

Changing accountability relations – the forgotten side of public sector reforms

Per Lægreid • Tom Christensen



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Contents

CONTENTS	2
PREFACE	3
ABSTRACT	3
SAMMENDRAG	3
INTRODUCTION	4
THE THEORETICAL FRAMEWORK	5
Descriptive theory: Accountability theory.....	5
Explanatory theory: A transformative approach.....	7
THE CONTEXT	9
The national context.....	9
The reform context	10
FORMAL CHANGE IN ACCOUNTABILITY RELATIONS.....	11
CHANGES IN ACCOUNTABILITY PRACTICE.....	14
Political accountability.....	14
Administrative accountability.....	16
Legal accountability	17
Professional accountability.....	18
Social accountability	19
A TRANSFORMATIVE PERSPECTIVE REVISITED	20
CONCLUSION	25
REFERENCES	27

Preface

This paper is written as part of the research project "Reforming the Welfare State. Democracy, accountability and management", funded by the Norwegian Research Council. It was presented at "The Sixth *Organization Studies* Workshop", May 25.–28, 2011, Abaye des Vaux de Cernay, France.

Abstract

In this paper we investigate how a major reform in the civil service changed accountability relationships. We seek to explain these changes using a transformative approach that combines structural, cultural and environmental perspectives taken from organization theory. The reform in question is the major reform of the welfare administration that Norway passed in 2005 and implemented through 2009. The reform merged the national pension administration and the employment agency and established local partnerships with the municipality-based social services. We map formal accountability relations to see whether they were changed by the reform and how they work in practice. More specifically we address the following accountability relations: Political, managerial, legal, professional and social accountability.

Sammendrag

I dette notatet undersøker vi hvordan Nav-reformen har endret ansvarsrelasjoner. For å forklare endringene benyttes et organisasjonsteoretisk transformativt perspektiv som kombinerer strukturelle, kulturelle og omgivelsesrelaterte faktorer. Vi kartlegger i hvilken grad formelle ansvarsrelasjoner er blitt endret som følge av reformen og hvordan de fungerer i praksis. Følgende ansvarsrelasjoner undersøkes mer spesifikt: Politisk ansvar, administrativt ansvar, profesjonelt ansvar, legalt ansvar og samfunnsmessig ansvar. Nav-reformen har endret formelle ansvarsrelasjoner og ikke minst hvordan de utøves i praksis. Disse endringen kan føres tilbake til en kombinasjon av strukturelle, kulturelle og omgivelsesrelaterteforhold..

Introduction

Comparative studies of public reforms are often concerned either with features of reform processes or their effects. They usually focus on patterns of influence among actors, on efficiency and on the quality of public services (Christensen and Lægreid 2001 and 2007, Pollitt and Bouckaert 2004). Rather seldom, however, do such studies address fundamental accountability questions. Reform may change accountability arrangements, either deliberately via formal changes in design or else unintentionally, resulting in a new accountability practice (Christensen and Lægreid 2002). Normally accountability is an ambiguous issue in reform initiatives, and it has been claimed that reforms produce both accountability overload and accountability deficits (Bovens, Schillemans and t'Hart 2008). In most cases reforms involve some kind of trade-off between different accountability mechanisms and between accountability and other values such as flexibility and entrepreneurship (deLeon 1998). Administrative reform is thus not inherently inconsistent with accountability, and accountability mechanisms can be matched to public problems and agency structures that are embedded in the reforms.

In addition, accountability is itself an ambiguous and contested concept irrespective of the effects of reforms. In this paper we will use a rather narrow concept of accountability. Bovens (2007:450) defines accountability as '...a relationship between an actor and a forum, in which the actor has an obligation to explain and to justify his or her conduct, the forum can pose questions and pass judgments, and the actor may face consequences'. The focus here is on whether actors can be held accountable *ex post facto* by accountability forums. One key question about accountability is the problem of many eyes or the '*accountability to whom*' question, which focuses on the nature of the forum. Bovens, drawing on the work of Romzek and Dubnick (1987), distinguishes between political, legal, administrative/managerial, professional and social accountability. We will look at all these types of accountability. The traditional mechanism of upward political accountability to the parliament becomes problematic in a complex state with administrative reforms that deploy a concept of extended accountability, for here traditional accountability is only part of a cluster of mechanisms through which public bodies are held to account (Scott 2000).

In this paper we use these definitions of accountability to investigate how a major reform in the civil service changed accountability relationships. We seek to explain these changes using a transformative approach that combines structural, cultural and environmental perspectives taken from organization theory (Christensen et al. 2007). The reform in question is the major reform of the welfare administration that Norway passed in 2005 and implemented through 2009. The reform merged the national pension administration and the employment agency and established local partnerships with the municipality-based social services. We will map formal accountability relations to see whether they were changed by the reform and how they work in practice. Our data are taken from a large evaluative study of the reform and are based primarily on public documents and interviews with the political and administrative elite. Altogether

26 administrative executives in the central welfare agency and the ministry as well as political executives were interviewed in 2010.

First, we present our theoretical framework which consists of descriptive theory focusing on accountability theory and explanatory theory addressing a transformative approach. Second we present the national context as well as the more specific reform context. Third, we describe the formal changes in accountability relations of the reform. Fourth, we address the changes in accountability practice of the reform along the dimensions of political, administrative, legal, professional and social accountability. Fifth, we explain the changes in accountability relations by using a transformative approach. Finally, we draw some conclusions.

The theoretical framework

Descriptive theory: Accountability theory

Accountability is an elusive, complex and multi-faceted concept. It is helpful to distinguish between the conceptual question of what is meant by accountability, the analytical question of what types of accountability are involved, and the evaluative question of how to assess accountability arrangements (Bovens 2007, Bovens, Curtin and t'Hart 2010). In this paper we will focus on the second analytical question. Accountability embraces several different aspects: first, there is the problem of many eyes or to whom an individual or organization is accountable; second, there is the problem of many hands or who is accountable; third, there is the question of what one is accountable for; and fourth, the nature of the obligation. This paper addresses the first type of accountability. Public organizations are accountable to a number of different forums that apply different sets of criteria.

Romzek and Dubnick (1987) analyzed the Space Shuttle Challenger accident from an accountability perspective, highlighting the institutional factors that may have influenced the disaster. They state that a narrow accountability concept involves 'limited, direct and mostly formalistic responses to demands generated by specific institutions or groups in the public agency's task environment' (Romzek and Dubnick 1987: 228), while a broader concept 'involves the means by which public agencies and their works manage the diverse expectations generated within and outside the organizations' (ibid.). Based on the broader concept they outline two important dimensions: whether the ability to define and control expectations is held by some specific entity inside or outside the agency; and the degree of control that the entity is given over defining that agency's expectations. Combining the two dimensions produces four types of public accountability: *Bureaucratic accountability* denotes a high level of internal control by and accountability towards political-administrative leaders. *Legal accountability* denotes strong control by and accountability towards an external actor, for example a lawmaker. *Professional accountability* is internally related, is low on control and deals with professional standards and expertise. *Political accountability* represents a rather low level of external control of an agency by different actors or institutions in the environment and is often labeled responsiveness.

Bovens' (2007) research builds on that of Romzek and Dubnick, but extends and elaborates their accountability perspective. He distinguishes between a broad and narrow accountability concept and locates that distinction along a normative/descriptive divide. Accountability in a broad sense is seen as normative because it is often defined as something positive, close to responsiveness. However, since there is no consensus on the standards of accountable behavior – civil servants engage in different and competing types of behavior that may be deemed more or less appropriate according to context – the concept is contested. (Christensen and Røvik 1999, March and Olsen 1989). As mentioned in the introduction, the narrower concept of accountability Bovens uses focuses on the obligations an actor has to give information and to explain and justify his/her conduct to a forum and that forum's right to pass a judgment that has consequences for the actor. He says that accountability is by nature retrospective – i.e. a form of ex post scrutiny – but can also be preventive and anticipatory, meaning that it can provide input for ex ante policy-making. Accountability relationships presuppose both that the actor being held accountable will play an active role in providing information about and adjusting his/her behavior, but also that the forum holding someone to account will actively seek information, discuss accountability matters and use the instruments it has to adjust the behavior of the actor.

Building on Romzek and Dubnick's research (1987), Bovens (2007) elaborates on five types of accountability based on different types of forums an actor must report to. He sees *political accountability* as built on a chain or set of principal-agent relationships, i.e. the voters delegate their sovereignty to popular representatives in elected bodies, who further delegate authority to the cabinet and the civil service. Their accountability then moves in the opposite direction, from the civil service to the cabinet/ministries, from the cabinet/government to parliament and from parliament to voters. In addition, political parties and the media can function as informal forums for political accountability. Thus political accountability can include accountability to the minister or the cabinet within the executive branch as well as to the parliament (Storting) and to the public at large (Mulgan 2003).

According to Bovens, *legal accountability* is becoming increasingly important in public institutions as a result of the increasing formalization of social relations and because there is greater trust in the courts than in parliament, whether these courts are civil courts or special administrative courts. Legal accountability is seen as the most unambiguous type of accountability, since it is based on specific formal or legal responsibilities.

Administrative or managerial accountability is about making those with delegated authority answerable for carrying out agreed tasks according to agreed performance criteria (Day and Klein 1987). It is exercised by a range of scrutiny bodies that as quasi-legal forums carry out independent and external administrative and financial supervision and control of ministries or agencies. These may be auditors, inspectors, controllers, general offices, ombudsmen, independent supervisory offices, anti-fraud offices, auditing offices, etc. They may be primarily concerned with financial scrutiny or else focus more broadly on ensuring efficiency or effectiveness, as in performance auditing. Often they are linked to agencification and contract systems, but also to performance management systems, management-by-objectives-and-results systems and to the trend towards managerialism

in public administration, labeled as an ‘audit society’ by Power (1997). Contemporary reforms have put strong emphasis on managerial accountability, which means that managers on the one hand have been granted extended autonomy but on the other hand are made more directly accountable for their ability to produce measurable results and to run their organizations efficiently (Wallis and Gregory 2009). Political accountability should be confined to two functions: first, setting objectives; and second, evaluating policy based on an assessment of the results. Managers are left to get on with the rest of the business of government within a system of clear separation of policy making and policy implementation (Painter 2011).

Professional accountability deals with the mechanism of professional peers or peer review. Particularly in typical professional public organizations different professions are constrained by professional codes of conduct – i.e. catalogues of conduct deemed appropriate – and scrutinized by professional organizations or disciplinary bodies. It is a system marked by deference to expertise where one relies on the technical knowledge of experts (Romzek and Dubnick 1987, Mulgan 2000). This type of accountability is particularly relevant for public managers who work in public organizations concerned with professional service delivery.

Social accountability arises out of a lack of trust in government and the existence of several potential social stakeholders in the government or public apparatus. This produces pressure on public organizations whereby they feel obliged to account for their activities vis-à-vis the public at large, stakeholders, or (civil) interest groups and users’ organizations, via public reporting, public panels or information on the internet.

Bovens (2007) not only adds social accountability as a new type of accountability; he also differs somewhat from Romzek and Dubnick (1987) in his categorizations of the other types of accountability. Concerning political accountability Bovens focuses mainly on the chain from the sovereign people to administrative actors, a combination of external and internal elements, while Romzek and Dubnick evaluate this as a more general responsiveness by a public agency to actors and institutions in the environment. Legal accountability is for Bovens more associated with the courts while for Romzek and Dubnick it may also relate to the legislator. Bovens sees administrative accountability as connected to external scrutiny bodies, while bureaucratic accountability for Romzek and Dubnick is internal and related to the political–administrative leadership. Professional accountability is defined in roughly the same way by both.

Explanatory theory: A transformative approach

A transformative approach to public reforms focuses on three sets of factors – represented by a structural–instrumental perspective, a cultural–institutional perspective and an environmental perspective – that constrain and enable political and administrative leaders in their efforts to decide on and implement public reforms (Christensen and Lægreid 2001 and 2007).

The *structural–instrumental perspective* implies that political and administrative leaders are the actors who dominate decisions about and the implementation of reforms, either through hierarchical steering and control or through negotiation processes (March and Olsen 1983). They have unambiguous goals and choose a structural design for public

organizations that fulfill these goals, i.e. they score high on rational calculation or clear means-end thinking (Dahl and Lindblom 1953, Gulick 1937). In such situations, when goals are clear and means are known, accountability for results and bureaucratic accountability are possible (de Leon 1998).

This perspective will see accountability relationships as formal, structural or instrumental, which means that it is primarily related to the three types of accountability mentioned above – political, legal and administrative/bureaucratic accountability – and more specifically primarily to their internal aspects where the formal aspects are more clearly defined. Based on this perspective the question will be whether reforms involve formal and structural changes that may have implications for accountability practice in public organizations.

A *cultural–institutional perspective* takes as a point of departure the fact that, in addition to the formal and structural aspects of public organizations, there are important cultural factors that will influence reform processes and their effects. Through a gradual and natural process of adaptation to internal and external pressure public organizations become institutionalized (Selznick 1957). In the process a unique set of informal norms and values develops that characterize that institution. Cultural factors may enhance structural and instrumental aspects of reforms, but they may also potentially undermine them.

If we apply these perspectives to the different types of accountability we see that professional accountability is typically cultural in nature, because it deals with professional norms and values and processes that are not formally defined. Professional accountability becomes most appropriate when goals are clear but means are not (de Leon 1998). Social accountability is also typically cultural in essence, for here actors account for their activities not because of a formal requirement but simply because they feel they have a ‘moral’ or cultural obligation to do so (March and Olsen 1989, Olsen 1988) and because they would like to underscore their own institutional basis. The other types of accountability also have cultural elements. Political accountability, as defined by Bovens (2007), is not only about formal aspects, principal-agent relationships and incentives, but also about culture. It is an integrative political culture that makes parliaments attend to popular sovereignty and votes, even if this is a complex relationship. In parliamentary democracies, the cabinet is often formally based in parliament and accountable towards that body, but this relationship is also based on cultural path-dependency. It is therefore appropriate that the cabinet should have a lot of discretion in enacting its mandate, for example in organizing the executive apparatus. And the relationship between political and administrative leaders, or between administrative leaders and ordinary civil servants, as represented in administrative or bureaucratic accountability, is not only about formal aspects but also about acting in culturally appropriate ways (March and Olsen 1989). According to this perspective, we must ask whether a reform implies changing cultural norms and values and what the effects on accountability might be.

An *environmental perspective* on reforms starts from the notion that a public organization has two types of environment: the technical environment and the institutional environment (Meyer and Rowan 1977). The relationship to the technical environment is transactional and instrumental, and a crisis environment may increase

pressure for reforms, like in New Zealand (Aberbach and Christensen 2001, Boston et al. 1996). Both political and legal accountability have environmental components, and we must ask whether a reform implies pressure from and changes in the technical environment that may influence accountability relationships.

The institutional environment is more related to myths and assumptions, i.e. tacit agreement exists at a rather abstract and symbolic level that certain reforms or certain ways of organizing public organizations are modern and efficient and should be imitated by countries and public organizations (Meyer and Rowan 1977). International organizations or strong countries may be instrumental in spreading these myths, while at a domestic level ministries, agencies or consulting firms may act as reform and concept entrepreneurs (Sahlin-Andersson 2001). Overall, the focus on accountability could be a myth or fashion, as in Bovens' (2007) interpretation of accountability as a broad normative category. It is taken for granted that more accountability mechanisms – represented by external scrutiny bodies, for example – will make public organizations more modern and better. With respect to political accountability, myths can be used along the whole chain from voters/general public, via parliament to the cabinet and the executive apparatus. Professional accountability may also be related to myths, like certain aspects of 'evidence-based' medicine, while social accountability is strongly related to how political and administrative leaders present themselves to society and the general public, i.e. they try to create a certain image and to influence how the environment defines public organizations and their leaders. Based on the institutional environment, we can ask whether a reform is influenced by myths and symbols and how this may influence accountability relationships.

The context

The national context

In Norway there are two partly contradictory doctrines informing accountability relations. First, we have the principle of *ministerial accountability* which implies that the minister is responsible to parliament for all activities in his own ministry and in subordinate agencies and units (Christensen 2003). This principle enhances strong line ministries and weak overarching ministries. Specialization by sector is strong and there are weak horizontal coordinative instruments. Second, we also have a strong principle of *local self government*, implying that local government is responsible for local policy that might be loosely coupled to central government policy. This principle enhances strong municipalities and weak coupling between central and local government. Specialization by area is strong and there is weak inter-governmental coordination.

Over the past 20 years the strong principle of performance management, or *management-by-objective-and-results* has been introduced, which is a tool for superior administrative bodies to control subordinate agencies and organizations mainly within the same ministerial area (Læg Reid, Roness and Rubecksen 2006). By specifying objectives and performance indicators and establishing mandatory systems of performance reporting the central bodies try to enhance their control over subordinate

bodies and increase efficiency and effectiveness. In addition to these three principles there are also strong norms of *professionalism*, expert governance and evidence-based policy making; *Rechtsstaat* values enhancing principles of impartiality, predictability and due process; and strong norms of *participation* in the policy making process by external stakeholders, interest groups and user interests (Egeberg 1997). The principle of corporative participation has been strong in the Norwegian political-administrative system since the Second World War (Olsen 1983). The connections between these doctrines and norms and the mechanisms of political administrative, professional, legal and social accountability are pretty close.

The reform context

During the 1980s and 90s clients and civil servants in the welfare administration in Norway became increasingly critical of the fragmentation of service delivery, which was seen as especially problematic for the multiservice clients who had to visit many different public offices to claim their benefits. These actors put pressure on the Storting to initiate changes in the structure of the welfare administration, but were unsuccessful in their efforts until 2001 when a strong enough coalition was formed to ask the government to come up with a unified solution for the welfare administration (Christensen, Fimreite and Lægreid 2007). The minority coalition government was reluctant to accept this demand and sent a report back to the Storting saying that they did not support the idea of a unified service. A majority in the Storting was dissatisfied with this answer and replied that the government must deliver a more holistic service. This resulted in the government deciding to establish a public committee of experts to look into the matter. Their conclusion was that the basic fragmented structure was sound, but that the unemployment and social services should collaborate more closely at the local level.

The minister for the welfare administration who came to office in 2004 now headed a ministry that for the first time had all the relevant welfare services in one ministry. Realizing that it was politically impossible to come back to the Storting with yet another fragmented solution, he proposed a compromise that entailed a partial merger. The main goals of the compromise were to get more people off benefits and into work, to offer a more user-friendly and coordinated service and to be more efficient.

The administrative welfare reform was primarily a structural reform, consisting of two crucial elements. The first entailed a merger of the agencies for employment and the national pensions system, creating a new welfare agency (NAV) on all levels (Christensen, Fimreite and Lægreid 2007). The second element entailed the establishment of a local partnership between this new agency and the social services at the local level run by the municipalities. The idea was to locate all services in one place and reduce the number of tasks involved to a minimum. Two aspects of this solution are worth mentioning. One is that it was politically impossible to propose a completely unified welfare administration, because that would have implied that it should be run either by central or by local government, which was not politically feasible. The second aspect is that the legally enshrined mandatory partnership required the support of the local authorities and their central organization, and one way to do this was to allow a

dual local management in the welfare offices, making it easier for both actor groups to be represented and also allowing the municipalities to offer more services in local offices, over and above the minimum required. This might be seen as the central state increasing its influence and interfering in local self-government, but it could also be interpreted as local government getting central government to finance more local services.

After the Storting approved the reform in 2005, an interim period of one year followed during which the old organizations continued to run as usual while the new internal structures were being discussed and decided on. The new welfare administration officially began operating in 2006. It was based on a central partnership agreement between the government and the central organization for the municipalities followed by local agreements between the new NAV agency and all the municipalities. The process of establishing local welfare offices in all municipalities took four more years to finish.

In 2008 the reformed system underwent two significant reorganizations. One was the establishment of six regional pension offices, while the other entailed the establishment of county-based administrative back offices. This involved shifting quite a few personnel resources from the local level up to the regional level. The main arguments for this were that regional units provided an opportunity to increase the quality of casework. What this meant in practice was increasing competence and introducing more standardization, equal treatment and efficiency with respect to different benefits, while at the same time giving local offices the opportunity to focus on their two main tasks: providing information and guidance for their clients and helping the clients to get work. Central political and administrative actors, both in the ministry and in the welfare agency, saw this reorganization of the reform as a major precondition for fulfilling the aims of the original welfare reform. The paradox, however, was that the reorganization potentially undermined the original main reform idea of strong welfare offices in each municipality.

Formal change in accountability relations

In this section we locate Norwegian types of accountability in the context of the theoretical discussion above. We also outline the questions asked in interviews with elites about changes in accountability resulting from the major NAV reform. The focus here is on the formal changes in accountability relations brought about by the NAV reform.

Political accountability. Our definition of political accountability concurs very closely with Bovens' (2007). Norway espouses the principle of individual ministerial accountability whereby the minister is accountable to the parliament – the Storting – for everything that goes on in his/her executive administrative apparatus, meaning the ministry and the subordinate organizational levels and units. Within a ministry the administrative leadership is accountable to the political leadership, as are the directors of the agencies and regulatory agencies. Olsen (1983) labels this the 'parliamentary chain of command'.

In addition to this principle Norway also adheres strongly to the principle of local self-government. Normally these two principles are loosely coupled and some of the main challenges in the Norwegian political administrative system have been about how to link accountability upward to the parliament with accountability downward to the local council. This was a central issue in the NAV reform since two of the tasks – pensions and the labor market – were central government responsibilities while the third – social services – had traditionally been the responsibility of the municipalities.

We differ from Bovens in seeing this parliamentary chain less as an ‘economic man’ set of relationships and more as an ‘administrative man’ set of accountability relationships governed by bounded rationality and based on a structural–instrumental perspective. The focus in our question on political accountability was whether the elite respondents thought the reform had brought about any changes in the relationship between the new welfare agency and the political leadership on the one hand, and in the relationship between the political leadership and the Storting on the other.

One important formal change in accountability relations was the concentration of both pensions and labor market affairs in one ministry, which streamlined accountability relations from the previously loosely coupled and partly competing relationship between different ministries with responsibility for different tasks. Formally, the new NAV agency was established within a rather traditional ministry-agency model, implying a rather close relationship and considerable interaction between the ministry and agency. This is interesting coming after 10–15 years of devolutionary tendencies in the Norwegian civil service in which agencies have moved away from the political executive (Christensen and Lægreid 2001). One major reason for sticking to a model with considerable potential for political control is that this is the largest central administrative reform ever and a very crucial political area. Normally, the Storting would be rather passive concerning the organization of the central public apparatus, because this is seen as the executive’s prerogative. The NAV reform is different in this respect, because the Storting initiated the reform and pressured the executive to come up with a solution, and it has been very active in following up on the reforms following their implementation. This offers potential for what in the US is labeled ‘sub-government’ (Gormley 1989), in this case implying a rather hands-on attitude from the Storting.

The biggest change in formal accountability relations the reform implied was the introduction of the partnership arrangement between central and local government, which was supposed to be an organizational innovation that would resolve the contradictions between the principle of ministerial responsibility and the principle of local self government. The partnership is compulsory by law and mandatory for all municipalities. The law stipulates that there should be one welfare office in every municipality and that the welfare office should be a joint front-line service, implying co-location of the social services administration and the new integrated employment and welfare administration. The welfare office can either have a joint management or a dual management arrangement, with one manager from the municipality and one from the employment and welfare administration (government). From the municipal side the welfare office should as a minimum include financial social assistance, financial advice and the provision of housing for the homeless; in addition each individual has the right to have a social and welfare services plan worked. These one-stop shops are based on

fixed, regulated, binding but also flexible co-operation agreements between the central and the local authorities, which are negotiated between the regional NAV office and the individual municipality (Fimreite and Læg Reid 2009). Summing up, the partnership model introduced by the NAV reform is a public–public partnership comprising only public partners at the central and local levels. The partnership was envisaged by the reform agents as a ‘Columbian egg solution’ that would simultaneously establish a one-stop shop in every municipality in which all three services were included and accept the present division of tasks and responsibilities between central and local government to fulfill common goals.

The partnership model in NAV is a hybrid of hierarchy and network and tends not to clarify lines of accountability (Fimreite and Læg Reid 2009). A key question in this model is how one can have joint action, common standards and shared systems on the one hand and vertical accountability for individual agency performance on the other. The challenge is to better balance accountability to central government, accountability to the local council and social accountability (Christensen and Læg Reid 2007). There is a built-in inconsistency in the NAV reform. It claims to empower users and clients, to free managers, to enhance administrative accountability and to strengthen political control by both central and local political bodies. But in reality it is difficult to achieve these things simultaneously.

Administrative accountability. Administrative accountability in Norway is primarily concerned with different aspects of performance management, meaning that this type of accountability is more focused on internal administrative processes than political accountability, where the crucial question internally is the relationship between the political and administrative leadership. Political leaders in Norway are not very involved in performance management, which in many ways is rather technical. Management-by-objectives-and-results is a main steering tool in the NAV organization, both between the ministry and the NAV agency and internally between the central NAV organization and the local branches. In addition a purchaser–provider-model has been established between the NAV agency and a quasi-autonomous internal body providing ICT and other services. But performance management in Norway is also carried out via the Auditor General’s Office, so there is a component of external scrutiny here. In this respect our question to the elite respondents on administrative accountability combined the internal focus of Romzek and Dubnick (1987) with the external focus of Bovens (2007).

Legal accountability. The court system’s rather low political and administrative status means that Norway deviates from the definitions given by the authors mentioned above of legal accountability as an externally related factor. Norway does not have a system of administrative courts, and few political or administrative matters reach the ordinary courts; instead they are handled in political–administrative decision-making processes. This is slowly changing, partly because of Norway’s adaptation to the EU, which puts more emphasis on individual rights.

In NAV there is a unit for complaints within the central body for special units. These replicate comparable units in the two agencies that formerly constituted the NAV. If clients are not satisfied with a decision made by the complaints unit, they can appeal to a special court which deals mainly with pension cases, i.e. this is deviating from the

common pattern. In some cases they can also complain to the Parliamentary Ombudsman, but his/her opinions and decisions are not binding for the central administration. Judicially the NAV is internally accountable, for there is no external judicial scrutiny body that covers the whole of NAV, even though the Office of the Auditor General exercises some of the functions entrusted to judicial watchdogs in other countries; moreover, as already mentioned, the pensions court also has a role to play.

The crucial questions we put to our respondents on the impact of the reform on legal accountability was derived from a more general principle of rule of law. We asked three questions specifically related to legal accountability: one concerned the rule of law and the judicial rights of clients; the second concerned equal treatment of similar cases and standardization; and the third was about how to organize a complaints procedure within NAV. This pertains more to the internal connection between the welfare administration and its clients than to external judicial scrutiny.

Professional accountability. Two types of professional competence, representing the professional cultures formerly related to pensions and employment, are covered in the new NAV agency. In addition the professional culture of the social services in the municipalities also comes to bear in the local welfare offices. Historically the pensions administration had a rather traditional rule-oriented culture characterized by a focus on single cases, and this profile did not change much in the run-up to the reform. The employment administration was traditionally a government monopoly managing a lot of resources and a variety of programs designed to help people find a job – a typically social democratic policy feature. During the final decade before the reform, the employment service changed considerably. It underwent a modernization and found itself competing with private employment providers. The social services in municipalities had historically been based largely on discretion and local knowledge and were dominated by social workers, but over time they became more professional and rule-based.

Social accountability. Using Bovens' definition of social accountability (2007) we asked our elite respondents about possible changes in social accountability brought about by the reform focusing on two aspects: their relationship with clients and societal relationships.

Changes in accountability practice

Political accountability

The basic question concerning political accountability in the NAV reform is whether the relationship between the political executive and the sector ministry on the one hand and the new NAV agency on the other has changed in reality, even though it has not changed formally. The other relationship is the one between the parliament, the Storting, and the government and the agency. The elite interviews revealed a number of prevalent attitudes regarding changes in the actual political accountability relationship. First, respondents seemed to agree that reforms had little impact on the policy

development function in the sense that it continued to be based in the political executive. Nevertheless, a majority thought that in reality the pattern of influence had changed in favor of the NAV agency. This had mainly to do with the size of the NAV agency and the whole NAV organization (15000–20000 employees), which gave it the upper hand concerning expertise. Moreover, the complexity of this enormous organization made it difficult for the ministry to gain insight and information and to handle that information (see Brunsson 1989). The period 2006–2009 was also a time when the municipalities were very preoccupied with implementing the reform, which put the ministry at an even greater disadvantage. Despite the fact that the political leadership is now steering one instead of three separate administrations and the NAV reform is a salient policy area, the ministry lacked alternative information, making it dependent on the leadership of the agency. Frequent changes of minister also weakened the influence of the political executive.

Second, even though the actual political accountability pattern has changed and respondents saw the NAV agency as strengthening its position, few of them thought this would increase conflict. The political–administrative leadership in the ministry and the leadership in the agency seem to be in close contact and agreement, but, as indicated, the top leadership of the agency seems to have strengthened its role in influencing important decision premises, thereby in reality tilting the unchanged accountability relationships.

Third, even though the performance management system, inspired by NPM, is meant to make a less ambiguous distinction between the political and administrative roles, some respondents said there was more ambiguity than before concerning political and administrative jurisdiction and that the two groups of actors tended to offload responsibility onto each other (‘passing the buck’), especially in times of crises. Some of the respondents also thought the director of the NAV agency had been made a scapegoat and had to some extent accepted this role when external criticism had been strongest, implying that the position of director had become politicized, but also that the director had room for manoeuvre.

Fourth, according to the respondents the Storting has been more active than normal in two different ways. First, it has exerted strong and consistent pressure on the government and to some extent on the agency as well, for example by staging a high-profile public hearing on NAV in the Storting. Second, it has used alternative information from the organizations, allowing users and employees influence through the media. This has shifted the focus more onto single cases and clients and away from the effects of the new system as such, which at times can be frustrating both for the political leadership and for the leaders of the NAV agency. In this respect there has also been a tendency to blame NAV for everything, even issues relating to the municipalities and their social services, over which NAV has limited control, as well as for a number of problems originating in other sectors. Overall, however, despite the Storting’s hands-on approach to NAV issues, the respondents seemed to agree that the Storting was also losing influence – as was the political executive – vis-à-vis the NAV agency. This happened despite an unchanged accountability relationship to the Storting.

In theory the partnership model should be a partnership between equal partners, but in practice the central government tends to become the big brother and to have the

upper hand in the partnership arrangements. This seems especially to be the case with respect to the many small municipalities, while in the few very large municipalities it seems to be the other way round. The fact that the municipal part of the local office is subordinated to steering from locally elected representatives while the government part is subordinated to the ministerial chain of command leads to a problematic double-steering arrangement at the local NAV office (Fimreite 2010). There are more than 70 different local solutions regarding the task portfolio, which does not make accountability relations easier either (Christensen and Aars 2011). The local NAV offices represent a combination of standardization and local adjustments (Fimreite and Hagen 2009). In practice the partnership does not live up to the expectations of a real partnership and the partnership model reduces rather than strengthens the local room for maneuver (Fimreite 2010).

This practice also has implications for accountability. Seen from a social accountability point of view the partnership model and the one-door approach can be an advantage for users. The problem, however, is that the partnership model blurs political accountability for services, making it difficult for citizens to discern which political level is accountable for what service and hence which politicians should be held accountable in general elections (Askim et al. 2010, Fimreite and Lægveid 2009). This is a common feature of network-based governance structures (Aars and Fimreite 2005) and the question is whether these kinds of arrangements reduce local government autonomy.

The conclusion we reached from the survey responses is that the political accountability relationship in reality has changed. The NAV agency and its leadership have strengthened their position both vis-à-vis the Storting, the central political executives in the ministries and local government.

Administrative accountability

Formally, there seem to have been few changes in hierarchically based administrative-economic accountability as a result of the NAV reform, which means that it is characterized by a rather complex system of performance management and management by objectives, based in letters of intent from the ministry, internal plans and performance systems, and control and reporting systems, like in any agency. But the respondents seem to agree that the reform has changed actual administrative accountability in the direction of increased bureaucratization, although the features they identify and the reasons they give differ.

First, the respondents seem to agree that the Office of the Auditor General has become much more active towards NAV than it previously was towards the agencies forming NAV. The Auditor General has about 40–50 people working with different aspects of NAV, which represents a lot of capacity. The respondents seem overall to be critical towards this external scrutiny, saying that it is excessive, too detailed and shifting, too control-oriented and insensitive to the fact that NAV is a huge and complex organization that has made a great effort to set up local offices and implement the reform. It is also worth mentioning that the Office of the Auditor General wrote a very critical report on NAV, which resulted in the above-mentioned public hearing in the

Starting. One of its main criticisms was the loose connection between the general goals in the state budget and the objectives and performance indicators formulated in the letter of allocation between the ministry and the NAV agency.

Second, many of the respondents seem to think that internally the NAV agency has had a tendency to create too many staff functions related to control, without clearly defining their roles, hence the increasing emphasis on systems of control and risk steering. The multiple and changing routines are perceived as challenging, even though some of them are actually held to work rather well. Some respondents say that the apparent increase in problems of control is also related to exposing old problems. Result steering has had trouble getting off the ground in NAV. The tendency seems to have been to shift the steering focus from the overall goals of the reform to details of control. Overall, some of the respondents perceive rather loose coupling between the large central control capacity and actual control activities on the local level. These problems of managerial accountability are also partly due to the lack of an integrated ICT system, which makes it difficult to get systematic and reliable data.

Third, uniform quality standards for the entire organization have failed to be defined. National routines for measuring quality are lacking, and quality varies considerably between counties and local NAV offices. The performance management system measures activities and output more than outcome (Breivik 2010).

Fourth, the local partnership model is rather ambiguous concerning responsibility for the activities of local offices. Because this is a hybrid organization that represents a collaboration between the central government NAV agency and the social services of the municipalities, based in local democracy, it has not, for example, been possible to introduce a performance management system for the municipalities; the principle of local self governance implies that local governments may have goals and objectives that are not in line with those of central government.

Fifth, it proved difficult to get the purchaser-provider model to work, and this arrangement at the central agency level was dismantled after a short period. Sixth, building up regional level pension and management units at the expense of the local NAV offices and the partnerships has strengthened administrative accountability relations. Transferring personnel as well as tasks from the local partnership level to the regional state government level also tends to strengthen administrative accountability relations.

Summing up, the reform seems to have brought increased bureaucracy in control and scrutiny systems designed to secure administrative accountability, concerning both the number and type of control systems and personnel and administrative capacity. It is, however, difficult to get a simple management-by-objectives-and-results system to work as a steering tool for such a large and complicated agency as the NAV.

Legal accountability

First, several of the respondents underscored that the reform had revealed the problems of the rule of law and quality of the casework in the old system. This came about through the reform's introduction of less ambiguous rules and less discretion and, as mentioned above, more control systems and activities. The downside is more

complicated rules and control systems. There is also some doubt about whether increased formalization is enough to bring about equal treatment, and some respondents pointed to geographical inconsistencies in the treatment of apparently similar cases.

Second, many of the respondents thought the reorganization of the reform in 2008, which established county-based back-offices, had improved the rule of law and made the treatment of clients more equal. The argument was that with fewer units, around 25 units on the regional level instead of 430 local offices, it had become easier to benchmark. Larger areas of competence also improved the situation for clients, because it made it easier for the providers of different types of benefits to exchange information and hence to provide more equal treatment. In addition it is now possible for the leadership to exert pressure in this direction and make employees more aware of the importance of equal treatment. Respondents also pointed out that common method-related instruments were required for the discretionary handling of cases and that employees needed to be trained in this area, particularly with respect to local social services.

Third, some of the respondents were concerned about the complaints system in NAV, i.e., with how easy it is to complain and how the complaints mechanism is organized. Some pointed to the fact that a good application process would provide more legitimacy when clients complained, while others emphasized that more control systems might be seen as negative by clients, particularly those whose applications were rejected. There has been some discussion about whether a regulatory agency or an ombudsman is needed in the welfare organization for centrally based governmental services, but this discussion has yet to be concluded, although there is already an ombudsman for locally based welfare services. The Storting has contributed to the politicization of this question, because it is preoccupied with the treatment of single cases, as revealed in the complaints process, which showed system problems.

Summing up, judicial accountability has changed as a result of the restructuring and increased focus on control and the formalization of the complaints process brought about by the reform. Overall this is perceived as enhancing the rule of law and equal treatment of clients. Respondents also attributed these effects to the establishment of country back offices.

Professional accountability

Most of the respondents describe a rather turbulent and challenging situation for professional accountability in NAV after the reform. Overall they agree that there is a need to join-up the different professional cultures and that this process is likely to be beset with tensions. They disagree, however, about what are the most important aspects of this and whether there are reasons to be optimistic or pessimistic about the prospects for developing a new professional culture.

The optimistic take is that the reform has led to more focus on professional knowledge and accountability and that there are bound to be professional synergy effects of such a merger or collaboration between professional cultures, even though the process has yet to be completed. A large organization may also benefit from having some tension between different professional groups and tasks. Tensions will also differ

depending on how heterogeneous some units are professionally, and there has been some talk internally about creating a common NAV education.

The negative arguments are different. Some say that developing a general professional ideal is unrealistic in an organization handling 55–60 different tasks or sub-services. There has also been some conflict among professional groups about the organizational and professional positions in the new organization. Professional groups from the former pensions and employment administrations have had problems focusing sufficiently on professional development, tending to fall back on traditional methods and professional approaches. Professionals in the NAV agency seem to mistrust the professionalism and problem-solving capacity of the local social services. This may be because the partnership model is ambiguous about how to develop the professional aspects. A strategy for competence development seems to be lacking.

While the respondents may disagree about the effects of the reform on professional accountability, they also perceive some parts of the new organization as functioning well in this respect, while they see others as struggling or not making a sufficient effort.

Social accountability

First, concerning the relationship to clients, some respondents pointed out that the reform had made the situation more complicated for users because units, employees and tasks had been moved around. This is basically seen as a disadvantage for the clients, because it destabilizes the employee-client relationship, even though some users may benefit from changing their contacts. However, the larger units implied by the reform may eventually restore stability.

Second, the merger or collaboration of three types of welfare services is seen as improving competence and increasing the probability that clients' needs will be fulfilled. The needs of clients have become more important in the new organization, because that is the crucial relationship for measuring the effects of the reform. User surveys are used more intensively than before in NAV. Face-to-face contacts are thought to have improved, while telephone services are struggling.

Third, there is agreement that multi-service users are better off after the reform, i.e. one of the main aims of the reform seems to have been fulfilled. But there are more doubts about how the users of only one service are coping in the new complex system.

Fourth, there seems to be some disagreement about how the reform has changed the relationship between the NAV agency and the users' and employees' organizations, although most respondents judged this as negative. Some few respondents stressed that contact was closer after the reform than before, while others thought the organizations had lost influence, partly as a result of their contacts with the Storting and their focus on single cases, and the fact that the ministry and the agency tried to avoid involvement in single cases. There is a forum for contact with the organizations, but it is not used much. The dialogue with stake-holders in the labor market – the large employers' and employees' organizations – seems to have weakened, and NAV's function as a societal actor in this respect is not strong.

Summing up, respondents paint a rather mixed picture with respect to the reform's effects on social accountability.

A transformative perspective revisited

Using a transformative approach to explain the weakening of *political accountability*, we can start with an instrumental or structural perspective. As mentioned, the formal accountability relationship between the political leadership and the NAV agency has not changed as a result of the reforms, but actual political accountability does seem to be changing nonetheless. Why is that? One important factor is size and complexity (Egeberg 2003), which makes it rather difficult for the political leadership to follow up on the reform and makes it more dependent on the NAV leadership. The political leadership faces the paradox to which Brunsson (1989) pointed, namely that politicians in modern societies increasingly lack information about and influence over what is going on in subordinate agencies and public companies but still often get the blame when things go wrong. With the exception of the blame question, these are issues in this reform too. The government comes in for a lot of criticism from the Storting and the media, which makes it more dependent on the NAV leadership and hence tempted to blame the NAV for shortcomings. The latter factor reflects the importance of the technical environment.

The cultural perspective may also help to explain why political accountability is changing and why the position of the political leadership has weakened. Path-dependency has led the government to choose a rather traditional model for the ministry-agency relationship. This creates problems because the NAV agency and its subordinate organization are so huge and complex. At the same time, the Storting has deviated from its historically passive attitude to administrative reforms, exerting more pressure on the political executive and making this pressure more difficult to handle. Political accountability is also influenced by the institutional environment – i.e., the Storting and the media's primary focus on symbol-ridden single cases and problems that tends to ignore the complexity of the reform and the time required to get systematic structural changes up and running.

The other main element of political accountability is local self-government. As already pointed out, the new formal partnerships introduced by the reform have brought about a formal change in the relationship between central and local government. Seen from a structural-instrumental perspective this is a rather hybrid organizational solution, in which local welfare offices become subordinated to both central and local government – a dual hierarchy in other words. Our conclusion based on the interviews is that overall this new solution has changed real accountability relationships in favor of central government, simply because of its size, resources and influence over the implementation of the partnerships. There was some variation in the overall trend, however, with local NAV offices in larger cities becoming generally more influential vis-à-vis the center. In practice this means they make fewer attempts to coordinate and meld services. Seen from a cultural perspective, the latter feature means that professional cooperation between central and local services is more problematic to achieve, and more stands in the way of forging a common cultural identity.

We can interpret the strengthening of *administrative accountability* relations through the instrumental-structural perspective. Here there have not been many formal changes, but the resources used, the diversification that has developed and the intensity of control

systems add up to substantial actual changes in administrative accountability. At the same time, many respondents doubt whether all these systems are really working and believe that all that has emerged is a rather symbolic meta-system. The impact of the institutional environment has been to increase control, since it is important for NAV to show the environment, and especially the Office of the Auditor General, that it cares about control, even though a complex organization like NAV finds it quite difficult to fulfill administrative–economic control aims in practice. Seen from a cultural perspective, one reason for some meta-control may be that the administrative culture in the agency has problems with a control-oriented reform implementation.

To understand the effects of the reform on *legal accountability* we can use a structural–instrumental perspective. By improving and cleaning up the old system the political–administrative leadership has apparently enhanced its judicial accountability. Pressure from the technical environment, especially the Storting, is also part of this equation. But there are also cultural factors at work here, particularly the fact that the creation of county back-offices has raised awareness and competence in this area. The institutional environment seems to have some relevance in the discussion about whether to establish a regulatory agency or an ombudsman for central governmental welfare services.

The picture regarding *professional accountability* is rather mixed, and this can best be understood from a cultural perspective. Employees simultaneously cling on to the traditional professional culture and methods and try to adapt and develop something new. The instrumental–structural perspective shows us how a structural merger of two agencies together with the local partnerships gives rise to pressure to create a new culture. However, there is considerable variation between units and employees, with some continuing to work roughly as before while others are engaged in something new or are experiencing a complex combination of professional cultures. In the former case path-dependency may dominate, with little movement towards developing a new, joined-up professional culture, while the latter case obviously facilitates such a development. While it may be necessary to create a common education for NAV, this has been a thorny political issue.

The instrumental–structural take on *social accountability* is that the structural changes introduced by the reform have created greater structural complexity. While this is certainly problematic for some users, the increased focus on multi-service users seems to have been a success, having been given strong priority by the ministry, the NAV agency and the Storting. This is also symbolically important for all these actors and implies a cultural change internally. NAV's social role vis-à-vis other organizations seems to have weakened. This is due partly to the NAV's rather inward-looking focus in implementing the reforms, but also to the uncooperative attitude of external organizations. These have exerted environmental pressure, both of a technical and institutional character, expressed mainly by their use of the media and the Storting to portray a crisis in NAV, and they have also tended to focus on single cases, which does not further collaboration.

Summing up, understanding changing accountability relations seems to involve a complex and dynamic logic. The different explanatory factors seem to work together and influence one another (Christensen et al. 2007). Changing accountability cannot be understood solely as a product of instrumental processes and strategies by

administrative and political executives; but neither is it solely the outcome of a historical legacy, path dependencies and informal norms, nor solely the result of adaptation to environmentally determined myths. Instead, changing accountability relations must be construed as a complex interplay between deliberate strategies, cultural features and external pressure.

As shown by Table 1, the overall picture is that the reform has done rather little to change the various types of accountability in formal terms, but that it has had an impact on accountability relationships in practice.

Table 1. Accountability changes as a result of the welfare administration reform in Norway.

	Formal changes in accountability	Actual changes in accountability	Respondents' experiences	Explanations
Political accountability – the principle of ministerial responsibility	No	Yes, NAV-agency more influence	NAV agency large and complex. Ministry lacks information and insight. More grey zones in political-administrative dimension. Storting more active.	Instrumental: Size and complexity of agency. Culture: traditional model for ministry-agency relationship retained. Environment: More external pressure and symbols related to single cases and crises.
Political accountability – the principle of local self-government	Yes, mandatory partnership agreements	The central government has a strong position in the relationship	Difficult to fulfil the idea of equal partners. Squeezing local self-government	Instrumental: size and resources of central government matter, but so does size of municipalities. Culture: Cultural diversity retained in large cities, making local offices more locally based.
Administrative accountability	Overall no, but more scrutiny from the Office of the Auditor General	More resources for and more bureaucratization of control systems	Increasingly complex control systems Problems of goal-focus, quality and responsibility	Instrumental: Bureaucratization of control systems. Culture: Problems of developing control culture Environment: More real external control, but also meta-features of control
Legal accountability	No	Yes, more rule of law and equal treatment	Divided opinions	Instrumental: Effects of merger, collaboration and reorganization of the reform Culture: new culture in back offices Environment: Pressure from the Storting

	Formal changes in accountability	Actual changes in accountability	Respondents' experiences	Explanations
Professional accountability	Yes	Yes, challenges of merging or collaboration between professional cultures	Divided opinions	Structural: Indirect effect of structural changes Culture: Different path-dependent professional cultures
Social accountability	Yes, for clients No, for societal relationships	Yes, better for some clients Yes, societal connections weakened	Better for multi-service clients, more ambiguous effects for one-service clients. More focus on client needs. Poorer relationship between societal organizations and government	Structural: Structural changes and more political focus on multi-service clients. Culture: Cultural changes in attitudes towards clients Environment: Increasing pressure from societal actors.

The elite respondents seem to agree about many of the changes in political, administrative and social accountability, but they are more divided with respect to judicial and professional accountability. The structural–instrumental perspective seems to explain some of the actual accountability changes, simply because the reorganization of Norwegian welfare arrangements implies substantial structural changes, but not all. The cultural perspective provides insight into path-dependency trends and the increasing tension between professional cultures. The environmental perspective, including both the technical and the institutional environment, provides insight into the implications of the increased activities of the Storting, the media and the Office of the Auditor General.

There are three main problems of accountability in modern representative democracies (Day and Klein 1999). First, the institutional and organizational links between political accountability and managerial accountability are often loose; second, political processes often do not generate the kind of precise, clear-cut objectives and criteria necessary for managerial accountability to be a neutral and value-free exercise; and third, the organizational structure is often such that the managers accountable to politicians cannot answer for the direct action and performance of the service providers. The picture is further complicated by the existence of professional, legal and social accountability, making accountability relations even more complex.

We argue that the NAV reform does not necessarily reduce these problems. The role of political leaders is ambiguous under the NAV reform: elected officials have a role as strategists in defining the long-term goals of the public sector and assessing the results, but at the same time they are expected to give considerable discretion to operative agencies. Public services providers could eventually receive information about their

performance directly from customers without having to go through elected representatives. If elected political leaders have limited control over the public administration, is it then reasonable to hold them accountable for the actions of the public bureaucracy? And if elected officials should not be held accountable, then who should?

The NAV reform thus seems to have made accountability a more ambiguous and complex issue. A central question is: Who should be held accountable for the conduct of complex public organizations where the problem of ‘many eyes’ is highly relevant? Moreover, are executive politicians willing or able to adopt the role of strategic managers envisaged for them? In the NAV reform there has been a shift in accountability from the political to the managerial sphere and from input and processes to output and outcomes. De-emphasizing input and process and emphasizing outcomes and output does not necessarily mean that government administrators are more or less accountable. The conceptual distinctions drawn by the reform with regard to the roles of minister and chief executive are amply clear on paper but less so in practice.

Conclusion

Overall, the reform of the welfare administration in Norway has led to limited formal changes in the majority of the five accountability types. This goes for administrative, legal and social accountability. The most obvious formal change was the introduction of the partnership model, altering political accountability relations at the interface between the principle of ministerial accountability and the principle of local self-government. The only unambiguous formal change was related to professional accountability. In practice, however, changes came about in nearly all the different types of accountability.

How can this be explained? A crucial factor here is how the reform changed the roles of different groups of actors with respect to accountability. The political leadership, for example, has lost influence *vis-à-vis* the NAV agency – even though the formal political accountability system stayed the same at the central level – because it lacked the resources and capacity to deal with the size and complexity of the agency and its subordinate levels. While this is a structural explanation, the political leadership also became culturally passive towards the NAV agency, partly to avoid blame. At the same time, as the provider of the majority of services and resources in local partnership offices, the central level strengthened its influence *vis-à-vis* the local political level.

The changes in administrative accountability strongly reflect how different actors have enacted their role since the reform, particularly with respect to control. The Storting has pressured the political executive to act on control, the Office of the Auditor General has put a lot of effort into controlling the NAV agency’s activities, partly urged by the Storting, and there has been an increasing internal focus on control in the NAV agency. All this adds up to a very complex system of administrative accountability and changes in the accountability culture, which some respondents see as having symbolic features.

After the reorganization of the reform, including the establishment of regional back-offices, role enactment was geared more to ensuring rule of law and equal treatment,

which changed judicial accountability in reality. This was also promoted by larger units, larger professional milieus and better quality case-work.

Role enactment is also important for certain aspects of the weakening of social accountability. Employees' and users' organizations together with the media and the Starting focus a lot on problems with single cases, which leads to a mismatch with the more systemic features of the NAV agency and to some extent with the political executive.

We also see some direct influence on actual accountability relations of the formal changes brought about by the reform and its reorganization. We have already mentioned the effects of the new mandatory partnership, but the merger itself – entailing the merging of three professional cultures into one – has also affected professional accountability.

Major administrative reforms like the NAV reform have to be assessed in relation both to governance representativeness and to governance capacity (Christensen and Læg Reid 2011). The first concern is closely related to political accountability and focuses on measures designed to strengthen representation of citizens' beliefs, attitudes and opinions in the policy-making process. This question has an external focus and concerns citizens' effectiveness and user participation and influence. The second concern has a bearing on administrative accountability, efficiency and to what degree social developments are affected by government decisions and public policy programs. This involves steering capability and public sector institutions' capacity to act and has a stronger internal focus. The question is whether governance is efficient and effective. Our argument is that the study of administrative reforms needs to move beyond the technical–functional flavor of administrative reforms with apolitical language.

The main challenge is to find organizational forms that enhance both the representativeness and the capacity of governance. Often there is a trade-off between the two (Dahl and Tufté 1974): reforms intended to enhance one aspect tend to harm the other aspect (Mattei 2009). The big question is whether it is possible to design welfare state reforms in a way that strengthens both representativeness and capacity. Experience so far from the NAV reform indicates that this is a tall order (Fimreite 2010). Following Scharpf (1999), our analysis shows that input-oriented representativeness and output-oriented effectiveness are both essential elements for democratic self-determination. Input legitimacy of electoral arrangements and output legitimacy of policy service delivery are both important components of sustainable democratic arrangements, and successful administrative reforms in representative democracies have to take both features into account. There has been a shift from input democracy towards output democracy in contemporary reforms, weakening political accountability and strengthening managerial and social accountability, but this transformation is by no means a panacea for the ills of contemporary democracy (Peters 2011).

The accountability picture is even more complicated. We are facing a complex and compound welfare administration (Olsen 2007) that is accountable to different actors. Instead of choosing between different accountability mechanisms we have to treat them as supplementary and complementary in a mixed political order that combines and blends different accountability mechanisms (Olsen 2007). We are facing a multiple

accountability regime in which the different accountability mechanisms do not substitute for each other (Schillemans 2008) but are redundant rather than segregated (Scott 2000). Calling officials to account means inviting them to explain and justify their actions within a context of shared beliefs and values (March and Olsen 1995), which implies a dialogue between officials and those to whom they are accountable.

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