

Input to the further work with the trust reform

Summery DFØ-breafig 2023:03



Foreword

On assignment from the Ministry of Local Government and Regional Development (KDD), the Norwegian Agency for Public and Financial Management (DFØ) has provided professional inputs for the further work on the trust reform. This is a summary of the briefing to KDD. The complete briefing is published on DFØ's website [DFØ-note 2023:3 Input for further work with trust reform](#). DFØ is responsible for the content and assessments in the note.

The assignment has been carried out by Aud-Sissel Meringdal, Dag Solumsmoen, Hanne Marie Haugen Jansen and Helle Sekkesæter (Project Manager). Liv Mari Hatlen (Head of Department) has been project promotor.

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Summary

In the fall of 2022, the Norwegian Agency for Public and Financial Management (DFØ) was commissioned by the Ministry of Local Government and Regional Development (KDD) to contribute to the government's efforts on trust reform. This briefing presents professional insights into the challenges and issues that we anticipate will influence the continuing progression of the trust reform.

The crux of the reform revolves around the decentralization of professional responsibilities to frontline workers and expanding the latitude of municipal and county authorities. Furthermore, the reform seeks to promote increased codetermination, involvement from various organizations, and a general enhancement of governance, coordination, and organization – all underpinned by a trust-based leadership model (Prop. 110 S (2021-2022)). These efforts are directed toward fostering greater welfare provisions and improved services to citizens (Prop. 1 S (2022-2023)).

In this briefing, our primary focus is on KDD's role as the chief coordinator and driver in implementing the reform. We delineate the present challenges and issues that the project encounters, explore how better facilitation of the reform can be achieved, and discuss the ways in which trust-based administration and leadership can be sustained and strengthened.

To formulate this briefing, we have relied upon the cumulative knowledge and expertise of DFØ in the areas of governance, organization, and leadership. Additionally, we have conducted interviews with key personnel involved with the trust reform across a selection of ministries and agencies. We also studied consultation feedback on the trust reform, examined allocation letters for 2023, and reviewed media coverage sourced from Retriever.

We have identified seven pivotal challenges in the advancement of the trust reform:

1. *The reform's purpose is unclear.* The trust reform purports to achieve a variety of different objectives at multiple levels. Our interviews indicate that clarifying the precise goal of the reform and the problems it intends to resolve, is proving to be a complex task.
2. *There is a broad range of expectations associated with the trust reform.* the discussions on the trust reform reveal diverse opinions on its key focus areas. Topics suggested for emphasis include reduced state control, more autonomy for regional and municipal authorities, competence and skills development, learning from the reform process, and instigation of follow-up research.
3. *The reform work affects the sectors differently s.* In some interviews, it was highlighted that the reform process must consider the principles of justice and equality in its execution.
4. *Diverse perspectives exist on how the trust reform interacts with other measures for development of the public administration.* Much of the ongoing development in the public sector may align with the objectives of the trust reform. Opinions diverge on whether the reform should be distinguished from the continuous improvement efforts already underway.

5. *It's challenging to encourage grassroots initiatives.* The government has emphasized that the reform's content should originate at the local level – a significant departure from previous reform initiations. So far, it's been difficult to solicit suggestions for pilot projects and experiments from the grassroots level. Public sector entities and the organizations in working life have requested clearer guidance from the ministries.
6. *Communicating the trust reform externally is a challenge.* The reform targets public employees, but its objectives relate to societal outcomes, particularly improved services. Furthermore, interpretations of "trust" can vary, which collectively creates communication hurdles about the reform.
7. *Striking a balance between trust and control is difficult.* By placing more trust in frontline employees, there is a greater opportunity for professional discretion. This could lead to more tailor-made services for users, but it might jeopardize principles of justice and equal treatment. While there is potential to decrease reporting requirements and to streamline control systems, documentation of results remains a necessity.

DFØ provides the following recommendations for the ongoing evolution of the reform:

- *Discuss the reform's challenges.* Dedicate time to further clarification of the reform's goals, framework, and expectations. KDD should assume responsibility for fostering a shared understanding of the reform's framework across ministries. Additionally, each ministry should assess the reform's applicability within their own sectors.
- *KDD should play a more assertive role as a driver.* There's a need to elucidate the content of the role to ensure continued momentum in the reform. This might involve creating a progress plan, giving priority to specific topics, setting deadlines, and accumulating results.
- *Prioritize a user perspective in future work.* Strategies for user involvement in service development within enterprises should be discussed and implemented.
- *Foster environments for experience exchange.* DFØ should create opportunities for sharing experiences and monitoring the trust reform's progress, potentially through networks or designated spaces for dialogue and knowledge exchange.
- *Evaluation of pilot projects and experiments.* DFØ should establish a standardized plan for evaluating pilot projects and experiments integral to the reform work and allocate resources for gathering and sharing these findings.

DFØ offers the following recommendations on how trust-based governance and leadership can facilitate the reform's objectives:

- *Adopt a holistic and inclusive approach to improve governance.* Departments should promote trust-based governance via dialogue and active engagement with enterprises, prioritizing efforts where governance challenges are most prominent and taking into consideration unique risks and significance.
- *The governance dialogue should lean more toward fostering learning and improvement.* Emphasis should be placed on analyzing the connection between resources, actions, and outcomes in reporting to foster learning and continuous enhancement.
- *There's a need for expanded knowledge and competency regarding state governance.* DFØ will take the initiative to advance the knowledge base via research, statistics, and simple surveys. DFØ will also explore the possibility of developing a self-

assessment tool for government agencies to help adjust their governance strategies and to enhance understanding of governance status.

- *Visualize and prioritize employee participation in the developmental process.* Leaders must foster employee involvement more actively by offering opportunities to assume responsibility, including employees in decision-making processes, providing feedback, setting expectations, emphasizing purpose and intention, focusing on employee development, and offering support.

