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The great divide: state vs municipality in local welfare administration in Norway

Abstract

This study delves into the intricate internal dynamics of the Norwegian Labour and Welfare Administration (NAV), tasked with delivering comprehensive welfare services through state-municipal partnerships. While NAV's mandate promotes empowered local offices and holistic services, realising this can present significant challenges. Our ongoing research focuses on an organisational development process within a NAV

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office in a city district in Oslo marked by alarming school dropout rates and substantial social budget expenditure. We pose the question of whether the state-municipal partnership aligns with the municipal agenda.

Methodologically, we employ a qualitative approach encompassing individual and focus group interviews and observations over an extensive period. Our exploration of municipal perspectives and perceptions regarding the state partnership as well as daily collaboration unveils hurdles to comprehensive service delivery.

The findings illuminate the challenges to local collaboration that can arise from merging cultures and service functions, resulting in tensions in understanding roles, employment codes, and service delivery systems. NAV State's absent role in addressing dropout rates in the district is noteworthy.

The study underscores the pressing need for customised, integrated services tailored to individual needs and bolstering internal social work capabilities. In conclusion, the paper discusses some aspects of the local partnerships that might impede offices from harnessing organisational resources effectively, delivering holistic welfare services, and aligning with ambitious social work agendas.

Introduction: An organisational duality

The Norwegian Labour and Welfare Administration (NAV) is a marriage of convenience between the state and the municipalities, which does not always lead to ideal local outcomes. As intended by the NAV reform launched in 2006, NAV offers comprehensive welfare services to Norwegians, with state and municipal employees cohabiting at 264 local offices. However, the assertion that state and municipal employees cooperate to provide excellent and holistic services to the users warrants empirical investigation. This paper delves into the findings of our research project conducted at a local NAV office in Oslo. We investigate how the partnership between the state and municipality at the local office influences the organisation's ability to deliver holistic welfare services to the population. Our project follows the organisational development process undertaken by the municipal side of the NAV office. Notably, NAV State's absence in this ambitious local mobilisation raises questions, given the reform's overarching objective of enhancing coordinated and holistic welfare services. Applying qualitative methodology (individual and focus group interviews, observations), we study how municipal leaders and social workers have accommodated an ambitious mandate of reducing school dropout/marginalisation *and* social budget expenditure. Building on municipal perspectives, we believe that NAV's organisational structure sometimes works to complicate the central political aspiration of a coordinated and flexible social services apparatus. To address this issue, we query how municipal leaders and social workers perceive internal coordination and collaboration challenges. How do these perceptions shape behaviour and interactions? How do municipal leaders and social workers feel the organisational divide weigh-ins on the ongoing development process?

We draw on findings from an initial data-gathering phase of the research project in which we documented the development process from its inception. Observing this process over time, we applied a triangulation of qualitative methodologies, resulting in extensive empirical material (see below). We rely on findings from interviews and observations from meetings where municipal staff and office leaders, in various capacities, functions, and contexts, reflect on the framework for everyday cooperation between the two organisational halves. Municipal employees believe that the organisational duality inherent in the organisation has led to a lack of intra-organisational collaboration and coordination, which impedes the organisation's ability to provide and maintain flexible frameworks. Social workers believe this precludes a shared culture of social work practice at the office and hinders the development of optimal services. Relying on a symbolic interactionist framework, we circle in empirically on a disputed issue in the form of talk about establishing a client-run cantina on the premises to exemplify perceived intra-organisational differences in approach. Thus, we explore frontline experiences of a wicked problem at the core of NAV's mandate. We pursue this topic because a lack of transparency and cooperation within the organisation at the local level may arrest the development of flexible and targeted frameworks tailored to the specific needs of local service users.

Background: the NAV reform and holistic service provision

The NAV reform reflected a long-established Norwegian tradition of subnational self-government (Hansen et al., 2012; Lœgreid et al., 2012; OECD, 2019). To contextualise the scope for collaboration at the local office, we introduce the thinking behind collocation. The NAV reform aimed to provide the welfare apparatus with comprehensive means to develop coordinated services to meet individual needs by offering more holistic and accessible welfare services to end users (see: Christensen & Lægreid, 2011; Fossestøl et al., 2015; Vabø, 2015). To achieve vertical and horizontal coordination in policymaking, implementation, and service provision (Breit, 2014), three hitherto separate agencies – *viz.* the National Employment Agency System, the National Insurance System, and the Municipal Social Service System – were fused. Hence the idea of NAV as a "one-stop shop" (Askim et al., 2011). Representing a complicated organisational arrangement and division of responsibility between central and local authorities, the welfare reform introduced a formal collaboration between the merged central government administrations and the local social service administration (Christensen et al., 2014). Little practical direction was provided politically about what "holistic services" should entail regarding applicability within the given organisational framework (Fossestøl et al., 2015, pp. 295–296). In the European context, the achievement of integrated services adjusted to individual circumstances has been predicated on inner-organisational capacities (Heidenreich & Rice, 2016a).

The Labour and Welfare Administration Act (*Meld. St. 33, (2015–2016)*) encourages the State and municipalities to establish NAV offices as "equal partners" through "partnership agreements" that formalise service portfolios, enabling variation

in the integration solutions sought in each partnership. In the years following the reform, NAV has been encouraged to develop local organisational structures and culture to promote autonomy, flexibility, and solutions in line with the needs of the populations served (e.g., Hugvik et al., 2017). In the White Paper formulation, "user--focused and effective services […] provide service users better and more targeted services and facilitates closer, easier, and more individually adjusted follow-up of those service users who need it"[2] (*Meld. St. 33, (2015–2016)*). Hence, considerable discretion is delegated to the frontline to foster solutions matching local welfare needs. Within this framework, modes of operation and the repertoire of tasks to be handled by a given local office are negotiable, giving room for state involvement and communal problem-solving to local circumstances (*Meld. St. 32 (2020–2021)*). Theoretically, the partnership "enables holistic and individually adjusted effort" and offers the potential for "the optimal use of combined communal and statal resources adapted to local circumstances and needs" (*Meld. St. 32 (2020–2021)*).

Røysum (2013) underlines that the reform merged distinct cultures and professional roles with diverse ways of working, various knowledge bases, and multiple professional identities, creating "tensions" between strata of employees. These tensions point to different internal administrative value sets: a business finance, a legal-bureaucratic, and a social work professional discourse, with internal contradictions between them (Vabø & Vabo, 2014, p. 6). Employees perform different roles for different service users. On either side, employees provide varied-intensity follow-up of service users according to differentiating procedures that reflect the "efforts" needed by NAV (see: Gjersøe, 2021; Wathne, 2019; Wathne, 2021). NAV State employees serve the diversity of pre-determined (national/state) welfare benefits available to the general population, including unemployment benefits, with central directives regulating aspects of work in the service portfolio. Municipal employees administer means-tested (local/municipal) benefits like social assistance and work with the most vulnerable service users. Reaching clients in their social milieux has been accepted within municipal social services (Røysum, 2013). State functions have been described as more rigid in their application, while municipal functions require more flexible solutions by social workers (see: Vabo & Øverbye, 2009). Employees engage users according to different playbooks, adhere to various employment codes, have varied salary levels (and distinct paydays), and use numerous computer systems for service delivery. The common ground or shared space in between in the co-locality of a NAV office is the complementarity and transition between benefit categories, the interdependency of mandates, and responsibility for the follow-up of service users. In practice, the NAV reform resulted in a new, merged institutional structure consisting of parallel organisational cultures with municipal and state employees potentially performing service-specific functions independently, thus creating room for glitches in the holistic follow-up of service users.

Previous studies have investigated attempts in NAV to find ways to re-negotiate the organisational premises or tip the scales towards more municipal values (see: Ask

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[2]   Please note that all citations have been translated into English by the authors of the article unless stated otherwise.

& Sagatun, 2020; Gjersøe, 2021). The nationwide HOLF project, for instance, investigated holistic approaches to serving socioeconomically disadvantaged service users (Bergheim & Rugkåsa, 2022; Gyüre et al., 2021). HOLF family coordinators reported that the tailored framework provided opportunities for close, holistic follow-up of families, which would not have been possible under less flexible, i.e., ordinary conditions. Malmberg-Heimonen et al. (2016) studied the effects of a government--administered skill training programme for Norwegian social workers to enhance and systematise follow-up work. The authors identified "the opportunity to adapt the learned skills to local conditions", among other factors, as necessary to the study's results. It seems an essential lesson from the Norwegian welfare reform is that integrating services is "'challenging" for service users, management, and employees (Christiansen et al., 2014). This has been extensively discussed by previous research (see: Christiansen & Lægreid, 2013; Skjefstad et al., 2018). The effects of the organisational divide on frontline bureaucracies and their service delivery capability still require scholarly attention.

Study context and location: services development process at a local NAV office

An organisational development process has been initiated at a local NAV office in a city district in Oslo to accommodate an ambitious social agenda. Drawing heavily on social work professional discourse, this process can be seen as a response to the political call for NAV to develop more empowered, flexible, and targeted local offices. The urban district has a culturally and socio-economically diverse population, with a concentration of municipal rent apartments alongside high-value residential areas. Welfare needs are correspondingly varied. Over the last years, the district has spent much of its social budget on passive welfare benefits, while the non-completion/drop--out rate from secondary education has consistently been among the highest in the country. The district administrator has, therefore, mandated the municipal NAV leader to find ways to cut social expenditure (by 30M NOK) and reduce the dropout rate (by 50%).

At the office, priority is given to a coordinated, holistic response to the most vulnerable clients and their families, and this is flagged as a "change of paradigms" compared to ambitions in earlier regimes and other offices about reaching the broadest possible scope of clients. This "new approach" draws on the concerted involvement of local resources, a coordinated municipal service apparatus, and cultivating a "new culture" for social work. Service users must be met with an approach tailored to their needs, regardless of the employee they encounter. The approach is based on a longstanding local tradition of collaboration between social workers in NAV and community partners like schools, youth clubs, outreach workers, youth, and families in the district. Reducing social expenditure requires that as many recipients of passive welfare benefits as possible achieve employment, work-promoting activity, or state benefits such as disability pensions. From the municipal perspective, a successful transition of service users from municipal benefits to either work or state pensions

requires solid intra-organisational collaboration. A substantial reduction in the drop--out rate from school necessitates the involvement of youth and their families in partnership with a broad scope of human resources within and beyond NAV. Investigating the organisational development process in collaboration with invested participants has given us insight into the local partnership between the state and municipality. At the time of our investigation, the office was under dual leadership. NAV State plays no formal part in the development process. Against this background, we take municipal conceptualisations of social work as exemplified in the services development process as a fruitful symbolic axis to understand the meaning made by employees around the dual organisational form.

Methods and data: everyday symbols of social work

The data for this study were generated as part of a formative dialogue research project (see Baklien et al., 2004) initiated independently of, but in close collaboration with, the local office leadership, who saw the value of working with researchers in the process. Dialogue with stakeholders in the field has been crucial to our research design. Formative dialogue research shares characteristics with process evaluation and action research, though there are significant differences. It is possible to carry out process evaluation research after the completion of a process, whereas formative dialogue research follows processes while they unfold. In action research, the researcher tends to assume a more proactive part in ongoing activities, although the formative dialogue researcher does not seek direct involvement. Formative dialogue researchers do not necessarily take a "neutral" position but depend on constant dialogue and trustful relations with the field (see: Olsen et al., 2002). Following an invitation from the municipal NAV leader, the project's scope and methodology were developed in close collaboration with central stakeholders. Upon approval of the project by NAV and the national ethical board, we were granted extensive access to follow, document, and analyse the development on the municipal side of the organisation. As researchers, we have not actively participated in the municipality's services development process nor engaged in participant observation of emergent activities and measures. Participants from the middle management leader group with central roles on different teams were subject to targeted recruitment by initiation from the leader who facilitated contact with crucial role-players. Social workers were recruited to participate in focus group interviews through open invitations and could decline by not showing up. The form of presence we have chosen is a balancing act that needs constant reflection, including dissemination and publishing.

Having been invited to follow the services and organisational development process by the municipal NAV leader, we reiterate that our presence as researchers at the local office is tied to the municipal side of the organisation. Our observations pertain to half the organisational structure in action. Crucially, the state side of the NAV office does not have any formal or informal role in the local services development process. During the 18 months of corporate fieldwork for the project's initial data-gathering phase, we relied on a triangulation of methods producing insight into the organisation's everyday

working life, including data on the service development process: Meeting structure, intra-organisational communication, social role identity development among employees, leadership, social work practice, external relations; themes that in various ways highlight the relationship between the two halves of the organisation.

In analysing this extensive material, we rely on an abductive process, with theories, data and discussions forming part of the analytic endeavour. In the tradition of reflexive thematic analysis (Braun & Clarke, 2019, 2021; Byrne, 2022), we initially worked individually by manually coding passages of interviews and observations. We then discussed the material and combined our codes into thematic clusters. These clusters helped identify broader thematic currents cutting across sections of the material, such as the everyday relationship with statal colleagues or the incompatibility of computer systems, leadership styles, and approaches to service users, pointing to an experience of working across a divide. Everyday talk about a lack of collaboration within the organisation represents a significant pattern in our data, meaningful to leaders and employees, developed through several rounds of on-topic discussions with participants. We focus on social work in the organisation as a portal for discussing the operationalisation and symbolisation of the organisational divide. Conceptualisations of social work are crucial to understanding the organisation's capacity towards pliancy and flexibility in service delivery solutions.

This paper builds on excerpts from the following sources: Observations of more than 30 meetings on various organisational levels; more than 20 individual semi-structured interviews with staff, middle management, and the municipal NAV leader; and two focus group interviews with 19 employees in relevant teams. Drawing on several municipal perspectives, the discussion features input from social workers, middle management, a trade union representative, the district administrator, and the municipal NAV leader. However, the local NAV office is the single locus of our research. We have no grounds for comparison or arguing the extent to which this represents a typical large local NAV office in terms of the internal culture described. The organisational partnership is subject to local variation (*Meld. St. 32 (2020–2021)*). Other local offices function under a single leadership, whereas some offices organise employees in cross-sectional teams. However, the municipal/state organisational fault line is a national feature of every local NAV office. Given the division of labour entailed in the organisational arrangement, the issues taken up in this paper connect the local and particular to the broader NAV context. The local development process might be seen as a microcosm of NAV's organisational ability to develop solutions that draw on the total weight of its frontline organisations. The Norwegian Data Services approved the research project (project no. 183853), which won funding from Stiftelsen DAM (2020–2023).

Research ethics

This paper draws exclusively on municipal employees' perspectives, representing a source of possible bias. The issue of collaboration might be fruitfully explored further with a bipartisan approach. An ethical challenge in formative dialogue research is

ensuring anonymity, which is unlikely to be entirely feasible given traceable information on the district level. Nonetheless, researchers are responsible for protecting participants from damage or adverse consequences of participation. We have diligently discussed the ethical aspects of our research with the municipal NAV leader and other key stakeholders. As researchers, we uphold the principles of informed consent and ensure that participants in meetings and activities under observation are fully informed about our identities and the purpose of our research. It is essential to adhere to scientific norms and regulations while disseminating findings in forums that benefit the practice field. As researchers, we have no conflicts of interest at the local office.

Theoretical perspectives: symbolic interactionism and organisational culture

George H. Mead (1934) suggested that symbols offer a way for people to reflect on their experiences and understand their social worlds. In the following, to point to the level of cooperation and cohesion between state and municipality in performing functions locally, we home in on the establishment of a client-run cantina as a contested symbol municipal employees use to communicate and make sense of their everyday experiences. We take the divide between municipal and state functions to represent different "cultures" within the organisation and refer to the potentially contradictory institutional logics that enmesh the compound local NAV structure – a business finance discourse, a legal--bureaucratic discourse, and a social work professional discourse (Vabø & Vabo, 2014, p. 6). These logics find expression in organisational symbols employees use to make sense of their everyday work and collegial relationships. The symbolic repertoire available to employees to make meaning of organisational structures and everyday life is tied to their place in this division. The symbolic meaning is, therefore, at the core of studying an organisation where employees contest meaning across an organisational divide.

A theoretical framework cross-fertilised by symbolic interactionism and organisational culture theory might help enlighten how the twin organisational structure pans out in practice at the local office. According to Herbert Blumer (1986), symbolic interactionism theory can be utilised to pinpoint the importance of social interaction in constructing meaning and interpreting social reality. In conformity with this theory, individuals create and interpret meaning through interactions. Blumer's argument is based on the notion that human beings act toward objects based on the meanings they attribute to those objects. These meanings are not lodged in the objects but are socially constructed through social interaction. The meanings we impart to the symbols surrounding us are pliable and subject to interpretation and negotiation. This adjustment process occurs continuously and is instrumental in shaping individual and collective behaviour. In this conceptualisation, our understanding of the world and actions shape the meanings we impart to symbols, such as a client-run cantina.

In conjunction with symbolic interactionism, Edgar H. Schein's (see: Schein, 2017) organisational culture theory contributes to a better understanding the underlying assumptions and values that shape an organisation's culture. Schein argues that organisational culture is a shared system of assumptions, values, and beliefs that bring

to bear the behaviour and interactions of employees within an organisation. Schein argues that organisational culture is a powerful force that moulds how employees make sense of their experiences and give meaning to events and challenges within the organisation. Organisational culture frames how employees interact with internal and external stakeholders, influencing cooperation and collaboration across levels and departments within an organisation. For example, a robust hierarchical culture within an organisation may discourage employees from challenging the status quo or advocating change. In contrast, an organisational culture that values innovation and empowerment may encourage employees to contribute novel solutions to challenges. Empowered employees might position themselves to help engineer new responses to wicked issues in the organisation.

Symbolic interactionism, reinforced by organisational culture theory, provides a framework for understanding how human interpretation, symbols, and language shape social reality in the local organisation. In the following discussion, our circling in on the contested cantina as a symbolic issue in the organisational life provides a connector between symbolic meaning and the organisational structure. By applying this theoretical framework to the context of the organisational divide at a local office of the Norwegian Labour and Welfare Administration, we can make sense of how shared values, beliefs, and norms (or the lack thereof) within the organisation influence the behaviour and interactions of leaders and staff and how this impacts the ability to coordinate and collaborate both within and outside the organisation. This approach enables comments on the efficacy of service delivery across a divided organisation.

Findings: epistemological, spatial, and structural barriers to cooperation

Political signals encourage the development of empowered local NAV offices to secure optimal local solutions. Understanding more about forces that strengthen or disrupt welfare service delivery seems essential. The level of cooperation across the organisational division of labour likely sets the pace for what local offices can achieve. The division within local organisations raises questions about achieving ambitious municipal agendas. Initiated to optimise the delivery of municipal welfare services, we find it indicative of the issue at hand that state employees at the local office are not involved in the services development process geared toward the two-point agenda adapted to the local context and needs. To enlighten this scenario, we have organised our findings along the following line of argumentation: Social workers at the local office construct meaning about the organisational arrangement as "a divide" that gives rise to notions of "us and them" on many different levels and contexts of their work. This creates a perceived organisational hierarchy and ultimately chips away from the partnership's potential to develop flexible solutions, as exemplified in the organisational development process. After presenting this empirical argument, we discuss the municipal idea that social work professional competence is a prerequisite for leadership qualification for a unified office, necessary to countermand the reality of the local organisational partnership.

An unconsummated partnership

Seen from the outside, on organisational planches and information material, few signs bespeak a divided organisation. In individual interviews with middle management, group interviews with social workers, and discussions in team meetings on various levels on the municipal side of the organisation, however, leaders and staff problematise a lack of cooperation with NAV State. From the themes we have seen crystalise in these contexts, collaboration between state and municipal employees at the local office appears curtailed. Municipal social workers and leaders articulate a lack of cohesion between state and municipality in their functions and note challenges with the dual leadership's objectives and organisational goals. Municipal employees and leaders problematise "a lack of shared vision" as the most unambiguous indication that the organisation has a divided structure. In practice, it means that the municipal side is taken up by the process of planning and carrying out the organisational development process without the involvement of their state colleagues. The municipal leader is adroit about the effects of this division: *Since there isn't much cooperation with NAV State, we must look to other partners in the district! We must establish partnerships with those who work towards the same goals* (Leader).

Middle management leaders largely concur with this perspective. Tom, for one, thinks,

The partnership between the state and the municipality is a bad idea. It's a hindrance! We don't have leader meetings together! We don't speak with our state colleagues. The systems are not compatible. We don't get paid on the same day – making socialising on payday challenging! Furthermore, there are differences in wage and pension schemes. How necessary is this arrangement? I feel that NAV offices with a single leader stick to the vision of the top leader of NAV. The municipal part is marginalised throughout the system! (Tom)

Tom makes several observations here that relate to the organisational division. He refers to an underlying frustration on the municipal side we take to indicate the present conditions for internal coordination and collaboration. Previously, the local office had a unified leadership structure. Employees refer to an effort to integrate the organisation by seating employees in alternate offices and cross-cutting sections. Employees on all levels discuss the issue of leadership across the organisational divide, comparing the current situation to previous regimes. There is an ongoing in-house debate about the relative merits of unitary leadership and whether such an arrangement might incorporate all employees more effectively. To return to Tom's insight on organisational culture:

Having two leaders is a significant issue for us. This divide is a massive disadvantage. It makes no sense! We have two groups of employees here. The leaders don't have

the same goals. There really shouldn't be so many different rules for the two sides! It's easy to spot whether a leader is municipal or state. (Tom)

It is as if the differences in organisational culture have almost visceral effects on some highly symbolic issues. In focus group interviews with several municipal sections working closely with service users, social workers argue that the lack of internal cooperation creates barriers to their work. To exemplify, a social worker voiced the complaint that

It's hard even to reach State employees. They won't answer mail. They sit by themselves on a floor of their own. It's desolated up there. I wish we had better relations with State. I send mail to discuss a case and often don't receive a reply within three working days. Then I've got to get on without them… (Gunn)

Another chimed in:

We feel this arrangement is unfortunate! There is that barrier, a distance between us. There's no progress when the leaders don't communicate and cooperate towards the same goals. We don't even have joint meetings anymore. So, yeah, there is little cooperation! (Astrid)

And a third:

I feel we've travelled this path many times with State. I care about effectiveness! I would love to see the return of regular meetings, a forum for cooperation with State, to discuss work-promoting activities and the follow-up of clients. We did that before, but it's been many months since we had a meeting. I suggested we invite State along to develop the client follow-up cooperation. I don't know why it needs to be so tricky! (Nora)

Finally, Astrid related her difficulties establishing collaboration with her statal colleagues: *I approached a lady in NAV State – I work well with her, and she does an excellent job on the follow-up – but her leader said no! It's a continuous struggle between State and Municipality.* The conversation points to a notion among social workers and leaders in our material that the organisational partnership sometimes stands in the way of the core corporate activity, namely, helping service users develop the skills necessary to prevent social exclusion and marginalisation.

Our diverse data from the local office include fieldnotes taken at a meeting attended by the district administrator and representatives from the city council, including the council representative for social affairs, who had come to listen to the solutions sought locally. In the following excerpt, we refer to this meeting at some length. It is a brief presentation of a mid-meeting, at which the council representative queried the local recipe for success.

Union representative	*Even with the two leaders we have now, the leadership structure is flatter here than in other NAV offices!*
Council representative	*Moreover, how does this model influence your ability to work on target?*
Municipal NAV leader	*That relates mainly to our cooperation with the district.*
Union representative	*Back then, municipal employees were encouraged to write purely cultivated resolutions on social assistance at the expense of close follow-up of service users. Every applicant was supposed to be registered as a work-seeker. The result was that many clients were transferred to the statal follow-up system, but no additional follow-up resources were given. The whole follow-up system was effectively downgraded.*
Middle management leader	*State […], with their rigid "boxes", might as well be "centralised". They have the same mandate and rules all over the country. Everyone must fit into their parameters. However, you can't achieve social change that way! However, we on the municipal side can and must adapt to the users. That's why we had to find new ways of working. We have leeway to be more creative. They don't have the wherewithal to adapt to our ways of working. We must find hybrid models to give our users optimal service, no matter where they work.* (Heidi)
Municipal NAV leader (commenting on the internal difference in approach):	*In NAV Central's mindset, the branch leader's position in NAV involves merging two cultures into one unit. However, where is the end user in this philosophy? If this was applied in a hospital setting – arbitrarily amalgamating paediatrics and orthopaedics, that wouldn't work, would it? The state's interference in the organisation of local branches is completely unchecked…!*
District administrator	*Sufficient follow-up resources and flexibility are essential! It's all about support and empowerment. We see the results from this approach – we see it in the numbers. This is no stunt! That is why follow-up is our top priority, and this is how we manage our budget.*

Our observations make it clear that the municipal partnership with NAV State is viewed on all levels as a union of two separate organisations.

An internal hierarchy of functions

In this relationship, previous authors recognise municipal NAV as "the underdog" (Christiansen et al., 2014). *After all, they have the bucks!* a social worker explained. Others in the organisation used relational imagery to describe the internal division, calling the arrangement an *unhealthy marriage* (Tom) and underlining the need for a *marriage counsellor*, a metaphor employed by several employees. Concerned that social work competence requires empowered employees who can foster flexibility and tailored solutions to service users, middle management leaders at the office see NAV State's approach as overbearing to the junior municipal partner. Tom speaks to this issue above, and Heidi points to an *attitude* on the state side towards a more social work-oriented approach on the municipal side:

There might be synergies if we cooperated with State in extended work-oriented follow-up. State behaves patronisingly towards us; they think we work in overly informal ways and don't follow the rules as slavishly as they think we ought to. (Heidi, middle management)

On the municipal side, among leaders and social workers, there is a feeling that a more bureaucratic way of relating to NAV's mandate is seen by NAV State, particularly leaders, as "the proper NAV way". Formulated differently, there is a feeling that the legal-bureaucratic discourse has ascendency over the social work professional discourse that runs parallel in the organisation (Vabø & Vabo, 2014, p. 6). Conversely, the municipal side often believes that the more social work-focused approach is relegated to second--class status within the broader NAV apparatus. This type of sentiment and the reality they reflect likely helps perpetuate the division in everyday organisational life.

Social work competence as municipal NAV culture

Part of what furnishes the municipal organisational culture is the notion that, within the partnership, municipal social workers are the ones who possess social work competency. In conversation with the researchers, the municipal leader spoke about the flexibility inherent in social work professional discourse as contrasting with NAV State values:

State control of local offices is too tight. They think according to organisational theories and don't listen to social work experience. They ignore the risks involved in wanting every local branch to be identical. The idea of uniformity gives me the hives! Social workers worry that a unitary leader might be recruited from NAV State. (Leader)

The implication is that the position of social work discourse within the partnership might suffer with a leader more concerned with other competing discourses identified by Vabø and Vabo (2014, p. 6). To return to the focus group interview where social workers discussed NAV State's understanding of the organisational mandate as incompatible with theirs:

When you transfer welfare users to the state side, some of the most vulnerable fall through. They need closer follow-up. This needs to be done by social workers! The state employs marketing people and smatterers (Nor. halvstuderte røvere). They've started to do follow-ups over the phone instead of actual meetings with clients. I find it strange when we know that many clients struggle to comply with the system. It's a lot better to have physical meetings. You can read the person's body language better and map out resources when you meet them. (Gunn)

What is reflected in conversations across the material is that "social work" is seen as "a municipal task" and the reserve of municipal competencies:

Astrid	*Our user groups need closer follow-up! Work promotion and health-related activities are important priorities. NAV State can't handle those groups. The heavy user groups fall through when State assumes follow-up responsibility.*
Linda	*We're the ones who have the social work competence!*
Ali	*Yeah, they don't even want the users inside the building. We're the municipal anarchists – we show them in through the back entrance…!*

These conversations lay bare notions of recalcitrance and the underdog standing up for the proper mandate of the organisation. Municipal social workers and their leaders position themselves in opposition to their statal colleagues based on the notion that "we" further the interests of the service users, and "we" are equipped with the mindset and toolset to make the organisation capable of responding to the welfare needs of the most vulnerable service users. The notion that State fails to lend its weight to endeavours developed on the municipal side is not without consequences in terms of internal collaboration. A notable current underpinning many of our findings is that the municipal side strongly believes it affects the organisation's ability to accommodate the political rallying call to develop more autonomous and empowered local offices.

The contested cantina – a symbolic case of organisational division

Ali referred to *showing users in through the back entrance* concerning specific circumstances. Municipal leaders and social workers had hoped to establish a client--run cantina on-site for the everyday use of personnel and service users. This cantina was discussed on the municipal side in various contexts as a tool of further social work practice in-house and, more specifically, as part of the strategy poured into the ongoing organisational developmental process. To recap, the municipal side of the organisation has adopted an ambitious two-point agenda for their social work approach (reducing social expenditure and school dropout). With aims contingent on developing "new ways" of doing follow-up of clients, this process presumably has little bearing on the state side of the organisation. We take employees' and leaders' articulations about "the cantina" to represent an evocative and contested symbol of the organisational divide. The debate among them about establishing the cantina illustrates how the two sides of the organisation represent different approaches to social work and the follow--up of service users, and thus, different organisational cultures. This example from our material illustrates that the municipal perspective tends to see the division into municipal and state-run sub-units complicating the organisation's ability to respond to the political call for innovative social work approaches to meet local challenges.

In a general assembly of the municipal half of the organisation, the frustration around the cantina as a source of internal conflict was laid out by the leader:

As you know, there are different rules for the presence of [service] users on the premises. We used the cantina on the second floor as a workstation for supervised

activities for service users. That way, we got to know them better as people, not just as clients. We would eat there together with users. Users had access, too. It was an excellent way to bridge the gap between social workers and service users, and both sides of the organisation came together. It led to closer relations. It was an excellent activity! However, we can't do that anymore; they won't allow it. State doesn't approve. (Leader)

In a team meeting, we observed a discussion that turned into an issue of directed activity for a particular user whose circumstances might require a bit of extra supervision by a social worker. Many activities had previously been attempted, and the team members agreed that the cantina might provide a setting where someone with this user's needs and challenges might acquire new working skills and receive daily follow-up from the social worker, who would, after all, "be close at hand". That way, the social worker could carry out the first mapping of the users' abilities to function in work-like surroundings:

We can no longer employ [service] users in supervised in-house activities. That's a loss for the social work we do! (Ali)

It is very important to the work we're trying to do here. What to do with people who've gone through every activity on offer without getting anywhere? Can we come up with something new? What we know about the users is not an eternal truth, and sometimes doing something different helps produce results… (Nora)

Employees and leaders refer to internal communication about the cantina to illustrate what they see as fundamental differences in thinking and approach to follow-up within the organisation. Re-establishing a client-run cantina on the local premises was seen, on the municipal side, as an efficient way to provide supervised activities to service users needing work qualifications. The cantina as a "guided activity" is an attractive measure for municipal social workers because it offers several advantages involving closer relations between professionals across the divide and between professionals and clients. On the municipal side, social workers and leaders draw on the cantina to lament the cultural differences within the organisation.

Discussion: wicked issues, tangible solutions

NAV is enjoined politically to develop empowered and empowering local offices with flexible solutions to better cater to the welfare needs of communities. The official *Guide to the partnership agreement* (NAV, 2007) recognises that "cooperation between state and municipality must work well for the NAV office to provide holistic and coordinated service delivery". This is to say, without solid collaboration at the frontline level, implementing flexible frameworks that require organisational leeway will likely be challenging. Under the headline "For consideration", the guide poses four highly pertinent questions: "Does your partnership agreement promote your

common social mission, which is more people working and fewer people on social benefits? Do you agree about common goals for the office? What visions and values do you wish to formalise in your partnership agreement? Do you have a common operational plan for the office?" (NAV, 2007). We might briefly summarise our argument, considering these guidelines.

We have argued that the organisational culture within the local partnership is heavily influenced by pervasive notions of "us" vs. "them" materialising on many levels and contexts in corporate life. In seating arrangements, technical issues, perceptions of organisational mandate and vision, their identity as social workers, and relating to leaders, municipal employees recognise a division between them and state employees. They resent the perceived ascendency of NAV State in the partnership. In keeping with Schein's organisational culture theory (e.g., 2017), the internal divide gives municipal employees a feeling that the local office is staffed with two parallel organisations with different values, beliefs, and underlying assumptions. Talk about "the cantina" encapsulates internal differences. Reflecting the organisation's social dynamics and power relations, in discussions, the cantina brings out values held by people within the organisation and underlying tensions. From a municipal perspective, the cantina might serve a dual purpose. It might provide practical work experience to empower service users. It might close gaps between providers and receivers of services and among strata of employees. When the State side of the organisation is seen to reject this mindset, this is taken to indicate a lack of commitment to accommodating flexible solutions. To the municipal employees and leaders, the cantina might have helped bridge the organisational divide through informal interactions, exchanging ideas and experiences, and fostering "a shared culture" more balanced between the social work professional discourse and legal-bureaucratic discourses. In keeping with Blumer's symbolic interaction theory, to the municipal employees interacting with their state colleagues, "the cantina" becomes a symbol that helps them construct meaning around the organisational division and influence their individual and collective behaviour.

This division means that municipal social workers work in isolation from the NAV State structures within the partnership. This matters because if internal, everyday cooperation cannot be achieved, there is a risk of losing "synergies" in service delivery, as Heidi calls it above, which might otherwise develop from a more integrated frontline apparatus. The effect is that the municipality cannot mobilise the resources the central government represents to further its organisational agenda. As leaders and social workers in our material recognise, the question of unitary or dual leadership is at the heart of this debate. Excerpts from conversations in our material reflect that leadership plays a pivotal role in the organisational culture. We address the importance of leadership in social work, specifically elsewhere (Natland et al., (forthcoming)). Questions pertain to the leadership qualities needed to rally both categories of employees. Municipal employees and leaders underline social work competency as essential leadership qualities for a unified organisational structure. They stress the need to renegotiate the relative position of social work discourse within the partnership. The NAV reform aimed to enhance the local government's capacity to address complex and interconnected challenges across various policy areas (Christensen et al., 2014). Our observations of the organisational process problematise the reality of the

partnership between central and local governments in the local office, potentially hindering the municipal agenda. In our material, the state's part in combating school dropout rates points to the local service apparatus's integration level. We believe these issues will be resolved by facilitating NAV State's role in empowerment efforts at local offices through social work professional leadership.

Implications

Future research could explore the constellations made through efforts at local offices to engage external municipal partners in improving social services provision. A critical feature of the material we have gathered is the need for more cooperation and collaboration across the organisational divide in the local NAV office. From the leaders to individual social workers, the need for more internal cooperation is stressed on the municipal side, and the two sides are seen to differ in vision and approach, especially in operationalising social work principles in running the services provided. This lack of operative cooperation may adversely affect the organisation's serviceability and the ability to reach the two-fold goals on the agenda. It underlines the need for a more empowered organisational structure with leaders capable of empowering their employees. Promoting flexible solutions locally in NAV might necessitate recalibrating certain structural conditions.

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