

MODEL MUNICIPALITY METHODOLOGY

Change Processes from the Bottom Up

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CONTENTS:

PREFACE	3
INTRODUCTION	4
PLATFORM	5
PERSPECTIVES ON CHANGE.....	5
ABOUT OWNING THE CONCEPTS	6
SOME CLARIFICATIONS	7
WHAT IS THE MODEL MUNICIPALITY METHODOLOGY?	7
<i>Multi-party collaboration</i>	8
<i>Involvement of employees</i>	8
<i>User focus</i>	9
<i>Use of resources</i>	10
<i>Work methods and progress</i>	10
SOME DILEMMAS	11
THEORETICAL BASIS	12
A MODEL FOR CHANGE WORK	13
DEVELOPMENT OF A MODEL	13
<i>Programme prerequisites</i>	13
<i>Process and results</i>	13
MMM PREREQUISITES	14
<i>Context</i>	15
<i>Assistance</i>	16
<i>Innovation characteristics</i>	16
<i>Local mobilisation</i>	18
<i>Organisational characteristics</i>	21
<i>Participation and planning</i>	22
MMM DEVELOPMENT PROCESS	24
<i>Project learning</i>	25
<i>Experimental and development work</i>	26
MMM RESULTS	29
RENEWAL	30
MMM CHALLENGES	30
CHANGE MODEL FOR MMM.....	32
LITERATURE	16

PREFACE

Fagforbundet has asked the IMTEC Foundation to prepare a theoretical foundation for the so-called "Model Municipality Methodology" hereinafter referred to as MMM. It is a way of thinking about development and reorganisation. It is based on research and change processes and experience from the development and experimental work that has been carried out in a number of municipalities since the autumn of 1997.

The IMTEC Foundation has played an active professional role in the development of MMM, and as the professional body they have acted as the sponsors for the work. Fagforbundet is the "owner" of this methodology, and they cooperate with the interested municipalities with respect to its implementation. IMTEC has been engaged as professional supporters for the model municipalities.

IMTEC uses its long experience from reorganisation and development in the public sector as the basis for its professional assistance. In this memorandum we will give grounds for the methodology and show what factors are important for successful reorganisation processes in which the processes take place from the bottom up.

This memorandum has been written by Knut Stranden with good help from IMTEC staff. Anne Mortensen has been responsible for the layout and language, and Kristen Dalby has made important contributions to the content.

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INTRODUCTION

The Model Municipality Methodology (MMM) developed as a desire to make employees in the public sector active players in reorganisation and development work. The Norwegian Union of Municipal Employees (NKF) took the initiative. Today NKF is part of Fagforbundet, and this is the organisation that represents the idea bearer. They have a clear ideological foundation and maintain that the welfare of the population is best served by public service providers providing key welfare benefits. They acknowledge at the same time the fact that if the public services are to have legitimacy among the population and the services provided are to give the necessary user satisfaction, there must be willingness and the ability to reorganise and develop them. It is not enough that they are public. Development and reorganisation in accordance with the model municipality method is a desire to document that public employees can be active reorganisers if the conditions are favourable. MMM is thus also an alternative to exposure to competition and privatisation.

The first model municipality was established in 1997. Jan Davidsen¹ wrote the following about the basic values of the initiative in advance of the start-up:

"...We want the municipalities to be given new competence and to develop the competence they already have further, so that the municipalities and their employees will be able to meet the need for change and to tackle any reorganisation necessary within the scope of safe and rational frameworks.

The Norwegian Union of Municipal Employees (NKF) wants therefore the reorganisation work to be carried out on the municipality's own terms. We would like to see a good municipality characterised by quality and efficient solutions, with safe workplaces, where positive flexibility is pursued. We want reorganisation processes that are developed from the bottom up, where participation from the parties is at its maximum, and a process that everyone can have ownership in. At the same time as we wish to ensure a broad anchoring of change work among employees, it is of decisive importance that the process has a solid anchoring in the municipality's central management."

(Jan Davidsen, 1997)

A model municipality period has normally been three years, and it has in principle encompassed all the business areas in the municipality. The first model municipalities were defined as experimental municipalities. Their work was evaluated on assignment for the Ministry of Local Government and Regional Development. The evaluation was made at Asplan Analyse in the autumn of 2002 in a collaboration between the Norwegian Institute for Urban and Regional Research (NIBR) and Asplan Viak. The evaluation concerned the municipalities Sørumsund, Steinkjer and Porsgrunn.

This memorandum builds on the experiences of all the model municipalities, including the municipalities that are active today.

¹ Jan Davidsen is the Director of Fagforbundet

PLATFORM

Perspectives on change

MMM is about change. It is about changes at the *system level* (the municipality as a service producer), changes at the *organisational level* (the individual service location) and changes at the *individual level* (managers and employees in the municipal sector). The main focus has been on the organisational level, where the goal has been to improve the individual service location's ability to realise the goals that have been defined. In organisational literature there are a number of different directions that try to understand how organisations work. They attach importance to different aspects depending on the basic values and what is prioritised as important. Bolman and Deal (1991) list four different frameworks or perspectives for such an understanding:

1. *The structural perspective*, which regards organisations as rational systems established for the purpose of realising defined goals through systematic war (efficient systems and procedures).
2. *The humanistic perspective*, which focuses on human contributions to the organisation and on interaction between the humans that who make up the organisation. Human needs and the satisfaction of needs are of key importance here.
3. *The political perspective*, which views organisations as scenes for battles between interests. There will be battles for resources and clashes related to the values and interests of the various groups.
4. *The symbolic perspective*, which is not concerned primarily about describing what occurs in an organisation, it is more concerned about the meaning of what occurs. This prospective attaches importance to the "symbolic value" the participants in an organisation attach to the events.

MMM builds on a humanistic perspective and a humanistic view of life. An essential element of this methodology is to understand what motivates employees in an organisation to make an effort and build on this in change work. The decisive question is then: "*What stimulates employees to develop a good production of services?*" It involves of course salaries and career opportunities, as well as stimulating effort through the development of good workplaces and making the work meaningful. In this case we must focus on aspects such as the climate, interaction standards, management and opportunities for individuals to exert an influence.

Bolman and Deal also list a few characteristics of the humanistic perspective. They maintain that this understanding of change processes builds on the following premises:

- "Organisations exist to satisfy human needs (and humans do not exist to serve the needs of organisations).
- Organisations and humans need each other. Organisations need the ideas, energy and talents that humans have, while humans need the career, salary and work opportunities that organisations can offer.

- When there is poor agreement between the needs of the individuals and the organisation, one or both of them will suffer. Individuals will either be exploited or they will attempt to exploit the organisation.
- When there is a good relationship between the individuals in the organisation, both of them will benefit from this. Humans are capable of performing meaningful and satisfying work, and thus provide the resources the organisation needs to fulfil its tasks."

According to Bolman and Deal, the humanistic perspective is based on three important prerequisites for conflicts and conflicts of interest:

- That it is possible to reduce the distance between otherwise irreconcilable views – and that it is possible to find solutions that all the parties can benefit from.
- But some solutions are better than others – because, for example, they are based on a better analysis of the situation, or because they provide better solutions for everyone.
- That the parties can learn to find better solutions through more experimental conduct and an open dialogue."

(*Nytt perspektiv på organisasjon og ledelse* (New Perspective on Organisations and Development)), Bolman and Deal, 1991)

Peter Senge and his theories on "learning organisations" build on a humanistic orientation and go beyond this. He stresses a systematic perspective on organisations and maintains that changes are made more difficult by the fact that our established "mental pictures" create barriers to renewal. In addition, the participants in an organisation will often lack an understanding of the long-term effects of what is happening. In this perspective it is important to point out that MMM must both challenge employees (to think outside the box) and involve them so that a deeper understanding of the relationships and long-term effects can be developed.

About owning the concepts

Concepts such as "renewing, stimulating and future-oriented..." are concepts with positive connotations and are often used tendentiously in the debate on reorganisation in the public sector. It is important for anyone who wants to gain acceptance for their views to link such concepts to their initiatives. For anyone who wants to understand an innovation, however, it is more important to clarify the basic values of the innovation. It is about defining *what* one wants to develop, and for *whom* this is important. It is also about clarifying whether the innovation represents a break with the established practice and what consequences the innovation may have for those who are involved. Is the desire to renew within the existing frameworks and current objectives on the basis of given criteria, or is something completely new based on other goals and values desired? A distinction can accordingly be made between two types of reorganisations (Tangerud and Wallen, 1983):

- *Changes that take place within the existing goals without changing the basic values.* Such changes aim to increase the efficiency and quality of work by, for example, implementing new methods and techniques, organising work differently, etc.

- *Changes that will change the existing goals and conditions, which are based on other basic values.* It is in connection with such initiatives in particular that a clarification of the values is important to know what the innovation will entail.

Development work is therefore about asking: "*What is the purpose?*" and "*For whom is this purpose important?*" This implies that an innovation must legitimise itself by clarifying what it seeks to accomplish. This also applies an acknowledgment of the fact that it varies what is perceived as good and who perceives it as being good.

Some clarifications

It may be a good idea to define what we mean by some of the words and concepts we use in this memorandum.

The Model Municipality Methodology (MMM) is used as a collective term for a way of thinking about change. It is a tool for involving and motivating employees and for initiating changes from the bottom up. MMM is not a recipe, it is based on a hypothesis of what is required to involve and empower the employees with respect to change.

Change is used for planned changes towards defined goals. Alternative concepts that are used are *development*, *renewal* and *reorganisation*. They are perceived as somewhat more value-loaded. Development and renewal because they are normally used for changes that define something as better. Reorganisation because this concept is perceived by many in the public sector as the essential characteristic of processes managed from the top. In some contexts we have used *experiment* to designate a planned and goal-oriented testing in practice.

The word *user* will be seen again and again, and it is normally used to refer those who request a service. This is a restrictive concept. *Resident* or *citizen* could be used as alternatives here to signal that people have needs other than being users, and to mark a certain distance to New Public Management. We use the word *user* nevertheless because the primary focus in MMM work up to now has been to improve the services offered. The user concept is well known in such contexts.

Towards the end of the document we will discuss the importance of *formative evaluation*. It is a form of evaluation that accompanies change work from the start, which promotes active feedback throughout the entire process to promote project learning.

The term *capacity for change* is also used, and it is defined here as the internal capacity (competence, finances, attitudes...) that is available in an organisation to meet new challenges.

What is the model municipality methodology?

In simple terms the model municipality methodology is to change the municipal balance. It is giving the employees greater influence over what is to be reorganised and how it is to be accomplished. The critics have maintained that MMM takes power from the town hall. This is true in one way, at least if it is perceived that decisions have been made traditionally from the top down with little influence from the employees. What characterises MMM as a change and reorganisation initiative? Here are some of the key elements as they have been described by IMTEC in a special publication for the experiment (Stranden and Dalby, 2004):

Multi-party collaboration

The main idea behind the initiative of the Norwegian Union of Municipal Employees (NKF)² was multi-party collaboration. This means that the parties in the municipal sector shall stand jointly behind the development tasks and mutually support the implementation. Multi-party collaboration entails active and equal collaboration between politicians, the administration and employee representatives. This collaboration shall apply with respect to both central and local decisions. The collaboration is based on the consensus principle, which means that joint decisions that everyone stands behind and abides by are established through dialogue.

Some people will protest that there was also an opportunity earlier for a dialogue on important decisions through codetermination agreements, and that this is therefore not anything new. They have a point, the three parties have discussed reorganisation and changes earlier. What is new is the *equal status*. No one is to be invited here when others have made up their minds. Ideas and visions, as well as proposals for specific measures, will be the result of processes where everyone has been a contributor.

Another objection is the fact that this represents a displacement of power where an established balance of power is disrupted. This applies especially to the displacement of power from the politicians to the trade union movement. Some people maintain that the trade union movement has been given a veto right with respect to the politicians. The model municipality methodology does not represent a desire to take away the politicians' right to manage, or to do away with the ordinary political decision-making processes. Consensus can not apply as a principal for the work of a municipal or city council. It is in the work of a steering group for a model municipality experiment or in the relationship between employees and managers at the workplace that consensus can be applied.

There have been different experiences associated with multi-party collaboration. The steering group for the Åsane model urban district has practised multi-party collaboration according to the consensus principle. There were politicians in this group that were both in government and opposition. In this case it was the Labour Party, Socialist Left Party and Progressive Party. One of the politicians stated the following:

"One of the most positive aspects of the work in the steering group has been a common desire to implement good development projects for the benefit of the residents in the urban district. We have left our differences at the door before starting the meetings, and we have used the time that has been necessary to reach agreement. We have used the fact that we have different backgrounds and opinions as a resource in our talks and discussions. This has been a good experience that I will gladly pass on".

(Progressive Party politician)

Involvement of employees

A logical consequence of multi-party collaboration is the fact that employees are viewed as a resource – an opportunity. The Mayor of Sørum expressed on one occasion during the trial period: *"Focusing on the Model Municipality Experiment, was the same as focusing on the employees. As Mayor, it was important for me to send this signal to everyone who works for the municipality."* A lot of exciting things have happened in the Model Municipalities as a result of ideas and initiatives from the employees. However, it cannot be denied that the desire to mobilise the employees has encountered challenges. We can give a few examples:

² We use NKF in this paragraph and not Fagforbundet, because it was NKF who started it all.

"When our unit received an invitation to participate in the Model Municipality Experiment, we reacted negatively. I don't think we quite understood that this was an invitation to contribute our own ideas and suggestions. We are so used to the opposite. We encounter demands to change, but we are, more or less, told how it should be. We are seldom given any reasons and even less seldom given any opportunity to exert any influence. We did therefore not have any real confidence in the Model Municipality initiative. And when we understood that this was indeed something else, it took time before we started our own development of ideas. We needed help to get started. In our sector, we do not have any tradition of internal idea development and initiating our own development projects".

(A municipal employee)

"Even though we have decided to introduce a new shift scheme, some of our colleagues believe that the decision is not valid. Some units have implemented the shift scheme as adopted, while others continue the same as they always have. I do not understand this. A local decision must count just as much as much as a centrally made decision, right? And we who thought that a local development process would increase the level of commitment and loyalty".

(A municipal employee)

These are two quotes that contain a lot of experience. Firstly, many in the municipal sector feel that they are bulldozed and have little involvement in municipal change processes. Secondly, they have little competence in managing change work initiated locally, and, thirdly, decisions that are adopted locally do not guarantee commitment and motivation among employees. Local decisions can also be sabotaged when somebody feels that their interests are threatened.

For the Norwegian Union of Municipal Employees (NKF), involving employees in reorganisation work is part of the very foundation of the MMM. Their reasoning was that people support what they have helped create. Persons who feel that they are a party to a decision will be able to implement the decision with a greater commitment. Involving employees was to liberate creativity, contribute to a willingness to change and increase the commitment to decisions. Experience from model municipalities support that this can be the case. However, provisions must be made for such an involvement, and there must be a genuine desire by everyone that this take place. There is no guarantee that involving employees will give the desired benefit.

User focus

A common objection against trade unions is that they often put the employees' interests ahead of the needs of the residents. The Norwegian Union of Municipal Employees (NKF) wanted to show that they took the users seriously through change and reorganisation work in accordance with the model municipality methodology. It cannot be denied that many users desire more competition because public services are not perceived as being good enough. The Model Municipality Experiment was an initiative from the Norwegian Union of Municipal Employees (NKF) to show that the public sector could represent quality and be concerned about the users' needs.

Eqge Lower Secondary School in Steinkjer was part of the Model Municipality Experiment in the municipality. They planned a major organisational change of their teaching and desired more pupil participation and greater parent participation as part of

this project. At a parent meeting for the eighth and ninth grades the autumn's plans were presented. A packed gymnasium indicated a strong interest among the parents. The many questions that were asked throughout the meeting also indicated such an interest among the parents. When the principal concluded the meeting by thanking them for coming, he received the following spontaneous reaction from a father: *"I have had several children at this school. The parent meetings I have attended have been boring. You have always told us what you want, but never asked us what we want. This meeting has been different. I am looking forward to the continuation now. And I promise to be an active father"*. These comments received a resounding applause.

Use of resources

One argument for increased competition is a perception of the public sector as a rigid and cumbersome system that is thus not very cost-effective. This is also something that the Norwegian Union of Municipal Employees (NKF) wanted to disprove. They hoped to find projects that could document that the public sector actually operates in a cost-effective manner during the course of a trial period.

Resource management is not just about "cost-benefit" in relation to individual organisations or projects. It is also about looking at the use of resources in an overall perspective. The Norwegian Union of Municipal Employees (NKF) wished to point out that the public sector manages a great deal of competence and resources and that this can be managed best through active collaboration and an overall perspective. Here we break with the market philosophy that many municipalities want to develop today down to the organisational level. With a market philosophy freedom of choice and competition between the units is important. With a model municipality philosophy collaboration across sectors and disciplines is important. It appears that little use has been made of interdisciplinary collaboration with respect to care and child welfare services. We hoped to find examples of good public "housekeeping" from specific projects, where the sectors' significant competence was utilised through collaboration and an overall perspective.

Work methods and progress

In the beginning the Norwegian Union of Municipal Employees (NKF) had a notion that the change work could follow some common "patterns". This proved to be difficult. If employees and users are to be involved, the local prerequisites must be taken into account. It's about changing cultures. This means that each individual organisation is regarded as unique and that there is very little that can be standardised. This does not mean that we cannot learn from each other and that experiences cannot be transferred.

Some elements that it may be beneficial to "copy":

- *Management structure.* All model municipalities have had a management structure with a multi-party *steering group* (politicians, the administration and elected representatives), and a *project manager* as the executing party with respect to the development work. The steering group has not been a competing alternative to the ordinary management structure; it has been a tool to support the specific reorganisation initiatives. The goal has been to make provisions for *self-renewal* at the organisational level through training, process help, feedback and dialogue concerning practices, problem solution and structural changes.

- *Development advice.* All the model municipalities have established a team of development advisers. These advisers are process helpers, inspirators and discussion partners for those who are actively involved in the changes. The goal of this assistance is to provide help for self-help and to reduce the municipality's needs for external consulting assistance.
- *Pilot phase.* This is about starting up the work after a few standardised measures. How is multiparty cooperation established? How are the real needs the change identified? How are ideas developed and how are these ideas entrenched in local executing units? How to establish a good dialogue between the management and employees out in the organisations? How do we involve the users...?

Some dilemmas

The model municipality methodology as a change initiative struggles with a few dilemmas. First there is the *relationship between users and employees*. It is easy to maintain that one has a user focus. But how do we make this the actual practice? We see here that it is not always so easy. The ambitions in MMM are to make the residents in the municipality partners with respect to the development of the services, and not just users. This is ambitious, and sometimes we see that these ambitions are impacted by conflicts of interest. We can see, for example, that working hour agreements may be in conflict with the needs of the users. The challenge here is to find ways of establishing a dialogue between the employees and the residents concerning what is to be changed and how, where the goal is to establish a win-win situation. The other dilemma concerns *multiparty collaboration*. The challenge is in part the fact that the trade unions must change their focus from being an adversary to being a partner. And in part it is the fact that the parties must be able to tackle actual conflicts of interests and values. How far should one go, for example, with respect to striving for a consensus? The third dilemma is the relationship between the *local and central decision-makers*. Employee initiation does not fail to appreciate the need for leadership; it means that the management standards must be discussed thoroughly reassessed. MMM seeks to find a balance between what is to be decided on locally (and the individual organisation) and what is to be decided on centrally (by the political and administrative management). We have illustrated these dilemmas in figure 1.

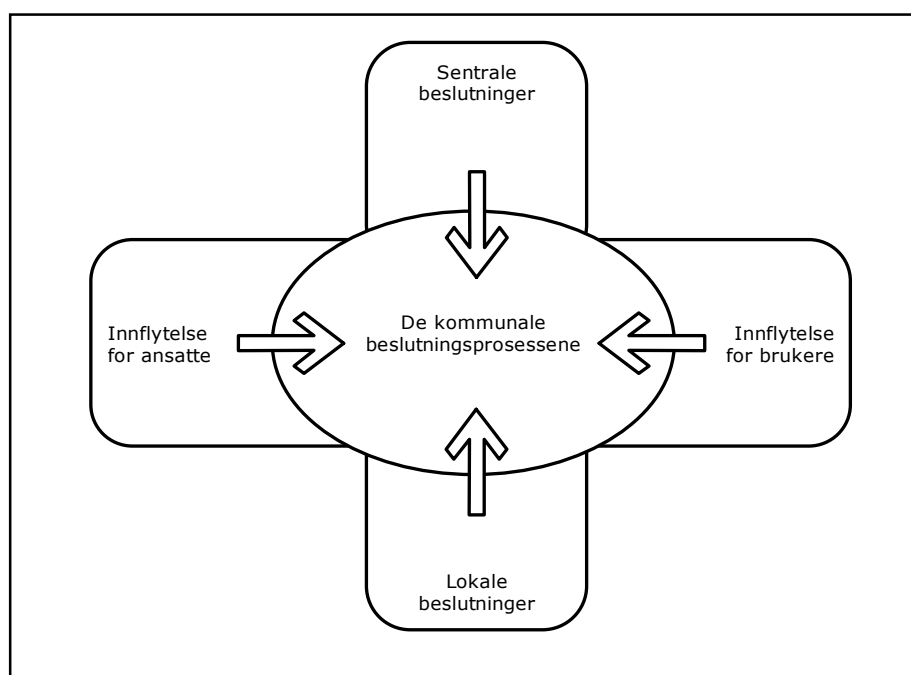


Figure 1: Dilemmas concerning the decision-making processes

Theoretical basis

As grounds for work with reorganisation processes in accordance with MMM the IMTEC Foundation has used the school researcher Matthew B. Miles as a reference. He worked until his death (in 1996) at the Centre for Policy Research in New York. In addition to working in North America, he has also participated in a number of international research projects. What can the research by Miles teach us about reorganisation and development, not just about schools? Miles's principal concept is what he calls "*local strategic grounding*". This means that even centralised reforms or change initiatives managed from the top are completely dependent on the grass roots, which means all the local units where the initiatives shall be implemented. In cases where a national reform or initiative managed from the top did not result in actual changes in practice, Miles showed that the perception of reality was very different between the central and local levels. It can be derived from this that actual changes in practice must be based on a common perception of reality and the local players must perceive them as their own initiatives. In his work Miles makes a distinction between the development of an innovation and the institutionalisation of an innovation. Development is testing or experimenting. Not until an innovation has become daily practice has the initiative been realised.

Researchers who have following in Matthew Miles' footsteps focus on *implementation*. Implementation will be defined here as what actually happens in practice. One of the successors of Miles is Professor Michael Fullan. He defines implementation as "*change of an existing practice towards a new practice*" (Fullan, 1993). And if an implementation is to be successful several factors must interact positively. It is about what characterises innovation, what context it is to be implemented, and what characterises the local unit (organisation) where the implementation takes place (competence, management, organisation...).

Fullan focuses on implementation being a *process* and not an individual occurrence. The most important characteristics of this process is the fact that it is an opportunity for those who participate to learn, that assistance must be provided to the actors (training, guidance...) during the implementation, and that the process must relate to the realities that apply where the change processes are taking place.

We will elaborate on this in the following. We have developed a MMM model inspired by the work of Matthew Miles and others. The study "*Innovation Up Close*" (Huberman og Miles, 1984) is an important source.

A MODEL FOR CHANGE WORK

Development of a model

In the following we will describe the implementation of change processes through various models. We will go from some simple models to some more complex models, and from submodels to an overall model for change work. Such models are idealised presentations of reality. They are idealised because they are based on some hypotheses of what must interact positively so that the actual changes will be made. Figure 2 illustrates such a model and the three main variables that change work is normally based on: The program's *prerequisites*, the *processes* that are initiated to reach intermediate goals and so that the program gives *results*.

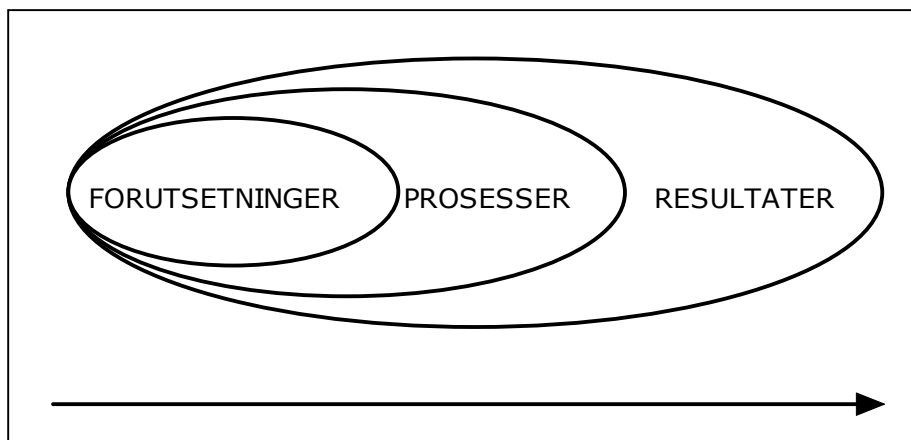


Figure 2: An experimental and development model

Programme prerequisites

Change work is based on a number of prerequisites or contributions. A prerequisite is something that is initially present or may come into place as grounds for a desired practice (achievement of goal) during a period. Each prerequisite is described as a prerequisite because he it has a purpose in the program. It shall lead to something. This does not mean, however, that the actual presence of a prerequisite (for example, economic resources) automatically results in the fulfilment of the desired goals. In order to achieve goals, measures aimed at the achievement of goals must be performed during the project. The fulfilment of a prerequisite will ideally lead to the fulfilment of some preliminary (or intermediate) goals. A well-managed change initiative will adapt the prerequisites to what actually happens during a project to increase the probability of achieving the defined goals.

Process and results

The purpose of the *implementation measures* that are employed during a project is to strengthen the prerequisites for the achievement of goals. It is the quality of these measures that determines whether a change will be successful. It is conceivable, for example, that competence development is one of the measures. It is not indifferent how this competence development takes place. If it is carried out with a high level of quality and relevance to practice, it will increase the level of competence and contribute to the achievement of goals.

The implementation measures must build on a hypothesis of what leads to what. Knowledge of good processes will be decisive as to whether the measures can be expected to lead to the achievement of goals. A successful process (i.e. a process that leads to the achievement of goals) is characterised by positive interaction between a number of measures. It is often the interaction between the measures that determines the results. Successful interaction requires active management with willingness and the ability to coordinate the work. It involves both supervisory management (a steering group for example) and operative management (project management for example), not to mention the management that is exercised where the actual change work is carried out (organisation management for example).

A process in which intermediate goals are reached relatively quickly will increase the probability of reaching the final goals or results. Often the achievement of goals will trigger positive attitudes and create a "tailwind". A "tailwind" can easily develop at the same time during a change project. In the start there is a great deal of enthusiasm, but this may decline once everyday life sets in. Some individuals will see that the changes do not serve their interests and they will therefore create obstacles. The scope of the change work may also grow, and those who are involved may feel that they are "overloaded". There are just too many things taking place at the same time. Sometimes there are conflicting interests between those who are involved and conflicts arise. And last, but not least, it is important to point out that change in the public sector is about developing a practice where it is not possible to measure everything. This applies both to intermediate goals and results. How do we measure an improvement in quality of nursing and care programmes, day-care programmes or education programmes? It is not always so easy. Uncertainty can therefore arise as to whether the goals have actually been achieved.

In the following we will be taking a closer look at the prerequisites, process and results in MMM. We will be presenting submodels for each of the three main variables and conclude the document with an overall model for MMM (see figure 10).

MMM prerequisites

The prerequisites in the model are important in order to establish the principles for change work from the bottom up (see figure 3). The following variables should then be integrated into the prerequisites:

- *Context*, or the distinctive features of the municipality
- *Assistance*, i.e. the help and support provided to individual projects
- *Innovation characteristics*, or what in particular distinguishes MMM as innovation
- *Local mobilisation*, or what must be initiated at the organisational level
- *Organisational characteristics*, or what distinguishes the organisations that are participating
- *Participation and planning*, i.e. how the plans are specifically formulated and who participates in the planning work

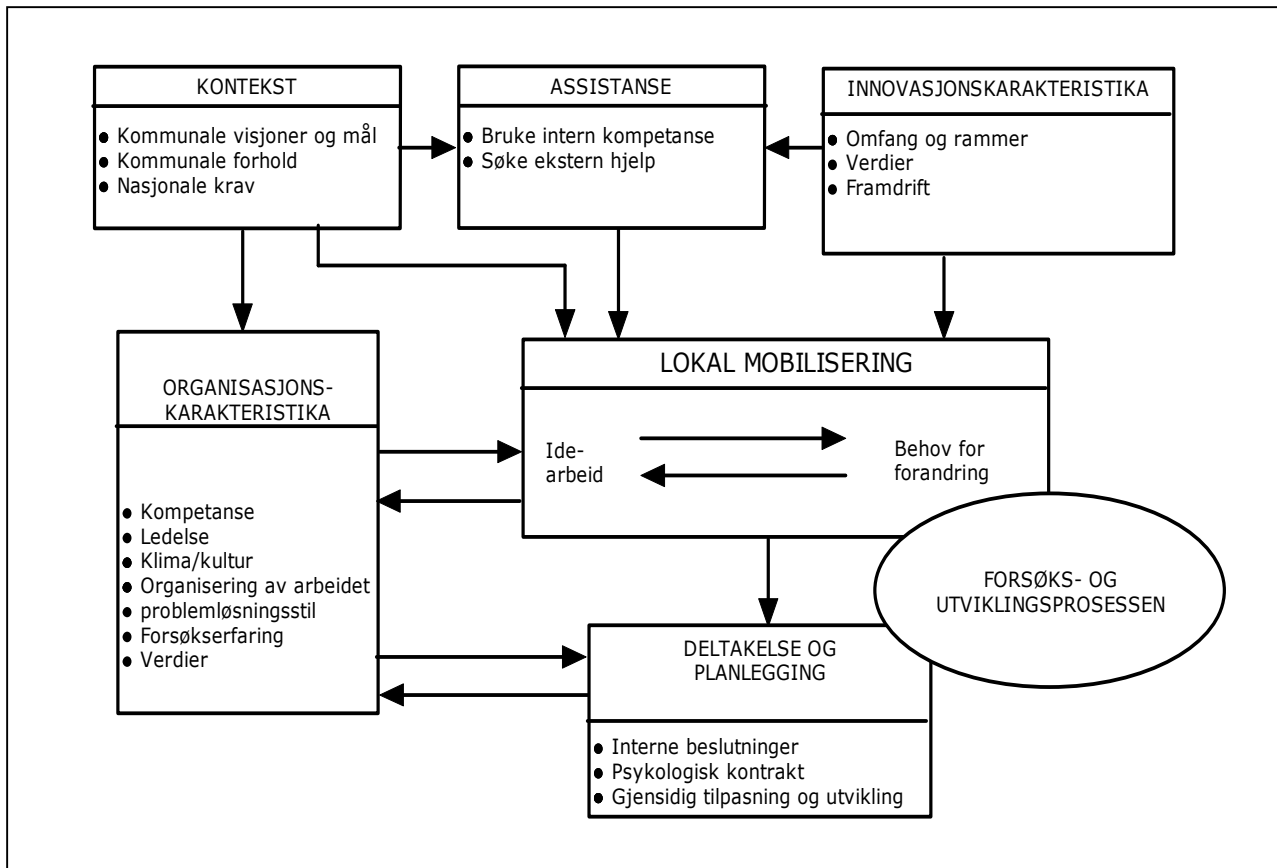


Figure 3: MMM prerequisites

Context

is the "environment" for the change work in the model, i.e. the elements that are of special significance to understanding what it is that is unique about the individual municipality. This means that the changes must be based on factors that are specific to the municipality. It concerns the visions and goals that apply to the municipality in question, factors such as demographics, municipal structure, finances, etc. The municipality's ability to realise services required by law (national goals) is included in the context.

Employee initiation and processes from the bottom up may challenge the goals of the municipal service production. It is, however, not a prerequisite that this be the case. MMM is primarily about having a hypothesis for some methods of initiating renewal that can increase the probability of reaching the desired results (achievement of goals).

The municipality of Ringerike (model municipality from the summer of 2006) has the following goals for health and care:

- *The municipality shall make provisions so that the health and well-being of the population is promoted in all its activities. Factors that can threaten health shall be reduced to the greatest possible extent.*
- *The special needs of children, young people and the disabled shall be accommodated.*
- *The municipality shall comply with government requirements at any given time.*
- *The municipality's health and care services shall be perceived as fair, purposeful and satisfactory by the population.*

(Municipality of Ringerike, municipal plan 2003 – 2015)

The goals have been included as an illustration. Such goals bind a new model municipality. How do we define specific projects with the involvement of employees and users to reach these goals? In this perspective use of the model municipality methodology would be using "measures" that increase the probability of permanent and genuine changes by making provisions so that those who are to realise the goals also become the innovators.

Assistance

is defined here as the support provided to the individual subprojects with respect to their execution. Assistance has both an internal and external aspect. The internal refers to a mobilisation of the municipality's own competence, especially the use of competence across technical disciplines and business areas. It requires a survey of what competence is available in the municipality (competence inventory), what requirements apply for a successful implementation (competence requirements) and what needs exist for new competence for the individual projects (competence needs).

The internal dimension also refers to the use of development advisers, i.e. the use of a team of municipal advisers that support the processes. Development advisers are municipal employees who are qualified by training to be process advisers for the individual projects.

The external assistance refers to the purchase of services to increase the action preparedness at the organisational level. In surveying the competence needs, it will be determined whether this is local or if it must be supplied from an external source. In MMM the external dimension also refers to the support that the municipality and projects receive through professional assistance from IMTEC (training, guidance and help for formative evaluation).

The goal for the use of development advisers and the procurement of various forms of external assistance (courses, consulting assistance) must be "help for self-help". It must involve building up the local change capacity in this context, i.e. increasing the ability to identify needs for change and to implement good change processes.

Innovation characteristics

have been referred to above by describing the elements in MMM. Here we will elaborate on some of the special characteristics of MMM as innovation.

1. *Complexity*

It is ambitious in the sense that the goal is to develop both more efficient services (work smarter) and to raise the quality (work better) within the existing financial framework. In addition, the program seeks to cover all aspects of the services from technical services to health, care and child welfare. To achieve better solutions the changes must affect the organisation's key tasks. This involves the content, work methods, roles and tasks, plans, management and organisation. It must affect the organisation's basic values and thus ask the decisive question: *What is a good service?*

2. *Values*

At the risk of repeating what has been stated above, we would like to stress the following values

- *Change work shall be developed from the bottom up, with active mobilisation of the individual service locations.*

- *Employees shall be involved as idea bearers and become partners through multiparty collaboration with respect to planning, implementation and evaluation of the reorganisation processes.*
- *The users shall be involved, not just by expressing the offers they prefer, but as partners in the creation of living local environments with good services.*

For Fagforbundet it is important that there is no exposure to competition and privatisation during the agreement period. It is the public services that are to be developed, preferably in collaboration with voluntary organisations.

3. *Framework conditions*

MMM is organised as a municipal project. Sometimes it is the basis for all the reorganisation work in the municipality. Other times it has equal status with other municipal projects. Some framework and petitions might have been stressed:

- They shall not be any exposure to competition during the trial period.
- Legislative and contractual framework shall apply.
- National goals for the provision of services shall be realised.
- Guidance shall be available to the actors during the implementation of specific projects.
- Competence development shall be provided to achieve good service production.
- The experiments shall be managed by a multiparty steering group.
- A project manager shall have day-to-day responsibility for the experiment.
- The project manager and a team of development advisers shall be released from their ordinary positions to support the change work. The project manager should have a full-time position if possible.
- Competent trade unions shall participate actively.

If we generalise, we can say that the most fundamental prerequisites are:

- a) The *goal* for the program is improved services.
- b) The *resources* for implementation shall be taken from the municipality's own budget.
- c) The *management and development model* is based on active multi-party collaboration.
- d) The methodology for implementation involves employee involvement and anchoring with the local units that are to be responsible for production of the service.

4. *Progress*

The prerequisites are not just about what is available, they are also about what must be created in an early phase so that real changes are possible. Such reinforcement measures are marked by a desire to establish good processes in the individual subprojects, increase the competence of all key groups, get the management model to work, establish suitable collaboration patterns within the projects and between them, link development advisers to specific projects, disseminate experience as things get started, use the established management structure and recruit external resource persons. All in all the reinforcement measures are marked by:

- a) A desire to initiate *systematic change work at the organisational level.*

- b) *Overall project development, i.e. getting the overall project started.*
- c) *Competence development* with respect to both disciplines and initiating, implementing and evaluating change work.
- d) *Organisational changes* at the organisational level to increase the probability of achieving goals.

Local mobilisation

is an especially important factor in change from the bottom up. Local mobilisation refers to the empowerment of employees, local idea development and committing the organisational level with respect to implementation.

1. *Empowerment of employees*

This is a slogan used in many municipalities. What does it mean? In a research project on the empowerment of employees in the nursing and care sector in 12 Norwegian municipalities, Nordlandsforskning found the following factors to be important:

- Obtaining enough information to do a good job
- Feeling that communication between employees and their immediate superiors is good
- Knowing what requirements apply to the employees
- Feeling that the users' desires are communicated and that something is done about them
- Having a clear opinion on what a "good enough" service is
- Having a real influence and making a real contribution
- Occurring in a working environment marked by trust, security, satisfaction and tolerance, with open and inclusive communication
- Feeling that there is a highly professional focus at the workplace and that there are good opportunities for competence development
- Taking initiative and responsibility, and being aware of one's own qualifications
- Having an inclusive, supportive and clear manager

Experience shows that work with empowerment gives:

- Employees who are more satisfied and committed
- Reduction in absence due to illness and turnover
- More flexible organisations
- Higher level of competence and professional focus
- Better service quality and user adaptation

Municipalities that use the employees' point of view as their point of departure and involve the employees in an active problem solution process, which also have a management that is clear, available and involved, where the measures are marked by "the small steps approach", where communication, mastering and learning are important keywords (a relational approach), are the municipalities that are the most successful in their empowerment process.

In an assignment from the Confederation of Norwegian Business and Industry (NHO) (2004) the Work Research Institute reviewed relevant research on reorganisation in Norway in both the private and public sectors. The report was supposed to concentrate on established knowledge on reorganisation, types of reorganisations, and the consequences for the employees. The report concludes with three important areas for good reorganisation processes:

- The *process congruence principle* states that a good process is required to obtain a good result. The process must reflect the principles that the new organisation decides to express. If better cooperation is the goal, for example, cooperation must also mark how the reorganisation process is implemented
- *Information* is often seen as one of the most key measures to implement a good reorganisation process. Information involves creating a sense of security and eliminating the employees feeling of helplessness and uncertainty. Sharing information has a positive effect, even when the content of the information is that nothing is known for sure. Many managers appear to postpone information until they have something specific and certain to inform about. For the employees, however, any information that is shared creates a sense of security and helps eliminate the feeling that "others" know more than they do.
- *Participation* in the process is key to achieving a good reorganisation. Participation means that the employees are included in the process, and they are not just invited to discuss the solution after it is in place.

Work Research Institute Memorandum 3/04

The IMTEC stresses the following in an empowerment process:

- *Conditions.* Are the employees invited to develop ideas and participate actively in the planning works? Are they included in the decision-making processes? Are they viewed as an opportunity, or are they just an expense item? Empowerment requires that the employees are taken seriously and that their participation is real.
- *Processes.* What strategies mark the planning work? Does the planning work take into account that the practitioners need time to learn from what is happening and gradually make adaptations? If employees are to feel involvement, the change work must be a learning process for those who are involved. They must go through a process where knowledge, skills, attitudes, and conduct gradually change.
- *Decisions.* What is the basis for making decisions? Are decisions made on the basis of good internal discussions, or is it the management prerogative that applies? Good decisions must allow time for dialogue. They must build on the employees experience in professional knowledge. And they must clarify various values and interests. The desire to achieve quick results will often be in harsh contrast to the time it takes to ensure that good decisions are made. The goal of good processes is to end up with qualified decisions. If the preceding process has been good and everyone has felt that they have been involved, then the basis should be established for a good decision.
- *Management.* What does management mean in a change perspective? What are the management's tasks when the processes take place from the bottom up? Ensuring that the decision-making process leads to a good result is a managerial responsibility. Managers are the only ones who are employed with a responsibility

to implement decisions. They must see the decisions in an overall perspective, anchor them in the organisation and follow up whatever is decided on.

- *Publication.* A decision must be published internally in its own system and to the users. Not until then is a decision valid and binding. And good processes must be established by also involving all the affected parties in the implementation.

2. *Idea development*

Systematic idea development is an important element of MMM. If we are to discuss ideas that are of decisive importance to the development of services, it will be necessary to ask questions such as this:

"What is impossible to achieve in our organisation now that, if it had been possible, would fundamentally improve our services?"

Some conditions must be met if an idea process is to succeed. These are conditions that interact with what has been stated above with regard to empowerment of the employees:

- *Need for change.* If idea development is to give meaning, it is essential that there is an acknowledged gap between an actual and desired practice in the organisation that is to initiate a new practice. It is in relation to this acknowledgment that idea development can be a useful tool. "What is it we have to do to get from where we are now to where we want to be?"
- *Culture.* Idea development shall be an integral part of the organisational culture. A culture that stimulates idea development stimulates the ability to develop. This means that the organisation (and the municipality as the owner for that matter) must desire creative employees and appreciate proposals for improvement
- *Learning across borders.* Idea development is stimulated by being open to learn from others (internally and externally). An "idea drought" may often be experienced. Inspiration is important then, either from travel (study visits) or receiving a visit by someone who can act as an inspirer.
- *Management.* No one will get involved in idea development without some certainty that the ideas will be used (or seriously considered) and that a project based on the proposals will be followed up and supported. Idea development is about creating motivation for change and to reach a consensus on what one is motivated for. This is an important managerial task.
- *Procedures.* The organisations must have procedures for systematic idea evaluation. Not all ideas are feasible. All idea bearers deserve, however, serious consideration.

3. *Commitment for execution*

The individual organisation's preparedness to carry out systematic change worked is based on IMTEC's assessment of some important prerequisites, what we could call the minimum prerequisites for a successful mobilisation (Dalin, 1987). These can be summed up in the so-called "Real Needs Model" (see figure 4). An organisation's preparedness increases when change initiatives meet *needs* that are perceived as key to employees and users, when the employees have the necessary *competence* to implement changes (development competence, discipline competence), when those who are to carry out the work have a personal *ownership relationship* to what is happening, and when those who *manage* the organisation (and the project) adapt their management style to the requirements stipulated by the change work.

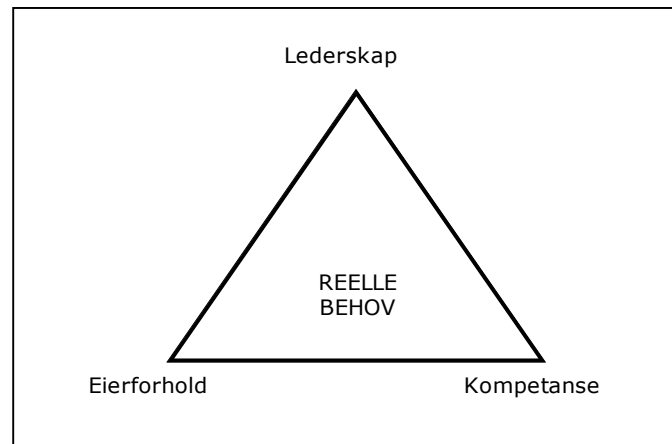


Figure 4: Real Needs Model (Dalin, 1987)

Organisational characteristics

It is about what characterises the individual organisation. These are factors such as the general climate, the way the work is organised, management, attitudes (especially towards change), problem solution style, competence, and what values are expressed. There is a great deal of variation between organisations with respect to their knowledge of themselves. In some organisations there are regular internal discussions on what they are doing and their ability to realise goals. Others have low self-understanding, and thus they also have a low level of action preparedness to do anything new. The results of a change initiative are dependent on the quality of the implementation. This is dependent in turn on the prerequisites the individual unit has for implementation. It is about factors such as management (formal management and support management), organisational culture, internal competence, attitudes towards change among the personnel, the ability that groups or the personnel collectively have to solve problems, and, not to mention, the understanding that exists of what needs the users have.

It may perhaps not sound very original, but organisations are just as different as individuals. It is therefore difficult to find a recipe for how a practice can be changed and formed. IMTEC has experience indicating that successful changes require knowledge of (a survey of) the individual implementation body. What characterises the organisation and how does it meet the new challenge? To better understand how an organisation meets requirements for change, IMTEC (Dalin, 1987) has developed an organisational model. This model is based on the fact that every organisation can be described through five main dimensions that are mutually dependent on each other. This means that changes to one of them has consequences for the others (see also figure 5).

- *Environment* – this is how the individual organisation relates to the outside world vertically (to the formal management system in the municipality) and horizontally (to users and the local community).
- *Values* – this is what characterises the organisation, with respect to both the principal goals (official goals) and the values that are integrated into the day-to-day norms and are expressed in the "organisation's culture". It is of decisive importance whether there is harmony or tension between the official goals and the daily practice, or between the values of the employees and the values of the user groups.
- *Structures* – this is how the work is organised and how the tasks are distributed, what type of responsibility and authority structure exists, and how decisions are made.

- *Relationships* – this is how the relationships are between humans. This means relationships between individuals and groups as they are expressed in the "climate", collaboration patterns and associations between humans. This system if they first relationships both between employees, and between employees and users.
- *Strategies* – it is the organisation's management that handles the relationship between the dimensions that are listed here. It is also how it sells conflicts, makes decisions, contributes to renewal, evaluates work, etc. Management is a decisive factor in all organisations. He

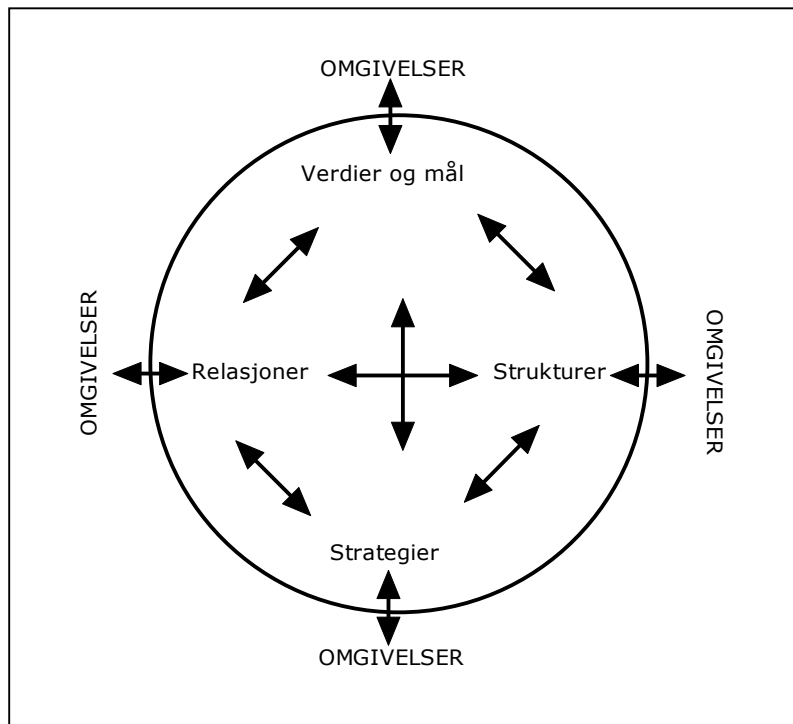


Figure 5: An organisational model (Dalin, 1987)

Participation and planning

How can you get started with specific actions? And how do you get a commitment to make a contribution? We have listed the prerequisites that should characterise MMM and contribute overall to action. There is often a plan prior to action. In processes from the bottom up it is important that the employees are also involved in the planning work. Plans that are developed must therefore be the result of a dialogue between the central and executing levels. The intention is to establish a dialogue that can be a supporting beam for the continuing work between the organisation based initiative on the one side and centrally defined goals on the other. This can be formalised, but is probably classified best as a *psychological contract* that is mutually binding in the continuing work.

If employees are to be empowered (and take responsibility) they must be involved in the entire reorganisation process from planning to implementation. It is not just be there. The planning work must be adapted to their daily routines. Here the concept of "evolutionary planning" is important. This is in contrast to linear planning. There is an element of ongoing trial and error with respect to what is happening in the evolutionary planning concept. Researchers (for example, Louis and Miles, 1990) also maintain that good and effective plans

for change work require that the plans must have legitimacy with respect to the work that is to be performed. A good plan shall create commitment and establish grounds for solving problems as they arise ("*problem coping*"). It is about making provisions so that the participants dare to abandon the "old ways" in favour of working towards the "new ways". This means that the participants must own the plans and the process, which will affect their ability and willingness to take responsibility (*empowerment*). This requires that no distinction is made between those who plan and make decisions on the one side and those who execute the decisions on the other. Traditionally the municipality is relatively hierarchic with clear authority/subordination.

A fundamental principle of the model municipality methodology has been to break with the hierarchic way of thinking. The desire is to use the employees' resources for idea development and planning, and thereby increase the mobilisation with respect to execution. The inspiration is from the theory of a learning organisation (Senge, 1990). Systematic thinking is key to this theory. If the employees are to be active partners in reorganisation, they must understand the interrelationships associated with what is happening at both the municipal and organisational levels. They must understand the overall scheme of things and not just broken fragments. It is when the employees have such an understanding that they can contribute to meaningful changes. Senge gives grounds for why *organisational learning* is important knowledge for changes. He defines organisational learning as understanding oneself and one's environment as both individuals and organisations.

In such a perspective it is important to achieve active interaction between planning work and execution. On the basis of a learning organisation, the intentions must be that everyone shall be involved in the development of ideas and the visions for the reorganisation processes shall be developed collectively. In a learning organisation the employees' personal mastering is strengthened through active competence development, and arenas are developed across the organisation for joint learning and sharing experiences. Consensus is sought in the decision-making processes, and managers and the employees manage to think together about the execution of tasks (see figure 6).

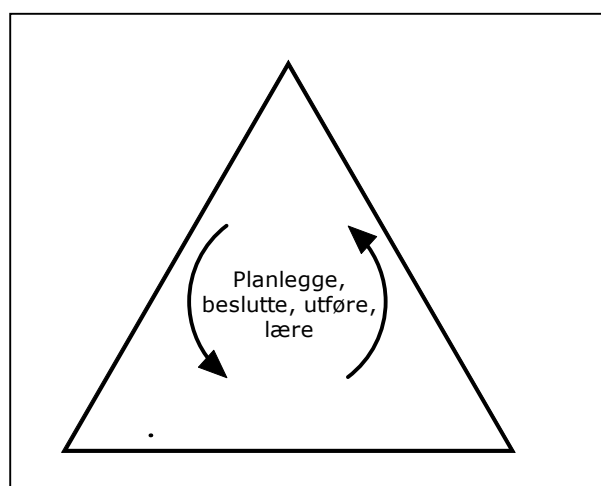


Figure 6: The Learning Organisation

MMM development process

Development processes are about moving from a plan to action. Before we take a closer look at the characteristics of this phase, it may be natural to ask: "*What types of changes have you registered in MMM?*" In pure principle we can make a distinction between four different types of change initiatives, all of which are represented in MMM:

1. *Technology changes.* They are changes to principal goals (a new curriculum, for example), modes and methods of working, forms of evaluation, etc. Changes to physical conditions such as buildings, equipment, etc., are also included here. These will normally be extensive and resource demanding changes, and they will often be initiated at the national level (like the Knowledge Lift). Such projects have been rare. It is apparently difficult to link them to MMM, since they often have a centralistic nature. There are a few school projects that are exceptions.
2. *Behavioural changes.* These are changes that require new actions by individuals and by groups, both employees and users. We have several examples of projects here.
3. *Organisational changes.* These are changes that are aimed at structures and processes, and they affect many people by their nature. We find the majority and the most typical MMM projects here.
4. *Social changes.* These are changes that imply the redistribution of power (between professional groups for example) and the redistribution of resources (to assign new priorities for example). Many initiatives have been taken here. There is a need for innovation here, and this is where we have the most examples of unsuccessful MMM projects.

Very few projects are exclusively the one or the other. The awareness of such a distribution is at the same time important for anyone who is to help the projects, whether they are a manager or an adviser. The strategies for success will differ depending on the type of project. It will of course be natural to make other choices for projects that are about changing attitudes and behaviour at the individual level than for projects that are about structural changes.

In MMM we have seen simple and uncomplicated projects, and we have seen changes that have been complex, changes that have challenged the norms and values of many and have had a high level of visibility. We will not delve into specific project descriptions here. In the following we will be taking a closer look at the process variables in MMM (see figure 7). There were many variables in the submodel for prerequisites. There are not as many process variables. The two we point out, however, are important to ensure that a change initiative results in renewal. They are about learning from what we do and daring to experiment with practices. The two variables are:

- *Project learning*, i.e. making provisions for learning from what one does through formative evaluation. Formative evaluation is defined here as a tool for learning and development.
- *Experimental and development work*, i.e. a period with testing in which one takes a step from the established to the new way. The word experiment is demanding. We use the word to illustrate that MMM may be about radical change processes in which willingness to test new practices may be necessary.

Project learning

MMM is dependent on provisions being made for learning in the specific projects. Formative evaluation, or ongoing evaluation, is therefore a necessary tool to succeed with good change processes. The goal of such an evaluation is not to document the final results, nor is it to secure a so-called objective (preferably external) approach. Here the goal is to involve the innovators as data collectors and users of evaluation data. It is about making an evaluation of a tool for development. It must then give knowledge of what is happening through systematic data collection and regular data feedback, the goal of which is learning. Formative evaluation is also important to the project management. Not primarily to control what is happening, but to obtain data that can establish the basis for a management dialogue with the executing level and to establish joint project learning.

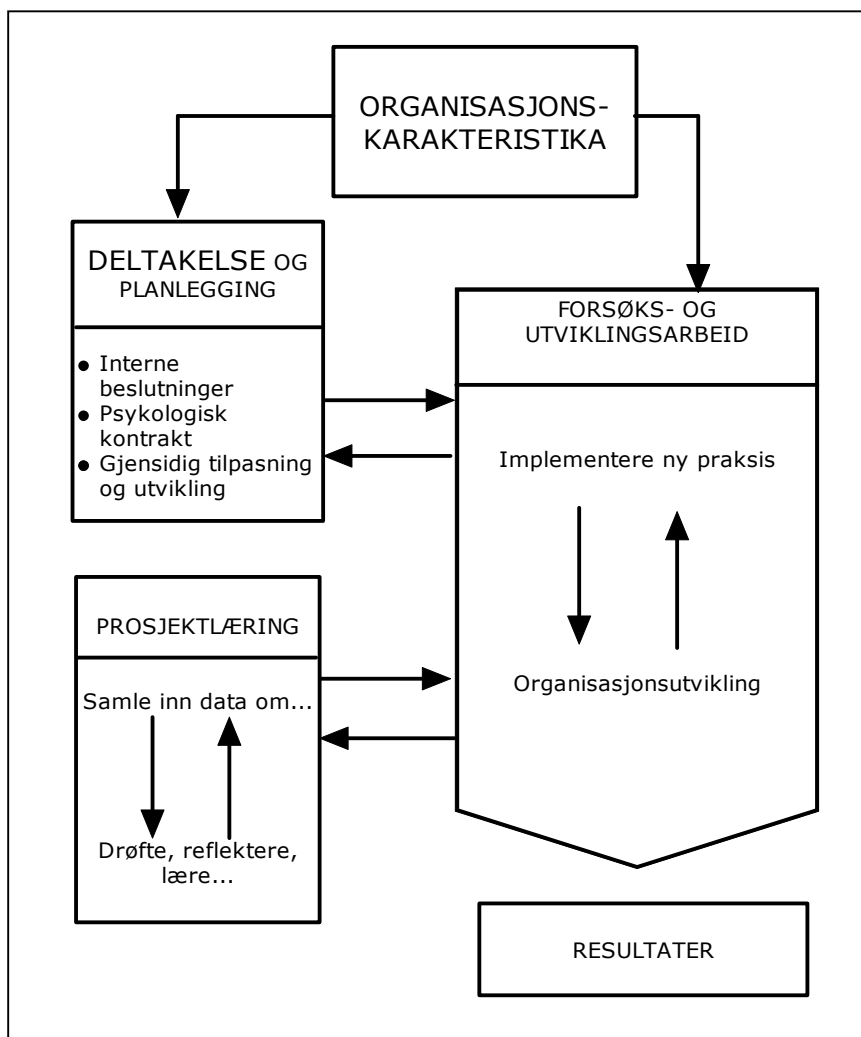


Figure 7: MMM development process

The formative evaluation must be action-oriented and focus on short-term project goals. It will thus easily acquire an *instrumental* approach. It is therefore important to supplement the formative approach with a summative (and more superior) evaluation. It should therefore raise fundamental questions and thus be a more *fundamental approach*. The evaluation that is

made by the innovators is often overridden. Most people have heard about setting the fox to keep the geese. It is not primarily an external role that determines whether the evaluation is valid. If a formative evaluation is to work and contribute to development it must

- meet professional standards (professional evaluation standards)
- be relevant (experienced as useful)
- establish the foundation for a real dialogue internally within the project (project learning)
- have a critical perspective (dare to ask bold questions)

Evaluation is not a magic formula that contributes automatically to development. In many contexts evaluation may seem threatening to those who participate actively in the change. In addition, we know that the more stress there is in the project and the less room the project management has to manoeuvre, the lesser the probability that the evaluation will have an impact. If evaluation is to be an effective tool, it must be a prerequisite that time is set aside internally in the projects for dialogue, experience sharing, critical analysis and learning. It is when a change initiative sets the stage for active learning processes with the involvement of everyone that is affected that evaluation can be a tool for development. Formative evaluation is about making provisions for such learning.

Experimental and development work

is the decisive variable, and it is to be understood here as the testing and development of practices. We maintain that a good model municipality process affects the most central aspects of a municipality's work. It analyses user needs, challenges perceptions of quality, defines requirements for new competence and questions established knowledge. It requires interdisciplinary and interdepartmental collaboration, presupposes close collaboration between central plans and local idea groups, and gives both the employees and managers new development opportunities. It has a fearless attitude towards crises and new problems, has development oriented managers that supports change initiatives, and trade unions that believe in and contribute to development. Above all it has politicians and top level managers who presuppose that change requires time and opportunity to engage in trial and error.

There is no recipe for good development processes, a magic formula, or something that can be "plugged into a socket" and linked harmonically to the day-to-day reality straight away. Change studies show that the most critical factors are whether those who are to change their practice have the ability to live with unfinished solutions, master new situations, solve problems and conflicts, and master development processes. In MMM we have seen that change work at the organisational level is dependent on two opposite processes: *Adaptation* to external requirements on the one side and *internal creativity* on the other side.

The adaptation is in relation to the external requirements defined by the change. The organisations that are too carry out the innovation are dependent on acceptance and legitimacy from the users, on principal goals and professional requirements, on the resources allocated to them and on the provision of new competence. A change at the organisational level will always be dependent on the individual unit's ability to adapt to change, such as a change in the user expectations, change in the framework conditions, etc.

If an organisation is to renew its practice more than just an adaptation is required, a foundation for creative processes must also be created. The internal processes must be marked by the fact that they create increased understanding, new insight, new attitudes, and new

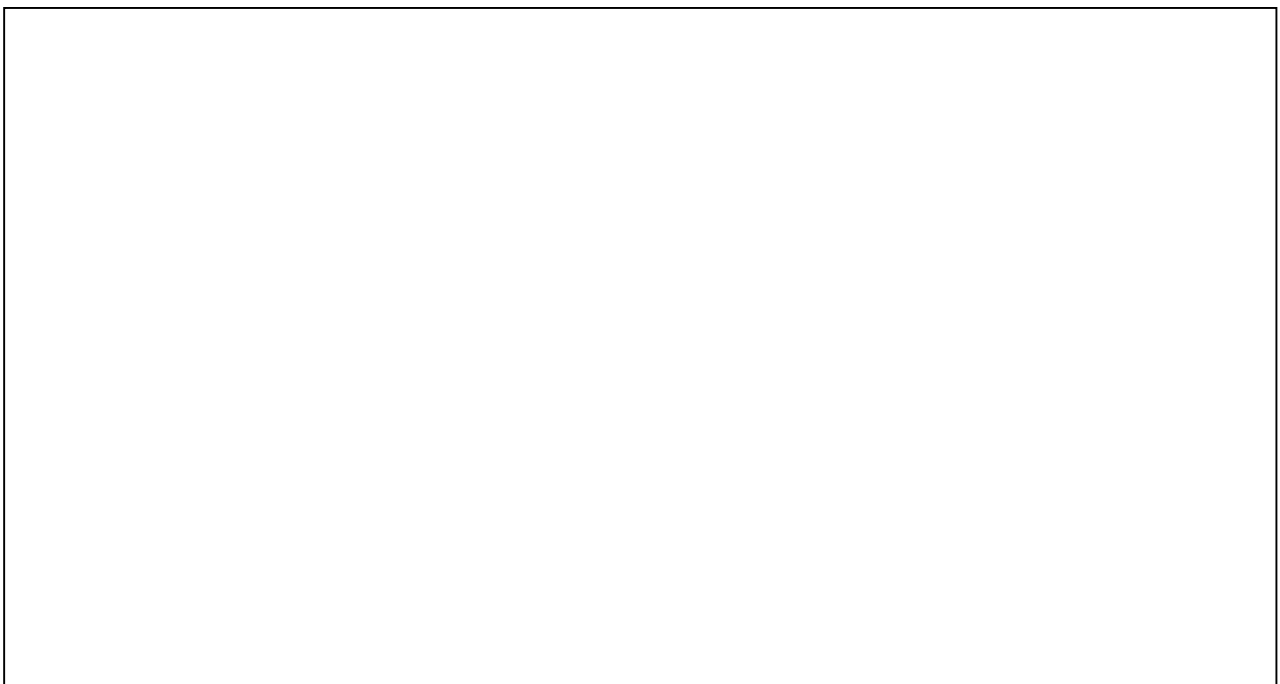
conduct. Such learning processes are primarily dependent on the opportunities to be creative. Here is where the concept of "evolutionary planning" gives meaning. When MMM stresses active involvement of the employees it is because energy for self-development shall be liberated locally (and for individuals). It is about the employees having to understand the needs for change, being given an opportunity to manage their own learning process, form a picture of their own opportunities, solve problems that can arise, reduce conflicts of interest, and tackle conflicts. All in all it can be said that a "healthy" organisation makes provisions for participation from employees. It manages to develop internal learning processes, and it develops a climate that promotes the optimal opportunities for individuals.

It was Miles who established the "organisation health" concept. This concept encompasses organisations that have the ability to develop through training, process consultations, evaluation data feedback, problem solution, and structural changes.

If we are to establish good processes and good interaction between all the factors that are necessary to accomplish the changes, someone must *manage* it all. Change management is a key word here. Per Dalin (Oslo, 1994) refers in his book "*Skoleutvikling. Teorier for forandring* (School Development. Theories for Change)" to a guide developed by Matthew Miles to determine what effective change management was, i.e. a management that manages to make provisions so that the employees can take the step from an existing situation to something new. We have illustrated the elements of such a management below (see figure 8). All in all we can say that such management is marked by "evolutionary planning" with a high level of involvement and opportunities for trial and error.

Some ongoing indicators that a desired process is in progress are:

- that a real change in practice is documented
- that a commitment is developed on the part of the management and employees with respect to the implementation
- that new skills and new knowledge are developed as a result of the changes
- that active ongoing evaluations are made and that these contribute to re-evaluations and thus development of a project
- that change work triggers the need for organisational development



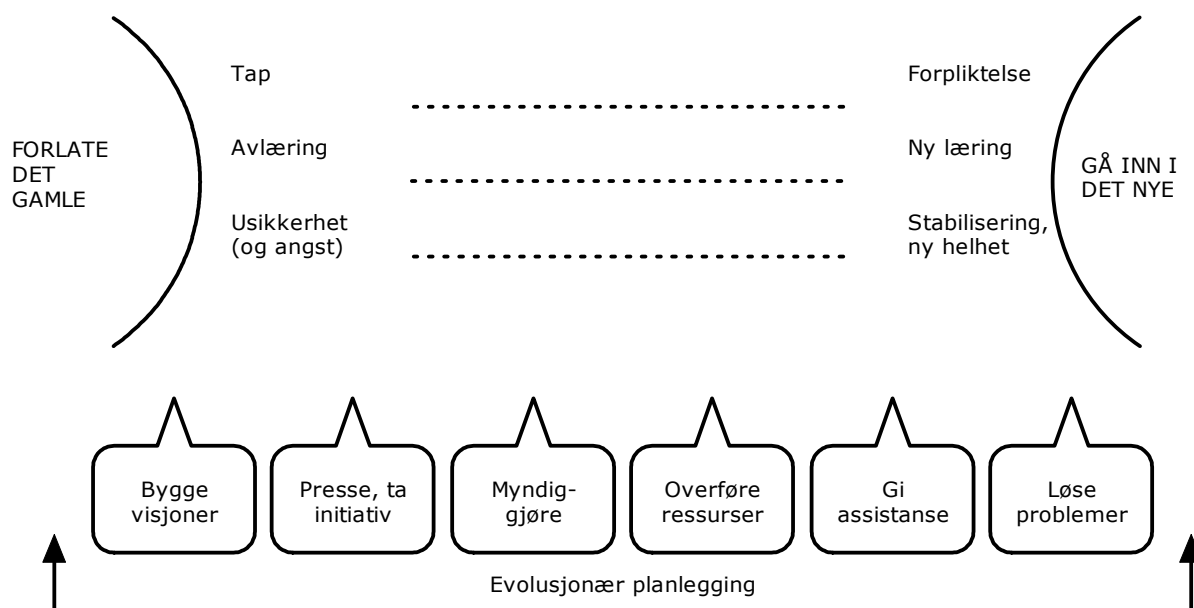


Figure 8: Key dimensions of change management (Louis og Miles, 1990)

Two clarifications may be necessary with respect to experimental and development work:

1. Distinction between *implementation* and *institutionalisation*. The final product for change is institutionalised practice, which means that the innovation has been implemented as part of the daily work routine. The point of MMM is to allow time for implementation, i.e. allow an experimental and development period with opportunities to try something new if necessary. If a change is to give meaning, it is important to have time for trial and error. Innovation shall be linked successfully to what one already does, and this will always be a demanding process.
2. Prevent "overload". There is a lot happening, and strenuous periods cannot be avoided. Sometimes you hear that change work is "on top of" work that is to be performed otherwise. There is a risk that the changes will be meaningless, or that it has not been addressed clearly enough that the new practice shall replace the established practice. It is not just something new that is to be introduced; it is also something old that is to be eliminated.

It is important to point out at the same time that too much innovation must not take place at the same time. The development of a new practice requires the ability to assign priority and execute. This means that some good ideas may have to wait. There are many who are "tired of development" in the public sector. Too many initiatives without any real opportunity to execute them may be an explanation for this.

MMM results

What results can a period with MMM give? It is important to distinguish here between:

- a) *A better service*, and thus more satisfied users and residents. We will look here at some result indicators or characteristics that the change is permanent and that renewal has taken place. Examples of such indicators are:
 - that achievement of the desired results can be documented,
 - that the change is total and encompasses many aspects of the organisation responsible for the service,
 - that the innovation has become part of the daily routine, and that it has become institutionalised,
 - that the users genuinely experience that the change has taken place and that they support it.
- b) *Increased change capacity*, and thus a greater capacity to meet new challenges. It is about the ability to meet internal needs (often formulated by the employees), and about the capacity to meet external requirements (both from the authorities and the users).
- c) *Understanding of MMM*, and thus the establishment of an ability to realise the values in MMM after a period of experimental and development work. It is not necessarily about being a model municipality, rather about seeing the necessity of creating prerequisites so that the employees can be innovators at their own workplace.

We have described a change through the variables *prerequisites, processes and results*. As is evident from our illustrations, it can be difficult to know what is what. Figure 9 shows the result variables in MMM, as well as some process variables. Like the real world, the variables overlap each other, and the schematic illustrations can give a distorted picture of what really happens.

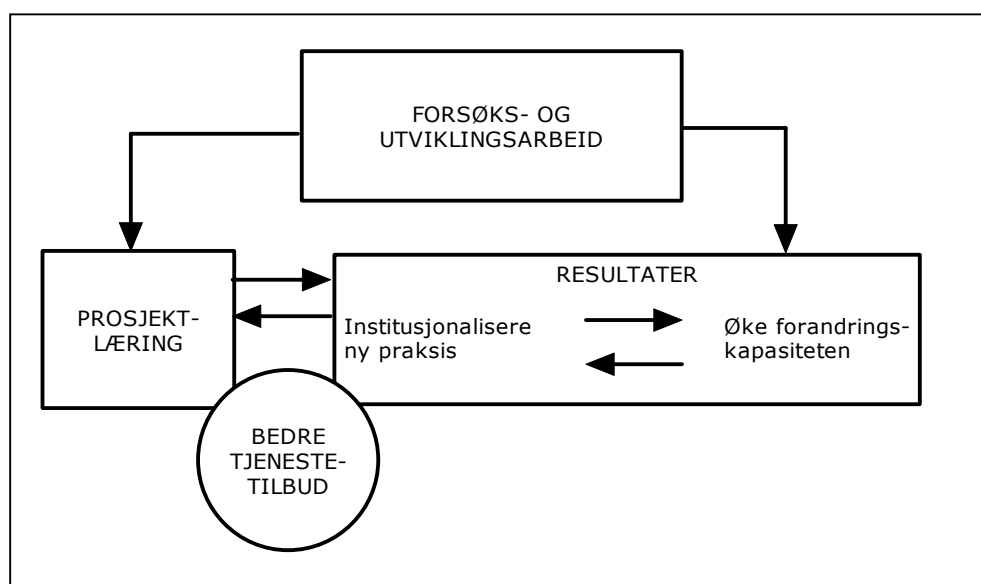


Figure 9: Results in the model

RENEWAL

When does a change become renewal? This is a challenging question. We have focused in this memorandum on how changes can be initiated, and we believe that we can document that MMM represents a *renewal orientation* as opposed to a *product orientation*. Product orientation in change work focuses on the actual innovation and whether it generates optimal products. Renewal orientation is not so focused on innovation itself, rather on innovation in a specific context. This orientation focuses on goals, characteristics of the municipality and the individual organisations, user needs, what the meaning and value the innovation represents in use. In this orientation it is acknowledged that both parties in an innovation (and the users of it) may have very different interests. The premises must therefore be clarified and a consensus reached through negotiations. The latter is the key to MMM. In our experience it is hard work and may be full of conflict, but it is beneficial in the long term.

MMM also has a *cultural* view of changes, which means that it is the individual organisations in the municipality that are the units for renewal. It is in relation to the individual unit (or in interaction with the unit) that the users meet the service. Work with values, attitudes, structures and competence at this level is therefore key to ensuring that change really shall mean renewal.

MMM challenges

The model municipality methodology is not fully developed, and there is a great deal that can still be better. Exciting processes have, however, been initiated at many locations and actual projects have been completed in accordance with the methodology. Here are some of the challenges we believe that the actors and MMM must work on to develop the methodology further:

1. The model municipality methodology is perceived as demanding by the actors. It is comprehensive, and it takes time. This applies in particular to the requirements related to involvement in dialogue, idea development, and local anchoring. Most model municipalities have felt uncertain in the beginning. Things have taken time, and there has been a lot of trial and error. It is important that this phase is not too long. We have seen that such experiments can benefit here from a certain formalisation with a few fixed methodical steps defined as a pilot phase. It is about:
 - having an arrangement for idea development,
 - providing active assistance for project formulation,
 - surveying internal prerequisites (where the projects are to be implemented),
 - contributing to dialogue between the employees and the management as part of the anchoring process, and
 - facilitating the use of planning tools.

External assistance will often be completely necessary in this pilot phase, not to mention an active and visible project manager. This must illustrate the methodical steps that changes from the bottom up a dependent on.

2. A key to the success of MMM is to achieve local mobilisation. We have pointed out that the individual organisation's preparedness to engage in change work is the factor that can best explain success (and the lack of such). As part of the model municipality work, the organisations must therefore be given an opportunity to work with visions and goals, climate, management and collaboration norms, strategies for the development of competence, prerequisites for the application of formative evaluation, establishment of arenas for user dialog...
3. Change processes are described as a journey sometimes, and usually an exciting journey than. Change work is to live with the unknown, learn as you go, take chances, learn from mistakes, gradually become aware of the opportunities, develop one's own competence, become more aware of what the needs a change of heart, and re-evaluate the goals as necessary based on experience. This is what development from the bottom up is. Such processes are primarily *learning* and the establishment of arenas where employees, managers and users can make contributions. The model municipalities have not been good enough at creating such arenas. A hectic environment and the demand for efficiency "kill" such needs. There is a risk then that the opportunities for renewal of practice will also be reduced.
4. We have pointed out the need to have an ownership relationship to the changes that take place above. If the change is to become renewal then this is essential. It is also dependent on creating high quality processes. Such processes encompass two variables for the involvement of employees. Firstly, the processes must have a high degree of interaction and communication, and a combination of pressure and support from both the horizontal and vertical levels in the municipality. Secondly, the processes must represent a collaboration between managers and employees with respect to both the planning and implementation.
5. Change work requires assistance. It is important to acknowledge that *everyone* needs assistance at times (and more in certain phases than others). This refers both to assistance for the implementation of the experiment as well as definition of the content. One of the intentions of MMM was the desire to mobilise the municipality's own resources. This is an important premise, but compliance is not always possible. Competence must also be provided to the municipalities. In our experience the assistance that is provided (internal or external) must be characterised by it being
 - marked by dialogue between internal and external interests,
 - based on needs and adapted to the relevant problem solution process, and
 - available when it is needed.
6. The dissemination of experience is also an important element in MMM. It is both important and right that good experiences are made available to others. It is, however, not an automatic and simple process. Internally within the organisation (between the departments in a nursing home for example) MMM is dependent on the climate and management. Dissemination between projects internally within the municipality is dependent on provisions being made to this effect centrally and the organisations that are to be the object of the dissemination having the necessary receptiveness. There may be high professional "walls" in many Norwegian municipalities.

Dissemination between municipalities is also important. The dissemination here is often through the official channels. Learning between organisations across municipal boundaries is normally limited. Dissemination takes place when the municipal management takes an interest or when someone asks about experience from other locations because they are going to start with something new.

7. MMM has achieved good results. The program has managed to break with a hierarchical tradition and illustrated it is possible to develop from the bottom up. However, the user perspective is still too weak. MMM is about developing an understanding of what it is that characterises good processes, what creates an ownership relationship, and what ensures a good dialogue. These are factors that it should be possible to transfer to the involvement of users. It will vary greatly from business area to business area how and to what extent such involvement is possible and desirable. There are differences, for example, between schools and day-care centres on the one hand and nursing homes on the other hand with regard to the opportunities for active involvement. However, it shouldn't be impossible. There are many exciting opportunities and challenges that future model municipalities should actively address here.

Change model for MMM

In conclusion, we are including an overall model for a change process in accordance with MMM (see figure 10). It is a synthesis of the submodels we have illustrated above (see figures 3, 7 and 9) and the same elaborations of the three main variables for change work as in the submodels.

The model is inspired by the work of Matthew Miles and other adapted experiences from experimental and development work in the model municipalities. The model is based on both actual experience and research. It illustrates what the variables must actively interact with each other to realise a change from the bottom up. It also illustrates important interaction between the local and central levels in the municipality. MMM does thus not represent a "slap" against the municipal management. It challenges the management and illustrates the need for renewed management where the purpose is collaboration towards common goals.

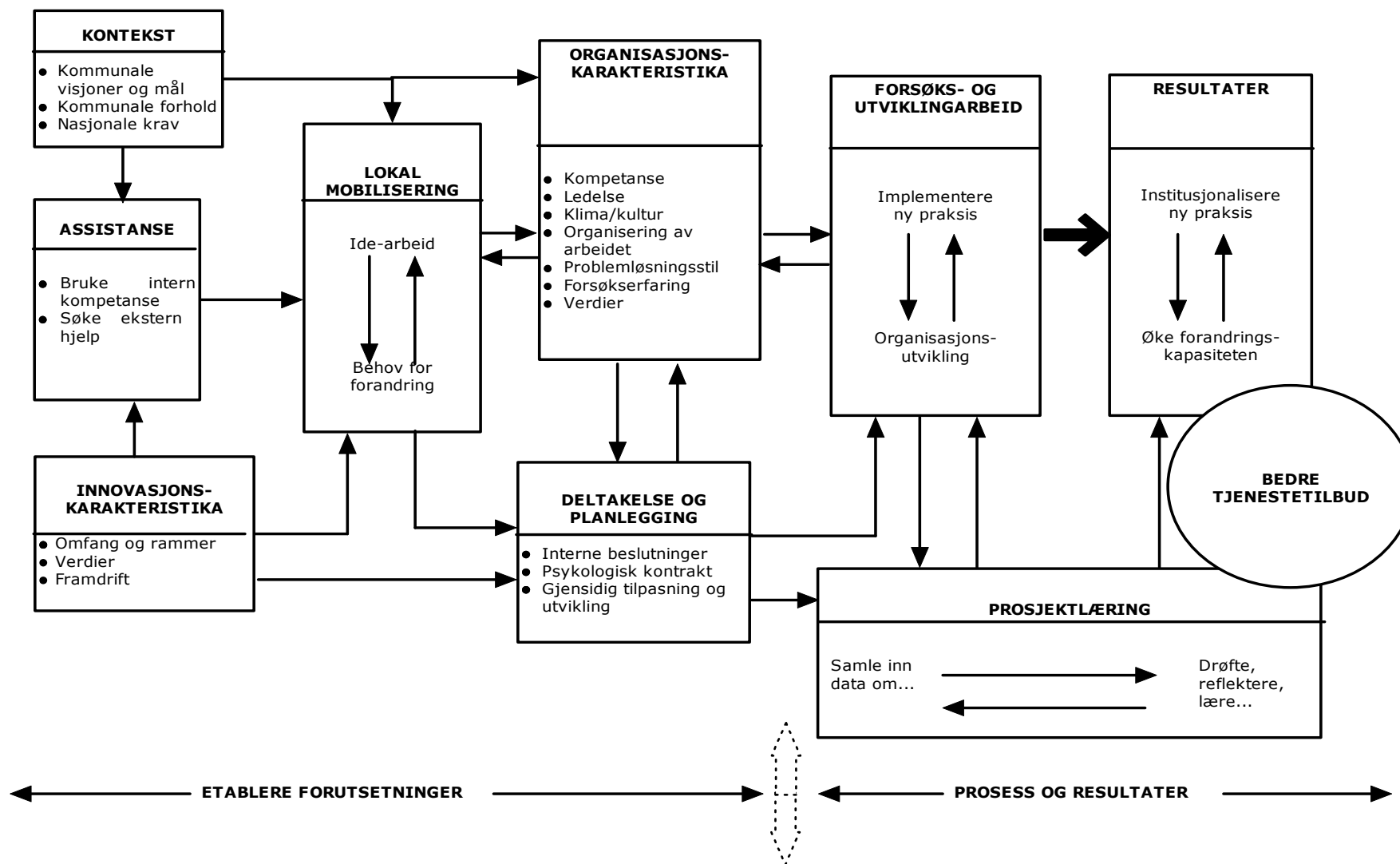


Figure 10: Change model for MMM

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