

Draft – not for citation without
permission from the authors

Implementation Regimes and Street-Level Bureaucrats: Employment Service Delivery in Denmark

Søren C. Winter

The Danish National Centre for Social Research

Peter T. Dinesen

University of Aarhus

Peter J. May

University of Washington

Paper prepared for the Public Management Research Conference
Tucson, Arizona 25-27 October 2007

Primary author contact

Søren C. Winter, The Danish National Centre for Social Research, scw@sfi.dk

Acknowledgements

Mette H. Skou, Mette Fjord Sørensen, Mads Stigaard, Ina R. Bøge, Nina Friisberg, Helle N. Jensen, Annemette C. Henriksen, SFI-Survey and UNI-C provided research and other assistance with the data collection for this study. The authors are also grateful to the municipal and Public Employment Service caseworkers who participated in the study. The research was supported by grants from the Research Program of the Danish Ministry of Employment and the Danish National Centre for Social Research for a project directed by Søren C. Winter. Part of Peter T. Dinesen's involvement in this paper was during his employment by the Danish National Centre for Social Research. The findings are not necessarily endorsed by the sponsoring organizations or the survey respondents.

Implementation Regimes and Street-Level Bureaucrats: Employment Service Delivery in Denmark

Abstract

We address the differences between direct and indirect provision of governmental services in the implementation of employment policy in Denmark. A natural experiment in the implementation of Danish employment services provides the basis for examining these differences. Since 2003 national employment policy for unemployed persons has been implemented through both the national Public Employment Service (direct provision) and through relatively autonomous municipalities (indirect provision). Our research is based on nationwide surveys of caseworkers from these entities. We hypothesize that the greater ownership of national policy reforms and direct lines of authority within central government regimes foster greater policy commitment, attention to rules, and adherence among frontline workers than is the case for a local-government implementation regime. We find support for our hypotheses in that the actions of street-level bureaucrats in central government regimes are more in line with national policies than those of frontline workers in local governments. The greater fidelity of those within the central government regime helps explain why such regimes have policy outputs that are more in accord with national employment goals.

Implementation Regimes and Street-Level Bureaucrats: Employment Service Delivery in Denmark

The choice of intermediaries that are charged with policy implementation and how they share responsibilities constitute key aspects of the implementation regime for a given policy. The choice of a structure is rarely a simple matter of naming a governmental organization to carry out a policy. More basic decisions concerning the levels of government and the sharing of responsibilities are central considerations for service delivery in multi-tiered governmental systems. Hall and O'Toole (2000) show that as early as the mid 1960s the preferred implementation structure for American national policies was multi-actor structures spanning governments, sectors, and agencies. Given these complexities, development of an understanding of the degree of success in implementing policies requires consideration of how these design choices shape the actions of managers and street-level bureaucrats who carry out policies.

Much of the scholarly attention to this translation has focused in recent years on networks of service agencies (e.g., Goldsmith and Eggars 2004, McGuire 2006, Milward and Provan 2000) and particularly on contractual arrangements among public and private providers of services (e.g., Brown, Potoski, Van Slyke 2006, Hodge and Greve 2007). However, as Charles Wise (1990) notes public-private partnerships are only one avenue for service delivery. Given the current fascination with non-governmental service provision, alternatives that entail different forms of governmental provision of services have received little attention in the scholarly literature in recent years. One exception is the discussion by Christopher Leman of direct governmental provision of services for which he argues “many direct government activities have been and continue to be more successful than those carried out indirectly” (2002: 49).

Many services in multi-tiered governmental systems are either provided directly or via an intergovernmental system. Public organizations are central to both of these regimes for service delivery. Clearly, not all public organizations are the same nor necessarily embrace their service-delivery roles with equal vigor. These differences provide a foundation for considering basic

differences in direct versus indirect *governmental provision* of services, which we label as different implementation regimes. We seek to understand how differences in these regimes affect policy implementation. We pay particular attention to differences between regimes in the actions of street-level bureaucrats who are on the frontlines of governmental service delivery.

We are able to take advantage of a natural experiment in the delivery of employment services in Denmark. Since 2003 national employment policy for unemployed persons has been implemented through both the Public Employment Service (PES) as a branch of national government and through relatively autonomous municipalities. The former is a direct provider of services while the latter is part of an indirect, intergovernmental implementation regime. Though the specifics of some employment functions differ, both regimes seek to implement a national policy reform enacted in 2002, “Putting More People into Work,” that shifts the emphasis of employment programs from providing skills acquisition and financial support to an emphasis on getting people into jobs more quickly.

We show that the direct provision of services via the PES has on average a 10 percent higher rating of perceived outcomes for getting people into jobs than for municipal service delivery. We attribute this differential outcome, among other factors, to differences in the degree to which caseworkers in the two regimes emphasize getting clients into jobs. Given that many caseworkers do not agree with the national policy reform, there is variability in this emphasis. It turns out that similar forces are at play in each regime in explaining this variability. We highlight the degree to which caseworkers and their managers embrace the policy objectives (their commitment) along with the extent of rule-boundedness of caseworkers. In short, we trace the apparent differences in performance of implementation regimes to differences in policy commitment (endorsement) and rule-boundedness. For this case, both are stronger under the direct provision of services.

We unpack all of this in what follows first by setting for the conceptual foundations for considering different implementation regimes and hypotheses about the role of various policy

design and organizational considerations in affecting service delivery under these regimes. We then discuss the setting for the research, our data, and the measures we employ. This is followed with our findings in examining a chain of influences on policy implementation. We conclude with observations about studying governmental service delivery.

Conceptual Issues

This research is concerned with direct versus indirect provision of governmental services. Our research foci are the ways that these different modes of delivery affect policy implementation. In considering this it is useful to frame the discussion as a consideration of different implementation regimes. Robert Stoker (1991: 55) defines this as “an arrangement among implementation participants that identifies the values to be served during the implementation process and provides an organizational framework to promote those values.” Key components of any regime are the organizations that serve as policy delivery intermediaries and the personnel who serve on the front-lines of service delivery (see Winter 1990).

The regime perspective underscores two key points about policy implementation. One is that agreement about policy objectives is not preordained, particularly when different levels of government are involved. Each level has a set of political and bureaucratic forces that shape the actions of intermediary implementing organizations. A second point is that these organizations in turn have a profound influence in shaping policy implementation. They establish priorities and influence what happens at the frontlines of service delivery. Policy success ultimately depends on the degree to which intermediaries and front-line workers embrace higher-level policy objectives.

These notions imply that the forces that are at work in shaping policy implementation are similar regardless of the implementation regime. Each entails intermediary organizations and front-line workers who come to the task with different perspectives, skills, and priorities. What likely differs between regimes is the degree that participants vary in their policy endorsements and the extent to which they are bound by rules that guide their decisions. Given this, it is useful

to consider first the role of intermediaries and front-line workers in policy implementation. This provides the foundation for presenting hypotheses about differences in how implementation regimes affect these.

Considering Intermediaries and Front-Line Workers

A variety of scholarship concerning policy implementation calls attention to the roles of intermediaries and front-line workers in shaping policy outcomes (see May 2003, Meyers and Vorsanger 2003 for overviews). In generic terms, the implementation process can be viewed as carrying out a set of policy objectives at several stages. A variety of considerations enter at each stage in affecting the vigor with which these objectives are implemented. Ultimately, what happens at the front-lines of service delivery shapes policy outcomes.

Figure 1 presents a stylized version of these considerations with particular attention to those elements that are addressed in this research. Our purpose in presenting this is to frame the discussion that follows of differences in governmental implementation regimes. The main focus of our research is what happens at the front lines—the policy emphasis of street-level bureaucrats, as shown in the center of Figure 1. Following Lipsky (1980), their actions in turn are presumed to be important influences on policy outcomes (as shown with the dashed line to the right). The left hand part of the figure calls attention to key influences on the policy emphases of street-level bureaucrats. Shown in the middle of these is their commitment to a given policy. This has been shown to be a key influence in studies of service provision, especially when the street-level bureaucrats are likely to be inclined to disagree with the policy provisions (see May and Winter, in press).

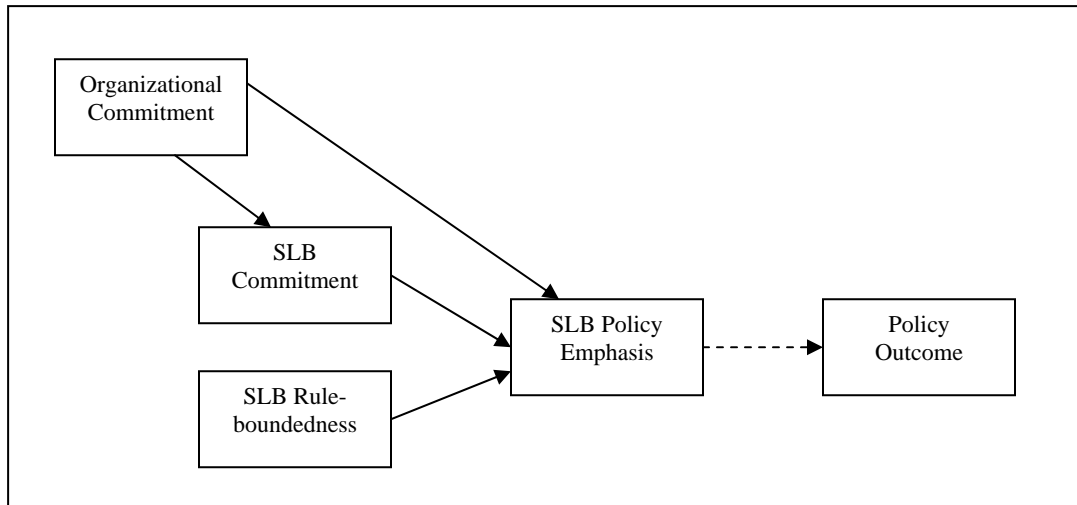


Figure 1. Unpacking the Implementation Black Box

As discussed by May (2003), the commitment of the leaders of intermediaries to higher-level policy objectives is key to the fidelity of policy implementation. Studies of state-level child support policies (Keiser and Meier 1996) and land-use regulation (May, 1993) underscore the importance of intermediary commitment as especially found in an intergovernmental setting (also see Goggin et al. 1990, Cline 2000). The degree to which street-level bureaucrats are rule-bound when making decisions is the final consideration. Street-level bureaucrats may implement national policies either because they agree with these policies (commitment), or as found by Beer, Skou, and Winter (2007) because they are loyal to national rules in general and feel obliged to follow these (rule-bound) without necessarily endorsing them.

We recognize that this depiction is only a partial depiction of implementation processes for which a variety of other variables concerning the dispositions and attitudes of street-level bureaucrats could be included. We seek to isolate the key factors that we hypothesize are affected by implementation regime differences. This adds parsimony to our theorizing and analyses. As such, our goal is not to maximize explanatory power but rather to examine aspects of implementation regimes that have theoretical import for service delivery.

Considering Regime Differences

The heart of our theorizing and analysis is consideration of the differences between implementation regimes with respect to the factors depicted in Figure 1. Our central distinction is between direct and indirect governmental provision of services. The former entails a given (central) level of government that both promulgates and implements policies through agencies that are under the direct control of that level of government. The latter entails policies that are promulgated at one level (central) of government but implemented by intermediaries at another level (local level). We posit the same generic implementation processes depicted in Figure 1 are in play regardless of the regime. But, the regimes differ in the influence upon the various components in the left hand side of the figure, which in turn affect what happens at the front-lines and ultimately affects policy outcomes. Let us consider relevant hypotheses about these differences.

H₁ Central government intermediaries are more committed to policy objectives than local government intermediaries.

The logic of this is that central government agencies have greater ownership of policies that are promulgated by central government than is the case for agencies at other levels of government. Not all leaders of potentially relevant central government agencies would necessarily strongly endorse a given policy, but the literature on bureaucratic delegation suggests that elected officials tend to delegate policy implementation to organizations and individuals that they trust (see Wilson 1989: 262-264). Furthermore, those same agencies are likely to have been involved in the development of the policy given their expertise and the trust that officials have in them. That ownership, as shown by May (1995), is key to intermediary commitment.

H₂ Central government intermediaries are more rule-bound than local government intermediaries.

Laws and administrative rules are likely to have a greater legitimacy among central government staff than is the case for local government employees because the former are part of

the ministerial hierarchy that in most cases have made the policy. In local government service provision local policies may compete with national ones for legitimacy (Beer, Skou, and Winter 2007). In addition, central government agencies tend to be larger. And, larger agencies tend to be more rule-bound.

H₃ The commitment of street-level bureaucrats within central government agencies to higher-level policies is greater than that of corresponding workers in agencies in local governments.

This is derived from three sets of considerations (more generally see Tang et al. 1996). One, as shown in Figure 1, is that the more committed managers of central-government agencies are more likely to impress the importance of the higher-level policy objectives upon their subordinates. Second, those subordinates are also likely to feel greater ownership of the policy to the extent that they or their organization have been part of its development. Third, these individuals are more likely to be recruited into the agency because their backgrounds and perspectives are more compatible with overall agency goals.

H₄ The combined influences of greater organizational commitment, rule-boundedness, and front-line policy commitment lead to stronger policy emphasis of higher-level goals for direct rather than indirect provision of governmental services.

This hypothesis is the playing out of the forces depicted in Figure 1. The important point about this hypothesis is that it suggests that apparent differences in the efficacy of direct versus indirect governmental policy regimes are attributable to the differences in the component influences rather than the regime itself. If true, we expect to find observed differences in policy emphasis by street-level bureaucrats in the two regimes to be substantially reduced or eliminated once the differences in the factors of this hypothesis are taken into account. In principle, one could imagine an indirect implementation regime that places greater emphasis on each of these considerations. But, for the reasons stated above we think the direct regime has greater purchase on them.

While our focus is on actions of street-level bureaucrats rather than policy outcomes per se, it is useful to note that we do expect there to be systematic differences in outcomes, either as perceived or actual ones, between the two implementation regimes. We expect under direct service provision to find outcomes that better achieve national policy objectives. This expectation is in effect a restatement of hypothesis 4, given the central role of street-level bureaucrats in affecting outcomes.

The Setting

The context of this study is the actions of caseworkers in the implementation of employment policy in municipalities and the Public Employment Service (PES) in Denmark. A visible national employment reform of 2002, “Putting More People into Work,” sets the policy context for this research. According to the general remarks of the bill introducing the reform: “The two main objectives of changing the employment policy are a better and worthier effort towards unemployed people taking departure from the situation of the individual person and an effort that is targeted towards the fastest and most direct way to normal jobs—and to achieve the objective of getting more people into employment.” A central aspect of this reform is changing the way that employment policy is implemented at the local level.

Table 1 summarizes the distinctions between the central and local governmental implementation regimes that are the heart of our analysis. Danish municipalities and the PES are both on the frontlines in the delivery of employment services. They deliver employment services to unemployed persons for which the PES addresses persons who are eligible for unemployment insurance and municipalities address persons who are not. The PES have more clients that are available for work than municipalities, and on average PES clients have a better fit with the labor market than municipal clients. Local PES offices typically cover a larger geographical catchment area than municipalities. Local PES organizations are typically larger than municipal staffs, who are serving clients that are available for work, and PES caseworkers have higher caseloads than municipal caseworkers.

Table 1. Implementation Regime Comparison

	Implementation Regimes	
	Central Government	Local Government
Regulating ministry	Ministry of Employment	Ministry of Employment
Organizational Provider	Public Employment Service	Municipalities
Highest hierarchical authority	Ministry of Employment	Municipal elected officials
Clientele	Unemployed people eligible for unemployment insurance	Unemployed people not eligible for unemployment insurance
	Contact course conversations	Contact course conversations
Functions	Placing clients into employment enhancing programmes	Placing clients into employment enhancing programmes
		Determining eligibility for and paying social assistance benefits
Number of clients at end of 2006 (approximately) ^a	112,100	29,800
Mean client distance from maximum labor market fit (scale 1-3) ^b	1.6	2.4
Number of regional authorities	14	-
Number of local authorities/managers	44	268
Number of local offices	77	280
Mean number of caseworkers (full-time equivalents) per local manager ^c	12.9	5.3
Mean client-load per caseworker ^d	74	62

Notes:

^a Ministry of Employment statistics: www.jobindsats.dk

^b Scale of client match with labour market: 1 (perfect match), 2 (good match), 3 (acceptable) match) based on middle manager survey. If no match, clients are treated differently.

^c Manager survey collected nationwide among middle managers of the two organizations in 2006.

^d Caseworker survey, see our description of the data.

The PES is a central government organization under the Ministry of Employment. At the central level the PES is directed by the Labor Market Agency in the ministry. At the regional level the PES is headed by a Regional Directing Manager. He is assisted by a Regional Labor Market Board with representatives from employers' associations, the unions, municipalities and counties. The 'corporatist' board has authority over the regional allocation of funds for various employment promoting programs and has advisory functions concerning organizational and personnel. At the local level 44 middle managers are overseeing 77 local offices with caseworkers.

The main municipal tasks are checking eligibility for and paying social assistance, giving advice on job search and career and vocational guidance, checking availability for work, and placing unemployed clients into jobs or employment promoting programs. Part of the municipal costs for employment services are reimbursed by the national government. Municipalities offer services for unemployed clients who have been found to be available for work as well as clients who have not. Only services for the former clients are comparable to those of the PES.

Municipal employment services are headed by elected municipal councilors while the daily work is typically performed within a department of social affairs and employment. The municipal councilors exert their political influence over employment services through their membership on a municipal committee of Social Affairs and Employment that often has direct supervision of employment services. A CEO of Social Affairs and Employment Services typically attend the meetings of the committee, supports its chairman and manages the administration. The relevant employment functions for our study are typically overseen by a middle-manager who is responsible for employment services. The organization of these services is fairly consistent across municipalities for which municipal caseworkers are at the frontlines of implementing the national policy reforms. Danish municipalities are autonomous within the boundaries of law and administrative rules issued by the Ministry of Employment. They collect their own taxes but do

also receive block grants and matching grants for social and employment services from the national government.

PES and Municipal caseworkers must conduct repeated contact-course conversations with clients who are available for jobs. These conversations focus on clients' job-search, career-guidance, placement of clients in employment-training programs, and testing their availability for work. Given that these functions are delegated by most employment service agencies to caseworkers, the actions that they take should in principle be based on decisions within the PES and municipal employment services agency about agency goals. The national policy reform, which is common for the PES and municipal employment services, places a strong focus on caseworkers urging clients to quickly find a job, invoking employment-training measures that promote employment prospects, and testing that clients are available for work. The fact that both central and local governments have parallel responsibilities for implementing a common national policy reform for similar target groups – unemployed persons who have been found to be available for work – gives us a unique option for comparing the delivery of parallel services in the two different implementation regimes.

While we are only comparing parallel functions, it should be kept in mind that municipalities have some additional functions that the PES does not. As mentioned above, municipalities also serve unemployed persons that have not been found to be available for work. For both available and not-available clients municipalities pay income support (social assistance) and determine eligibility for services, including determining whether they are ready for work. This involves sanctions if clients who have been found to be available for work do not demonstrate that they ready for jobs by searching for jobs or participate in employment-training programs.

The PES does not have these functions, which for their clients are handled by special semi-private unemployment funds that are related to the unions. If PES caseworkers find indications that some clients may not live up to availability and activity requirements, they must report such incidents to the unemployment funds that make the final decision. Most municipal caseworkers

have professional training in social work while the PES caseworkers are more evenly distributed among various trainings.

Data, Measures, and Methodology

Data

Two parallel primary data sources are used in the analyses that follow. These are nation-wide surveys of samples of PES and municipal caseworkers who are responsible for implementing the laws and intentions of the reform. Their responses form the basis for characterizing the actions they emphasize when working with clients along with various attitudinal considerations and contextual factors.

The survey of municipal caseworkers yielded 389 respondents with an overall response rate of 88 percent of those who were sampled. These respondents were selected by the municipal middle managers, who we had identified by telephone calls to all municipalities, according to specified selection criteria that require caseworker respondents to have at least three months experience with individual contact-course conversations with clients that are available for work. An internet-based survey was collected from early May until the end of June 2006. Two email reminders and a third telephone follow-up reminder were sent to increase participation. The caseworkers that responded are from 190 of the 269 Danish municipalities, thereby providing representation of 71 percent of the municipalities. Municipalities with less than 10,000 inhabitants and few employment services clients are slightly underrepresented among the survey respondents making up 42.3 percent of our sample compared to 47.4 percent of all municipalities. This under-representation of municipalities is counteracted by the fact that our selection criteria of caseworkers provided an over-representation of those from small municipalities.

The survey of PES caseworkers yielded 201 respondents with an overall response rate of 93 percent of those who were sampled. These were identified by the regional and local management. We asked the regional directing managers to identify a total of 229 caseworkers divided by region according to its relative share of the total number of caseworkers in the PES in

Denmark. The relative regional share of the sample was based on information from the Labor Market Agency. We asked that caseworkers in the regional samples should have at least 3 months experience with contact course conversations and reflect the local distribution of caseworkers and division of work among them. The internet survey was administered in October to December 2006. Two email reminders and a third telephone follow-up reminder were sent to increase participation. The respondents are representative in terms of population size and regional distribution of caseworkers the largest difference being 3 percentage points.

Concepts and Measures

Table 2 provides an overview of the concepts and measures that we employ. The latter are explained in more detail in the methodological appendix. These specify the key concepts shown earlier in Figure 1.

The key dependent variable of interest, *policy priorities*, is what caseworkers emphasize when working with clients. The index is based on respondents' rating of the degree of emphasis they give to getting such clients into jobs quickly and making demands that clients seek work and participate in employment-training measures. Higher scores indicate policy emphases that are in line with the national employment reform goals. As such, the index indicates how caseworkers carry out policies they are being asked to implement. Although the index has a lower reliability than ideal (Cronbach alpha of .60), deletion of any one or combination of index items resulted in lower reliability.

We also consider *perceived employment outcomes* as a check on the relevance of the policy emphases of street-level bureaucrats. This is based on caseworkers' ratings of the extent to which positive results (on a scale of 1, none, to 10, very extensive) have been achieved in the past year with respect to clients actively seeking jobs, being ready for jobs, and actually obtaining jobs (Cronbach alpha of .86). A key caveat to this discussion is that our outcome measures are perceived rather than actual outcomes. The latter are not available for the timeframe we consider.

Table 2. Key Concepts

Policy Implementation by Caseworkers

- *Policy Priority*—The extent to which caseworkers take actions that are consistent with national goals of emphasizing jobs, getting clients into jobs quickly, and making demands on clients.

Perceived Outcomes

- *Perceived Outcomes*—The extent to which caseworkers perceive that their actions are getting clients into jobs and making them look for jobs and being available

Commitment

- *SLB Commitment*—Caseworker ratings of the extent to which they positively evaluate the goals of the national employment reform act.
- *Organizational Commitment*—Caseworker ratings of the extent to which they perceive that their manager supports the goals of the national employment reform act.

Rule-Boundedness

- *SLB Rule-Boundedness*—the extent to which caseworkers attend to rules when making decisions in daily work

Contextual Factor

- *Client Mix*—Caseworker-specific measure of the extent to which clients are more difficult to place among clients that are available for work
-

The remaining entries in Table 2 are the organizational and dispositional explanatory variables for explaining variation in the policy priorities of street-level bureaucrats. The *commitment of street-level bureaucrats* is a self-rating by caseworkers of the extent to which they endorse the national employment reforms, based on their ratings of the degree to which the reforms are a step in the right direction and better for most clients (Cronbach alpha of .89). Higher scores indicate stronger commitment to the reforms. The *organizational commitment* is based on caseworkers' ratings of the degree to which their managers support the employment act reforms with higher scores indicating stronger agreement.. The degree of *rule-boundedness of street-level bureaucrats* is based on a rating by caseworkers of the degree to which they pay

attention to laws and rules when making decisions about clients. Higher scores indicate greater degrees of rule-boundedness.

Given the difference in clientele served by the PES and municipalities, it is important to consider *client mix*. We measure this as the mean degree of fit with the labor market of each caseworker's clients on a scale from 1 (perfect fit) to 3 (acceptable fit) based on caseworkers' reports of the distribution of their clients.

Methodology

Our examination of the role of implementation regimes in affecting behaviors at the street-level and perceived outcomes are elaborated in a set of analyses. We start by empirically describing the difference between the two implementation regimes with respect to the variables we consider in later analyses. This shows the basic differences in regimes. We then examine variation in different components of the implementation process with attention to our hypotheses using a series of regression analyses.

We theorize that implementation regimes affect outputs and outcomes through their influence on commitment and the degree to which those at the front lines perceive that their actions are bound by rules (rule-boundedness). This leads us to consider the role of implementation regimes and organizational commitment in explaining variation in caseworkers' commitment and their perceptions of rule-boundedness when controlling for variation in client composition. We follow by analyzing the roles of regimes, organizational commitment, caseworkers' commitment and rule-boundedness in affecting caseworkers' policy priorities. If we are correct about the causal mechanisms of regime effects, introducing the explanatory variables of organizational commitment, caseworkers' commitment, and rule-boundedness should decrease the independent role of regimes. Finally, we examine the roles of regimes and caseworkers' policy priorities in affecting the perceived outcomes of their operations.

Because we used nested data – caseworkers in organizations – the use of simple ordinary least square regressions might render biased estimates of significance due to intra-class

correlation. In order to correct for any such bias, we employ OLS with cluster robust standard errors using the STATA statistical package. The relevant clusters are the organizational membership of caseworkers that constitute different municipalities and one or more PES offices under each manager.

Findings

A relevant starting point is to consider differences in regimes. We depict these in Table 3 in comparing means for central government (PES) and municipal provision of employment services, along with differences between these for the explanatory variables. These findings show that caseworkers in the PES deliver employment services with a higher job focus than is the case for caseworkers in municipalities. Stated differently, PES caseworkers' implementation behaviors are more in line with the national policy reform objective than those of caseworkers in municipalities. PES caseworkers also perceive better employment outcomes in terms of clients getting jobs and being ready for the labor market. These findings support our hypotheses that central government service provision yields better implementation outputs than local government provision.

The findings also show greater organizational commitment, caseworker commitment, and rule-boundedness for the PES than for municipalities. These findings also support our hypotheses that the central government implementation regime fosters greater organizational commitment (H1), and more rule-boundedness (H2), as well as commitment of frontline workers (H3). These are, of course, zero-order comparisons for which we also need to consider differences in clientele served under the two regimes. As shown at the bottom of Table 3, municipalities have on average a greater number of clients who are harder to employ than the PES.

Table 3. Descriptive Statistics for Regime Implementation

	PES ^a	Municipalities ^b	Difference ^c	P-value ^d
Dependent variables				
Perceived Outcomes	7.50 (179)	6.81 (354)	0.68	.00
SLB Policy Priorities	3.79 (200)	3.70 (388)	0.09	.06
Explanatory variables				
SLB Commitment	3.89 (197)	3.53 (374)	0.36	.00
Organizational Commitment	4.17 (196)	3.84 (374)	0.33	.00
SLB Rule-Boundedness	4.39 (199)	4.25 (380)	0.14	.02
Controls				
Client Mix	1.58 (141)	2.41 (367)	-0.83	.00

Notes:

^a Mean value for the Public Employment Service with number of cases in parentheses. Perceived outcomes are on a scale of 1 to 10; explanatory variables are on a scale of 1 to 5; client mix is on a scale of 1 to 3.

^b Mean value for municipalities with number of cases in parentheses. Items use the same scales as for the PES.

^c Mean difference between PES and municipalities.

^d P-value for independent sample t-test of difference with one-tailed significance levels.

Street-Level Bureaucratic Commitment

Our theorizing suggests that the commitment of street-level bureaucrats to carrying out a given policy is an important factor in shaping their policy actions. We theorize that this commitment is in turn affected by regime differences and by the commitment of the organization in which they work to the policy goals. We model variation in the commitment as a function of regime, organizational commitment, and variation in client mixes. This modelling is shown in Table 4.

Table 4. Explaining Variation in Caseworkers' Commitment

	SLB Commitment
Implementation Regime	
PES	0.15* (0.11)
Explanatory Factor	
Organizational Commitment	0.35*** (0.05)
Controls	
Client mix	-0.13** (0.10)
Intercept	2.48*** (0.35)
Model Statistics	
Adj. R ²	0.16***
Sample size	498

Notes:

*** p < 0.01, ** p < 0.05. * < 0.1 based on one-tailed t-values with cluster robust standard errors, except R² for F-test of model fit.

Cell entries are unstandardized regression coefficients with the cluster robust standard errors in parentheses.

The dependent variable is SLB commitment, which is measured as caseworkers' ratings of the extent to which they positively evaluate the goals of the national employment reform act.

These findings help unpack the role of regime and other factors in influencing commitment at the front lines. As shown in Table 4, the commitment of organizational leaders has a positive influence on frontline commitment. We note above that organizational commitment is higher for the central government regime. This influence along with the separate positive (though lower statistical significance) effect of the central government regime account for increased commitment of street-level bureaucrats within the PES. At the same time, a more difficult client mix decreases commitment of street-level bureaucrats to the employment policy reform. This is presumably because of the challenges of placing clients who are not as prepared for employment into jobs.

In separate modelling, which is not shown, we fail to develop a meaningful statistical model of variation in street-level bureaucrats' perceptions of the degree to which they are bound by rules. In particular, we failed to detect an influence of client mix on rule-boundedness. This suggests that the fidelity of street-level workers to rules is not substantially affected by the presence of more difficult to place clients.

Variation in Caseworkers' Policy Priorities

We are particularly interested in the degree to which caseworkers take actions that are consistent with the national policy reform goal of getting people into jobs. We measure this as the policy priorities of caseworkers in emphasizing a set of actions aimed at this goal. We note above that the caseworkers in the PES place greater emphasis on these actions than do municipal caseworkers. At issue is the extent to which these differences are explained by the factors we theorized about in Figure 1.

Table 5 shows two regression models that explain variation in street-level bureaucrats' policy priorities. The first examines the effects of organizational commitment, street-level bureaucratic commitment, and rule-boundedness without controlling for differences in client mix. The second adds a control for variation in client mix. As it could be argued that the causes of caseworkers policy priorities in the two organizations should be analyzed separately, we applied a Chow-test to test whether a pooling of the cases were appropriate. The chow-test was not statistically significant ($p = 0.72$) thereby indicating that it is reasonable to analyze caseworkers from the two organizations in a common pool.

Table 5. Explaining Variation in Caseworkers' Policy Priorities

	Model 1	Model 2
Implementation Regime		
PES	0.03 (0.07)	0.06 (0.14)
Explanatory Factors		
SLB Commitment	0.10*** (0.04)	0.09*** (0.04)
Organizational Commitment	0.08** (0.03)	0.09*** (0.04)
SLB Rule-Boundedness	0.11*** (0.04)	0.11*** (0.04)
Context		
Client Mix		0.03 (0.09)
Intercept	2.58*** (0.23)	2.50*** (0.35)
Model Statistics		
Adj. R ²	0.06***	0.06***
Sample size	563	494

Notes:

*** p < 0.01, ** p < 0.05, * < 0.1 based on one-tailed t-values with cluster robust standard errors, except R² for F-test of model fit.

Cell entries are unstandardized regression coefficients with the cluster robust standard errors in parentheses.

The dependent variable is policy priority, which is measured as the extent to which caseworkers take actions that are consistent with national goals of emphasizing jobs, getting clients into jobs quickly, and making demands on clients.

As shown in both models—and as expected in our fourth hypothesis—caseworkers who are more committed, more rule-bound, and work in organizations with more committed managers tend to place a greater emphasis on getting clients into jobs than caseworkers where these considerations are less strong. The mix of clients, as shown in model 2, does not influence the magnitude of these effects. And, we fail to detect a independent effect of client mix on caseworkers' policy priorities. Other models for which the variable capturing organizational

commitment is removed (and not shown in Table 4), yield similar results as those shown here but with stronger effects for caseworkers' commitment. This indicates that part of the influence of street-level bureaucratic commitment is due to the commitment of their organization.

The main finding concerning regime differences is the failure to find an independent effect for the regime type (PES versus municipal regime) as shown for the PES variable in the models in Table 4. This means that the other variables in the model account for the observed, zero-order differences in regime type shown in Table 3. Accordingly, the higher priority that caseworkers in the PES place on employment reform goals is a function of their stronger endorsement of the reforms, their managers' stronger endorsement of the reforms, and the greater degree to which they feel bound by rules in making decisions. It is important to note that while the PES serves somewhat different clientele than do municipalities, this difference does not account for the observed zero-order differences in caseworkers' policy priorities between those working in each setting. Adding a control for client mix, shown in model 2, does not change the magnitude of the coefficients of other variables in explaining variation of caseworkers' policy priorities. Nor do we detect a separate effect of client mix on policy priorities.

Variation in Perceived Outcomes

Considering variation in policy priorities would mean little if it did not affect policy outcomes. We attempt to get at this by modelling caseworkers' perceptions of the success in the last year in directing clients toward jobs and in their finding them. We rely on perceived outcomes rather than actual ones because data concerning the latter are not available for the timeframe that we consider. Table 6 reports regression models that explain variation in the perceived policy outcomes. Model 1 examines the effect of regime when controlling for differences in client mix. Models 2 and 3 examine the effect of caseworkers' policy priorities in emphasizing the national reform goals of greater job focus with and without controls for client mix.

Table 6. Explaining Variation in Caseworkers' Perceived Outcomes

	OLS Regressions		
	Model 1	Model 2	Model 3
Implementation Regime			
PES	0.02 (0.26)	0.64*** (0.15)	-0.04 (0.24)
Explanatory variables			
Policy Priorities		0.36*** (0.11)	0.45*** (0.11)
Context			
Client Mix	-0.74*** (0.25)		-0.75*** (0.24)
Intercept	8.58*** (0.61)	5.47*** (0.42)	6.93*** (0.68)
Model Statistics			
Adj. R ²	0.05***	0.05***	0.08***
Sample size	471	531	469

Notes:

*** p < 0.01, ** p < 0.05. * < 0.1 based on one-tailed t-values with cluster robust standard errors, except R² for F-test of model fit.

Cell entries are unstandardized regression coefficients with the cluster robust standard errors in parentheses.

The dependent variable is perceived outcomes, which is measured as the extent to which caseworkers perceive that their actions are getting clients into jobs, making them look for jobs, and being available for work.

Model 1 shows, not surprisingly, that caseworkers who report they deal with a larger mix of more difficult clients to place into jobs also report less success in that regard. This adds face validity to the use of perceived measures of employment service outcomes. We fail to detect an effect of the regime variable (PES) when controlling for client mix. This suggests the differences in client mix of PES and municipal caseworkers largely accounts for the observed, zero-order regime differences in perceived outcomes.

The second and third models show the importance of street-level bureaucratic actions for achieving successful (perceived) policy outcomes without and with controls for client mix. As

expected, caseworkers with a higher job focus in their policy priorities hold much more positive perceptions of labor market outcomes. This finding may seem somewhat tautological, but it is important to note two things. One is that the wording and placement of these questions were very different. The second is that many caseworkers actually question the causal theory of the employment policy reforms in stressing stronger job focus as means to better employment outcomes. This finding is also useful as it underscores the value of our primary focus on policy outputs—the priorities of caseworkers—in studying implementation.

Conclusions

This research addresses direct and indirect *governmental* provision of services. We consider differences between central and local government provision of employment services in Denmark. This leads to insights about the underlying forces that contribute to different degrees of success in implementing the Danish policy goal of getting people into jobs quickly. Our main foci are the actions of caseworkers at the frontlines of the Public Employment Service (central provision) and of municipalities (local provision). We theorize about the differences in actions of caseworkers in these two settings as influenced by their policy commitment, their sense of degree to which rules bind their actions, and the commitment of organizations in which they work to the reform policy goals.

Caseworkers who are employed by the Public Employment Service place greater emphasis on average on getting clients into jobs and they perceive stronger job-related outcomes than is the case for those who are employed by municipalities. These findings suggest that the direct implementation regime has greater implementation success. But, why is this? Our unpacking of the forces at play shows that the greater job focus is not a result of some intrinsic property of the direct regime but is a consequence of the stronger commitment of caseworkers to carry out the policy reforms, of their greater sense of rule-boundedness, and of the stronger organizational commitment to the reforms. We attribute differences in perceived policy outcomes to the greater

emphasis that caseworkers who are employed by central government place on finding jobs for clients and a clientele that on average is less difficult to place into jobs.

The finding that similar forces are at work regardless of the regime type is important for implementation theory. We underscore the central role of commitment and the degree to which frontline workers feel bound by rules in shaping implementation actions at the frontlines of service delivery. These findings reinforce prior research about commitment of intermediaries (see Mazmanian and Sabatier 1983, Goggin et al. 1990, May 2003) and those at the frontlines (see Brehm and Gates 1997, Meyers and Vorsanger 2003) as well as is consistent with prior research about importance of rule-boundedness in guiding implementation behaviors (see Beer, Skou, and Winter 2007).

The finding that direct (central) governmental provision of services is better than indirect (local) provision of national policies runs counter to the trend in Denmark for the last 40 years of transferring services from central to local government provision. This devolution of services is based on a not well-documented presumption that local government service provision is more effective than national provision. The findings about the advantages of central government provision of services also runs counter to the trend in Danish implementation regimes for employment policy. Beginning in 2007, after the period of our data collection, central and local government provision of employment services were merged into jointly-functioning job centers located at the municipal level. Furthermore, there is interest within the current government to transfer the responsibility for all employment service functions to municipalities.

We are not claiming that direct government implementation regimes necessarily lead to better implementation outcomes than indirect government regimes. Faithful implementation is no guarantee of good outcomes. Local-government service provision may sometimes have competitive advantages, particularly when they are allowed autonomy in solving implementation tasks and in taking varying local conditions and preferences into consideration. Much of the degree of success rests—as often is the case in implementation—on the way that potentially

reluctant partners are induced to carry out policy reforms (see Cline 2000, Stoker, 1991). This underscores the importance for policy design of building the commitment of key intermediaries and of establishing mechanisms that channel their attention to the desired policy goals (more generally see May 2003). Efforts to devolve services to local policy implementation should place greater emphasis on building a sense of ownership of policy reform and of allowing adaptations that give a stronger sense of control at the local level.

Methodological Appendix

Variables	Mean (s.d)	Measurement
Policy Priorities	3.73 (.69)	<p>Mean of caseworkers rating of their practices towards clients that are available for work on three scales going from 1 (full agreement with first item) to 5 (full agreement with second item). The following scales were used:</p> <p>(1) “Emphasizing gradual job acquisition” versus “Emphasizing actual jobs in the conversation with clients”;</p> <p>(2) “Improving clients’ chances for jobs over their work life” versus “Getting clients into any job quickly”; and</p> <p>(3) “Taking the clients’ problems into consideration” versus “Making demands on clients”.</p> <p>To keep constant the type of clients that these actions address, respondents were asked to think of the group of clients with the second best fit with the labor market out of 3 groups that all are available for the labor market. Alpha of scale = 0.60. The coding is reversed from the original.</p>
Perceived Outcomes	7.04 (1.72)	<p>Mean of caseworker rating on three scales measuring the results reached for the clients within the last year going from 1 (none) to 10 (very extensive results). The following scales were used:</p> <p>(1) “Actively seeking jobs”</p> <p>(2) “Being at the disposal of the labor market”</p> <p>(3) “Acquired ordinary jobs”</p> <p>Alpha of scale = 0.86.</p>
SLB Commitment	3.65 (.90)	<p>Mean of caseworker rating on two scales of opposing statements about the Employment Act going from 1 (full agreement with first item) to 5 (full agreement with second item).</p> <p>The following scales were used:</p> <p>(1) “A step in the right direction” versus “A step in the wrong direction”;</p> <p>(2) “Better for most clients” versus “Harmful to most clients”</p> <p>Alpha of scale = 0.89</p> <p>The coding is reversed from the original.</p>
Managerial Commitment	3.96 (.94)	<p>Caseworker rating of managerial support of the Employment Act on scale going from 1 (Full support) to 5 (No support). The coding is reversed from the original.</p>
Rule-Boundedness	4.30 (.77)	<p>Caseworker rating of the importance assigned to the law and centrally issued rules on scale going from 1 (No emphasis) to 5 (Very much emphasis).</p>
Client Mix	2.18 (.52)	<p>Calculated as the share of caseworker’s clients in each of the three groups with the <i>best</i> fit of the needs of the labor market weighted by the mismatch of each group (3 being the group with most mismatch). The client mix score of a caseworker with all her clients in the group with most mismatch will thus be 3, and the score will be 1 if all the clients are from the group with the best match. Based on caseworkers’ reports of percentage of clients in different categories.</p>

References

- Beer, Frederikke, Mette H. Skou, and Søren C. Winter. 2007. *Effective Management for What Ends? Local Implementation of National Employment Policy*. Revised version of paper presented at the 11th International Research Symposium on Public Management. Copenhagen: The Danish National Centre for Social Research.
- Brehm, John and Scott Gates. 1997. *Working, shirking, and sabotage, Bureaucratic response to a democratic public*. Ann Arbor, MI: University of Michigan Press
- Brown, Trevor L., Matthew Potoski, David M. Van Slyke. 2006. "Managing Public Service Contracts: Aligning Values, Institutions, and Markets," *Public Administration Review* 66(3): 323-331.
- Cline, Kurt D. 2000. "Defining the Implementation Problem: Organizational Management versus Cooperation," *Journal of Public Administration Research and Theory* 10(3): 551-571.
- Goggin, Malcolm L., Ann O'M. Bowman, James P. Lester, and Laurence J. O'Toole, Jr. 1990. *Implementation Theory and Practice, Toward a Third Generation*. Glenview, IL: Scott, Foresman.
- Goldsmith, Stephen and William D. Eggers. 2004. *Governing by Network, The New Shape of the Public Sector*. Washington, DC: Brookings.
- Hall, Thad E. and Laurence J. O'Toole, Jr. 2000. "Structures for Policy Implementation: An Analysis of National Legislation, 1965-66 and 1993-94," *Administration and Society*, 31 (6): 667-686.
- Hodge, Graeme and Carsten Greve. 2007. "Public-Private Partnerships: An International Performance Review," *Public Administration Review* 67(3): 545-558.
- Keiser, Lael R. and Kenneth J. Meier. 1996. "Policy Design, Bureaucratic Incentives, and Public Management: The Case of Child Support Enforcement" *Journal of Public Administration Research and Theory*, 6 (3): 337-364.
- Leman, Christopher K. 2002. "Direct Government," pp. 48-79 in *The Tools of Government, A Guide to the New Governance*, Ed. Lester M. Salamon. New York: Oxford University Press.
- Lipsky, Michael. 1980. *Street-Level Bureaucrats: The Dilemmas of the Individual in Public Services*. New York: Russell Sage Foundation.
- May, Peter J. 1995. "Can Cooperation Be Mandated? Implementing Intergovernmental Environmental Management in New South Wales and New Zealand," *Publius: The Journal of Federalism* 25(1): 89-113.
- May, Peter J. 2003. "Policy Design and Implementation," pp. 223-233 in *Handbook of Public Administration* eds, B. Guy Peters and Jon Pierre. London: Sage Publications.
- May, Peter J. and Soren C. Winter. In press. "Politicians, Managers, and Street-Level Bureaucrats: Influences on Policy Implementation" *Journal of Public Administration Research and Theory*.
- Mazmanian, Daniel and Paul A. Sabatier. 1983. *Implementation and Public Policy*. Glencoe, ILL: Scott, Foresman.
- McGuire, Michael. 2006. "Collaborative Public Management: Assessing What We Know and How We Know It," *Public Administration Review* 66(1): 33-43.

- Meyers, Marcia K. and Susan Vorsanger. 2003. "Street-level bureaucrats and the implementation of public policy," pp. 245-255 in *Handbook of public administration*, ed. B. Guy Peters and John Pierre. Thousand Oaks, CA: Sage.
- Milward, H. Brinton and Keith G. Provan. 2000. "Governing the Hollow State," *Journal of Public Administration Research and Theory* 10(2): 359-379.
- Stoker, Robert P. 1991. *Reluctant Partners, Implementing Federal Policy*. Pittsburgh: University of Pittsburgh Press.
- Tang, Shui-Yan, Peter J. Robertson, Charles E. Lane. 1996. "Organizational Types, Commitment, and Managerial Actions," *Public Productivity and Management Review* 19(3): 289-312.
- Wilson, James Q. 1989. *Bureaucracy: What Government Agencies Do and Why They Do It*. New York: Basic Books.
- Winter, Søren. 1990. "Integrating Implementation Research," pp. 19-38 in Palumbo and Calista, eds. *Implementation and the Policy Process, Opening Up the Black Box*. Westport, CT: Greenwood Press.
- Wise, Charles R. 1990. "Public Service Configurations and Public Organizations: Public Organization Design in a Post-Privatization Era," *Public Administration Review* 50(2): 141-155.