when trying to find evidence of NAVs integration of inclusive work place policies and labor market policies. NAV local offices balanced score card has several indicators for labor market policies and several indicators for inclusive work place policies, but only two concerning the integration of the two.

Adapted Work Guarantee

One of the indicators is called "adapted work guarantee" (tilretteleggingsgaranti). An adapted work guarantee aims to help people with a disability to get or to keep a job. The intension is to support employers that include people who have a disability. An adapted work guarantee is a document in which NAV, a client and an employer agree on the steps which are necessary to enable the client to get or keep a job. These measures are written down in a written service guarantee in cooperation with the client and employer. The agreement is signed by all parties. NAV undertakes support in terms of monitoring, grants or assistance within agreed deadlines. The indicator is a measure of the number of times there is a successful dialogue between NAV, a client and an employer about Inclusive Workplace policies and a specific job.

NAVs local offices have a target number of adapted work guarantees and this target is included in the balanced score card. Informants revealed that local office had been meeting targets regarding adapted work guarantee for a couple of years. Further informants indicate that meeting targets has been relatively easy. The focus in local offices now was on improving the quality of each individual agreement. An informant also commented on employers' attitude to the guarantee

"Employers really like them. The guarantees sell themselves."

Job Match

The other indicator is called Job Match. This is a measure of the number of vacant positions in NAV's database which NAVs staff members have matched to a candidate. The candidates may be any sort of person registered in NAVs systems and includes ordinary unemployed as well as candidates on sick leave or on long term benefits from NAV. In this sense it is the Job Match indicator does not provide a simply answer to the question of whether or not NAV offices are increasing their integration of Inclusive Workplace policies and Labour Market Policies. Informants however believe that the indicator signifies the total level of labour market orientation in local offices and say that it is a relevant and meaningful indicator. Informants point out that it is important to have a holistic perspective and not just focus on individual indicators. As one informant puts it

“We try to see the whole picture and not just specific results”

Balanced scorecard in specialist units

NAV market teams in Rogaland does not have a balanced score card. The County Management follow up the Market Team according to their performance on a range of results relating to how many candidates that have provided to potential employees.

The Workplace Support Centre has a balance score card, but the indicators here focus solely on Inclusive Work Place policies. There are no indicators concerning labor market policies in the Workplace Support Centre's balanced score card.

Local offices' reflections on the use of the balanced scorecard

NAV local offices have being using a balanced score card system for many years. Balanced score card systems are often seen as being one of two things: systems for letting managers manage or systems for making manager manage.

Employees in NAV offices also seem to view the balanced score card as a system which is both useful and relevant to their work

“We talk about the results in the balanced scorecard regularly. It provides a definite sense of purpose”

An employee at another office explains that the balanced scorecard is a useful tool for the office

“I like to see that our efforts are reflected in the results the office as a whole achieves”

Several informants point out that their local office discuss their results, what the results mean and also what they don't mean. Informants indicate that the results are use in discussions and reflections about the work they do and the way this work is done.

One manager comments that there is less focus on the balanced score card now than there was earlier:

“There was an enormous focus initially. Now however the balanced score card is a tool we use and we have more of a focus on improving quality rather than just meeting targets”

There are several of indicators which could be used to follow up NAV's local offices integration of inclusive work place and labor market policies. Wage subsidies are a scheme which is available to help people gain employment. NAV can agree to provide an employer with a subsidy to employ a candidate who would otherwise be unemployed. There is a limited amount of funds available to the scheme, and while County Office follows up its NAV offices in terms of budget use, wage subsidies are not a factor in the balanced score card.

Other studies of NAV's balanced scorecard

Brevik (2010) and Vågen (2011) found that NAV has difficulty in finding good formulations for goals and reliable indicators.

Brevik found that even if NAV's use of the balanced scorecard system is not practiced in accordance with the target and performance management ideal, it seems provide a backdrop for management. Thus it seems the strength of the balanced score card system I NAV lies in focusing on using performance management as a management philosophy rather than in a control mechanism. (Brevik: 2010:118)

Vågen found that the balanced scorecard is actively used by managers in NAV , in relation to both the operation and development of NAV offices. She also found that the organisation had a challenge in terms of getting employees to see the meaning and purpose of the scorecard as relevant for their own work and NAV office as a whole. (Vågen: 2012: 64)

Informants confirm Brevik's finding that the strength of the balanced score card in NAV offices is in it being used as a management philosophy, rather than a control technology.

There seems to have been a change in attitude to the balanced score card system since Vågen carried out her study in 2011. My informants see the system as relevant to their work and indeed some see the system as a source of positive feedback and motivation. In this sense it is an example of a successful change process in local offices. Informants indicate that the organisation has undergone an "unfreeze, change and freeze" process in implementing the balanced score card system.

Finding suitable formulations for goals and reliable indicators is still a challenge. Informants suggest that the adapted work guarantee indicator is widely accepted as a meaningful indication of a successful dialogue with a client and an employer about Inclusive Workplace policies and a specific job.

NAV's structures and the organisation's interaction with employers

I have discussed the how NAVs local offices are organized. It is beyond to scope of this thesis to discuss the structure of the NAV's entire organisation – the focus is on the degree to which NAV local offices integrate Inclusive Workplace Policies and Labour Market Policies. It is however relevant to discuss how NAVs local offices interact with other NAV units in terms of how this impacts on local offices' interaction with employers.

NAV is a large organisation which employees over 19000 people in total. In the final report of an expert group which evaluated NAV the local offices cooperation is analyzed. (Et NAV med muligheter, 2015) The report discusses local offices cooperation with the County Office, NAVs Call and Service Centre, NAV Benefits Administration as well as Local Authorities' Units. In particular the report discusses the role of the Workplace Support Centre and NAVs Market Teams.

Informants pointed out that cooperation with these two specialist units – the Workplace Support Centre and the Market Teams- is problematic and in some cases totally lacking. I have therefore chosen to focus on local offices' cooperation with these two units

Workplace Support Centre

Cooperation with the Workplace Support Centre seems to be either problematic or completely absent.

The Expert Committee explains that the Workplace Support Centre's main task is to support employers who have signed an Inclusive Workplace Agreement to set clear goals and develop good action plans. In addition the Workplace Support Centre can assist in "demanding cases".

Informants often referred to the demarcation between the Workplace Support Centre and NAV local offices as a demarcation between systems level support and an individual case level support. The Workplace Support Centre provides systems level support while NAV local offices provide individual case level support. In theory this demarcation seems clear, but in practice it is problematic.

One leader suggests that the Workplace Support Centre can actually hinder the local office in building relationships with employers:

“I don’t really understand their role and I don’t think the Workplace Support Centre understands our role.”

She explains that she staff have told her of numerous incidences of the Workplace Support Centre overreaching and giving promises to employers on the local office’s behalf. This in turn creates problems for the local office which then has to try to follow up on promises of support to work related schemes and benefits which are outside the scope of guidelines and regulations. She explains that it makes it very difficult for the local office to build good working relationships with employers when the Workplace Support Centre has made promises which they can’t deliver.

She has contacted the Workplace Support Unit and has agreed with the Manager there to start registering incidents where the local office experiences that the Workplace Support Centre overreaches. The next step, she explains, will be to come to some form of agreement with the Workplace Support Centre as to how to avoid these situations.

I view the manager’s reaction to the problem as a skilled approach to problem solving and an indication that the local office becoming a learning organisation. Her approach includes some of the activities which Garvin describes as building blocks in a learning organisation. (Garvin: 1993: 81) By contacting the Workplace Support Centre and suggesting a process to solve the problem she indicates an awareness of the importance of systematic problem solving. To start with, she insists on data. She doesn’t dismiss the feedback from her staff about the Workplace Support Centre overreaching, but rather than relying on these assumptions, she has started a process of collecting data which will be used for decision making.

The approach she has chosen also indicates other aspects of Garvin’s building blocks. She is experimenting with a new approach – working with the Workplace Support Centre in an ongoing way to ensure “a steady flow of new ideas”. (Garvin: 1993: 82) She has taken the feedback from her staff seriously and ensured that they will be committed to participating in the endeavour. The potential benefits of the process have been explained as better relationships with employers, which is something her staff want. The costs of the process are relatively minor as for the staff they are focused and registering incidents of overreaching. By designing such a simple process the manager has ensured her staff’s participation because “the benefits... exceed the costs” (Garvin: 1993: 83)

It remains to be seen if the process leads to any of the other five activities which Garvin calls building blocks. However the approach chosen paves the way for the local office to learn their experience and history as well as to learn from experiences from the Workplace Support Centre. It would also be a

natural consequence of the process that the knowledge gained is transferred throughout the local office which is the fifth activity Garvin describes.

Another office has very little contact with the Workplace Support Centre. The Manager explains

“We probably could cooperate more with them, but we haven’t really seen any advantage in doing so.”

One office considered inviting the Workplace Support Centre to a breakfast meeting with employees. The theme for the meeting was sick leave follow up which is a central task of the Workplace Support Centre. In the end though the office decided to run the meeting themselves. The manager explains

“Our approach was very practical. The employers who were invited meeting were operative leaders who are faced with operative problems when employees are away sick. We thought we were better able to advise and assist employers than the Workplace Support Centre”

The attitudes to these two offices are a stark contrast to the office which is actively engaging with the Workplace Support Centre. An explanation can be found in a study concerning the establishment of the Centre.

Eivind Falkum (2005) studied the establishment of the Workplace Support Centre. The Workplace Support Centre was established in 2001. The National Insurance Service was given the task of implementing the government’s obligations in the Cooperation Agreement on a More Inclusive Working Life. Falkum found that the establishment of the Workplace Support Centre triggered some uncertainty and that there was a large degree of scepticism to the new organisation in National Insurance Service offices. (Falkum: 2005: 12) Further he found that questions arose between local offices and the Workplace Support Centre as to who was responsible for certain tasks. (Falkum: 2005: 44) This would appear to still be a problem. The manager who is engaging with the Workplace Support Centre has put aside old ways of thinking about the Centre and is attempting to see the whole NAV system’s interaction with employers.

Market Team

The Expert Group found that “recruitment assistance in NAV is organized very differently from county to county” (2015: 38). In Rogaland there is a specialist unit called the Market Team which has three offices – one in north, one in the middle and one in the south. Coincidentally these three Market

Teams are physically located in the same buildings as the county's Workplace Support Units and three local offices.

Cooperation between the Market Team and the Local Office which share the same building functions well, according to the Local Office's Manager and Recruiting Contact.

"It is important to have a clear understanding as to who does what. I am not entirely satisfied with the demarcation of tasks, but we make it work. I have regular meetings with the Market Team and our Recruiting Contact is in contact with them almost daily."

The Recruiting Contact, while acknowledging that the Market Team and Local Office enjoy a good working relationship finds that the demarcation is a source of uncertainty and creates insecurity in the organisation:

"You have two units doing almost the same thing. This often leads to us being a bit unsure and insecure"

Another NAV manager pointed out the consequences that this can cause:

"We have many employees with good intentions in our organisation, but we often appear to be unprofessional. It is no good at all when an employer receives calls from many different NAV employees and units."

Local authorities as employers

The intentions of the NAV reform and the Inclusive Workplace Agreement define the relationship between NAV and employers. Put simply; employers are both NAV's customers and NAV's most important partners. Local authorities have a third role – in addition to being customers and partners local authorities are also NAVs owners. It is then a paradox that all informants say that the local authorities in their role as employers are often the most difficult employers to cooperate with in labour marked issues.

Local authorities are often the largest employer NAV offices deal with, but they are seldom a partner which informants list as one of their most important partner. Indeed some offices say that local authorities are difficult to deal with. Cooperation in regard to some aspects of inclusive work place issues and many labor market issues are often difficult. Informants report that the formal aspects of

sick leave follow up are generally fine. However it is often difficult to motivate local authorities to engage in other aspects of inclusive work place policies such as providing work placements to NAV users who are attempting to return to the work force. It is also difficult to negotiate employment contracts using incentives such as NAV's wage subsidiaries with local authorities

One manager comments

“The local authority is very set in it ways. We have discussed the possibility of helping them with recruiting a number of times and offered wage subsidies and other forms of support, but they are very reluctant to take in candidates”

Another office has engaged in dialogues with their local authorities in its roles as both partners in NAV and employers in the local labour market. Informants did not provide a clear picture of local authorities' roles in local labour markets. Some informants found that dialogues with local authorities were problematic, while other informants suggested that they had found ways of engaging in fruitful dialogues with their local authority:

“The kindergartens have challenges with both sick leave and recruiting. We have agreed with the local authority that we will direct our focus there.”

These local offices give the impression that they are working to achieve short term gains which will also provide long term benefits to both local offices and their local authorities. They seem to agree on a specific area where they concentrate their efforts and by working together they are building better understandings of each other.

NAV's organisational culture

NAV local offices' commitment to learning to learn and harnessing creative tension

I consider that sector meetings which are described earlier are an indication of a learning culture in NAV.

Schein describes that a Commitment to Learning to Learn entails that:

Learning must include not only learning about changes in the external environment but also learning about internal relationships and how well the organization is adapted to the external changes. (Schein: 2010: 374)

Sector meetings are an indication that NAV is attempting to learn from its external environment – employers are literally invited into the NAV office to provide knowledge to NAV's staff about the local labour market. Informants indicate that the sector meetings were established to meet specific challenges faced in the local office. They were faced with a new situation which needed to be dealt with. The new situation was firstly a number of staff members who required labour market knowledge and competence. Secondly the new situation was a portfolio of NAV users who needed access to the employment market. Thirdly the new situation was group of employers who had difficulty in finding qualified labour.

It is interesting that the initiative to establish the sector meeting forum came from a NAV local office. Responsibility for the organisation, however, has recently been overtaken by NAV's regional markets teams.

It would seem that the local office experienced what Senge would describe as "creative tension". The local office saw clearly where it wanted to be – in a constructive and mutually beneficial dialogue with employers and acknowledged its "current reality" – a lack of contact with employers and deficient labour market competence. The gap between the two created a natural tension and leadership at the local office did more than solve the problem. Solving the problem could have resulted in any number of outcomes which used the organisation's energy to get away from the reality which was undesirable. The creative tension was the juxtaposition of NAV's organisation vision – we give people opportunities- and the current reality NAV local offices were facing at the time. NAV staff felt that they did not have enough labour market competence and that they were not

providing opportunities. By harnessing the creative tension management were able to motivate staff to change.

It would also seem that the sector meeting forum has provided solutions to two problems. It provided a source of much needed labour market knowledge for NAV employees and in that sense can be described as an adaptive learning measure. The forum solved a problem in the short term – it pushed on symptoms. However, over time, the forum has also become a source of creating insights into the underlying causes of the problem. It has become a source of creating solutions rather than just coping. Indeed the manager herself describes the sector meetings as being a “two pronged approach” to problem solving.

Improving competence transfers

Breakfast meetings with employers also seem to be an indication that NAV offices have clear strategies about building competence for their own staff and creating an understanding of NAV’s role amongst employers.

Sveiby’s model for knowledge transfer between individuals, internal structures and external structures can be applied here. Breakfast meetings are a forum where NAV informs employers about developments in the labour market and how and why local employers can assist NAV in meeting its goals.

One local manager has had success in appealing to local employers’ sense of social responsibility. She explains how much of the local authorities funds are used on Social Welfare benefits. Agriculture is largest industry in the municipality and she will often convert the amount spent to the number of tractors which could be purchased for the same amount. She is aware that this is a simple communication technique, but it seems to work. She has been able to build a network of employers who are willing to help the NAV office by providing work placements to candidates.

Another manager has decided to invite specific sectors to her breakfast meetings. She has had success in inviting employers in the retail industry to breakfast meetings. These employers are faced with similar challenges in regard to both recruiting and inclusive workplace issues. This has several benefits. Firstly NAV, in dialog with these employers, improves its labour market competence with regard to the retail industry. This is what Sveiby refers to as a knowledge transfer from external to internal

structures – the knowledge retail employers helps NAV improve its services to the retail industry. In addition by gathering employers from the retail industry together NAV is providing a forum for knowledge transfers within external structures. The conversions among the retail employers help them to improve their competence.

Adaptive learning and generative learning

Breakfast meetings, job chat and sector meetings are, while a simple measures, a new ways in which NAV offices are trying to understand the labour market. In this sense they represent an approach to learning which is both adaptive and generative.

Some of the measures have arisen out of a new to cope. NAV offices needed to improve their labour market competence and found ways to do this. This is about coping and what Senge calls adaptive learning (Senge 1990: 58) In addition these simple measures taken by the NAV offices are also about seeing whole systems and looking at problems in a new way and in this sense they represent what Senge refers to as generative learning. (Senge 1990: 58)

5. Conclusion

The question I posed in this study is “How successful have NAV local offices been at integrating inclusive work place and labour market policies?”

Informants indicate that there are factors which help local office to succeed, but also factors which prevent local offices in the integration inclusive work place and labour market policies.

The surveys I have carried out and show that NAV local offices have developed new ways to interact with employers. My study indicates that offices which are engaging in new forms of interaction are increasing their own labour market competencies and additionally assisting both employers and clients to improve competencies.

The offices studied have directed their efforts in two directions – internally and extended. Labour market competencies in the offices studied have improved and stakeholder, employers and clients have benefited. The establishment of the Recruiting Contact function in NAV appears to have been an astute strategy for a variety of reasons. In the local offices studied Recruiting Officers played an important role in improving labour market competencies. Together with local managers, Recruiting Contacts have established forums for learning. Local offices are finding new ways to interact with each other and employers. New norms, values and beliefs are being developed in local offices. The local offices which are the subject of this study are developing a recruiting culture.

While establishing the Recruiting Contact role local offices have reflected on how they can work with Labour Market policies and Inclusive Workplace policies simultaneously. Thought has gone into where the resource which the Recruiting Contact represents can be best used and which clients need most assistance to enter the workforce. Old structures, where Labour Market specialists were sheltered from the NAVs users who were furthest from the labour market, seem to have been transformed. The establishment of the Recruiting Contact role seems to have been an important factor in helping local offices working towards an integration of inclusive workplace policies and labour market policies.

The balanced score card system is known and used in the local offices which are the focus of this study. This is an indication that strategies used to implement the balanced score card system have been successful. However there are still challenges associated with finding relevant indicators. Specifically NAV is having difficulty finding indicators to measure the degree to which NAV integrates inclusive workplace policies and employment market policies. The balanced scorecard system is in

itself not directly helping local offices to integrate inclusive workplace policies and employment market policies, but informants indicate that it is not inhibiting it either. Reflections, based on information from informants and material from earlier studies indicate that the system is being used to “let the manager manage”.

This study has examined the way in which NAV local offices organize their work. The local offices studied have established several new forms of contact with employers. These new forms of contact have been generated out a need local offices have had to improve their labor market competencies. Employers and clients have been included in learning processes and an analysis from organisational learning perspective indicates that these processes have been mutually beneficial. The offices studied have directed their efforts in two directions – internally and extended. Labour market competencies in the offices studied have improved and employers and clients have benefited. The establishment of the Recruiting Contact function in NAV appears to have been an astute strategy for a variety of reasons. In the local offices studied Recruiting Officers played an important role in improving labour market competencies. Together with local managers, Recruiting Contacts have established forums for learning. Local offices are finding new ways to interact with each other and employers. New norms, values and beliefs are being developed in local offices. The local offices which are the subject of this study are developing a recruiting culture.

One of the consequences of increased interaction with employers is that local offices are questioning some of NAVs structures. This study identifies that interaction within NAV is a challenge for the organisation. Knowledge transfers between local offices and the Workplace Support Centre and Market Team is, in places, problematic and in other places totally lacking. A result of this is that NAV is missing out on creating value for itself as an organisation, and for its customers, both employers and clients. This challenge has been identified by the organisation and is given attention in the Expert Groups final report. One manager is taking steps to address the problem. Perhaps more importantly the way in which the challenge of NAV’s internal structure has been identified and is being dealt is positive for the organisation in several ways. It indicates a commitment to learning and systems thinking, willingness to change and an ability to learn from failures.

Local authorities have double roles as both owners of NAV and large employers in local labour markets. It is a paradox that some local offices experience challenges in their work with their local authorities. However informants do not provide a clear cut picture. There are also examples of fruitful dialogues with local authorities.

Informants indicate that local offices have experienced what Senge would describe as “creative tension”. They have demonstrated a commitment to Learning to Learn. The various form of meetings with employers indicate that NAV offices have clear strategies about building competence for their own staff and creating an understanding of NAV’s role amongst employers. Sector meetings are an indication that NAV is attempting to learn from its external environment

Local offices are developing strategies for integrating Inclusive Workplace policies and Labour Market Policies. This is a process which is taking time and involves aspects of leadership, structure and organisational culture. The NAV reform process has paved the way for local offices to integrate Inclusive Workplace policies and Labour Market Policies and the offices studied are in the process of doing this.

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