

SECTORAL ACTIVITIES PROGRAMME

Working Paper

**Best practice in social dialogue in public service reform:
A case study of the Norwegian Agency for
Development Co-operation (NORAD)**

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Working papers are preliminary documents circulated
to stimulate discussion and obtain comments

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Preface

This publication is part of the research undertaken by the Sectoral Activities Programme, located in the Social Dialogue component of the International Labour Office (ILO), which is composed of 22 sectors, one being the public service sector.

Public service reform, whether undertaken in the context of structural adjustment, privatization or decentralization, is regarded as an important and necessary means of achieving improved efficiency and quality services in a changing environment. However, reform often adversely affects not only the terms of employment and working conditions of the public service workers involved, but also labour-management relations in the sector.

The Conclusions adopted at the Joint Meeting on Human Resource Development in the Public Service in the Context of Structural Adjustment and Transition, 1998, therefore, stresses that public service reform is most effective when citizens, workers and unions are able to be actively involved, and when their involvement is directed towards positive change – positive for both the citizens and the workers. Furthermore, the Conclusions adopted at the Joint Meeting on the Impact of Decentralization and Privatization on Municipal Services, 2001, underlines the basic principles by which public service reform should be guided. These include accountability, transparency and openness of government policies and actions; the importance of maintaining and creating good working conditions; the application of, and adherence to, core labour standards during the reform process for morale and performance of public service workers, and social dialogue with all relevant stakeholders as a prerequisite for designing, implementing and evaluating the reform. The Conclusions also urge the ILO to promote social dialogue at all levels by developing educational and advisory materials on this subject.

As a follow-up to the Conclusions, the Sectoral Activities Department is in the process of developing guidelines for strengthening social dialogue in public service reform. This working paper by Torunn Olsen, a case study of the reform undertaken in the Norwegian Agency for Development Co-operation (NORAD) in 2000 as an example of best practice in social dialogue in PSR, will be an important contribution to these guidelines. It reviews the reform in NORAD, examining social dialogue in practice and how trade unions were closely involved in each phase – the entire process, according to the author, yielding many positive outcomes. She argues that successful social dialogue depends not only on the existence of formal structures, but also on the development of mutual trust between the parties.

ILO working papers are a vehicle for disseminating information on topics related to the world of work and the evolution of social and labour policies and practices. The opinions expressed are nevertheless those of the author and not necessarily those of the ILO.

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Introduction

Following an approach by the ILO for a paper on a best-practice case in social dialogue in public sector service reform in Norway, the Ministry of Labour and Government Administration was approached and asked to identify what it considered its best case. It immediately indicated the recent restructuring exercise and introduction of new ways of working in the Norwegian Agency for Development Co-operation (NORAD).

The reform, called *NORAD 2000*, involved the establishment of new departments, but also emphasized new ways of working between, and within, departments. It included many of the elements that flourish in current management literature – teamworking, coaching, networking, matrix organization and flexibility. Although, at the time of writing, this case is considered the best, i.e. the most successful, it also contains flaws.

This paper describes the key components of the reform and the reform process, and provides an assessment by some of the central actors. Attention will be drawn to what are considered the successful aspects, as well as what its critics consider its unfortunate elements. Since these are not specific to the civil service, but are more general in character, the case may be of interest to a wider public.

Social dialogue within the civil service is considered advanced in the Nordic countries, hence ILO's interest in a case from Norway. For a full appreciation of the NORAD case, therefore, an understanding of the Norwegian civil service, and the main features of social dialogue within it, are necessary. The first part of this paper aims to provide this background, while the second focuses more narrowly on *NORAD 2000* itself.

The Norwegian Civil Service

Norway is, by many standards, a small country, which is also the case regarding the size of its labour force. In 2001, total employment in Norway was approximately 2.3 million. The state sector employed approximately 10 per cent of the working population,¹ while 2.7 per cent worked in the civil service.²

The civil service comprises the Prime Minister's Office, the Auditor General's Office, 16 ministries, with 77 subsidiary departments or services, the police, the courts, the prisons, civil defence, the tax department, the customs and excise authorities, the national insurance offices, the employment services and the clergy. In addition to the civil service, the state sector includes education – both higher (universities and research institutions), lower and secondary – the military, state-run hospitals and state-owned enterprises and transport companies. Teaching staff in lower and secondary education are employed by the municipal authorities, but are defined as part of the state sector for collective bargaining purposes.

The Civil Service Employee Act of 1983 distinguishes between civil servants (*tjenestemenn*) and senior officials (*embetsmenn*). Civil servants are the regular employees in the state sector, while senior officials are appointed by the King (i.e. the Government). In 1989, there were only about 3,000 senior officials in the state sector.

Women make up approximately 49 per cent of all civil servants and account for 57 per cent of the staff in ministries. Of the 16 per cent of central administration staff who work part-time, most are women.

Terms and conditions of employment and social dialogue within the civil service are regulated by statutes and collective agreements, while guidelines are provided in the Personnel Handbook for the State Sector. The following are the most central statutes and collective agreements:

- *The Civil Service Employee Act of 1983*: This Act regulates the appointment and dismissal of civil servants.
- *The Public Service Disputes Act of 1958*: This Act mandates collective bargaining and regulates the procedures for conciliation and arbitration.
- *The Worker Protection and Working Environment Act of 1977*: This Act lays down a number of requirements concerning the working environment and stipulates the duties of employer and employee. It also regulates a number of employer-employee relationships, including the right to leave of absence, the employment of children and young people, working hours, wage payments and holiday allowance, temporary employment, and dismissal procedures. The Act lays down minimum standards, but higher standards have frequently been agreed through collective agreements (see below).
- *The Basic Agreement*: This Agreement is a collective agreement concluded between the Norwegian Government, represented by the Norwegian Ministry of Labour and Government Administration, and a number of employee organizations that organize within the state sector.³ It regulates the relationship between the negotiating parties and the level of collective agreements, is a supplement to the Public Service Disputes Act, and includes provisions on consultation and co-decision-making. The Basic Agreement has a four-year duration.
- *The Basic Collective Agreement*: This is a collective agreement concluded by the above parties and covers the principal terms of employment, working conditions, pay and pension provisions. It also regulates local wage negotiations, includes pay scales, and is renegotiated every second year.

Collective bargaining in the civil service

Collective agreements are binding on the parties who enter into them and on the members. Negotiations in the public sector usually start after the wage guidelines in the private sector have been determined. The state and municipal sectors conduct separate but parallel negotiations. The employers confer with each other through a joint committee.

As the responsible employer in the state sector, the Government discusses the economic basis for the bargaining in advance and delegates bargaining authority to the Ministry of Labour and Government Administration. After an agreement has been reached, the proposal for a new collective agreement must be formally approved by Parliament. The terms of the agreement are extended to all employees within the sector by means of a parliamentary decision. In practice, the Employer Affairs Section of the Ministry of Labour and Government Administration has a great deal of autonomy during the negotiations. The politicians generally lay down guidelines, but their actual participation in the process vary according to their political objectives (Olsen, 1996).

The unions bargain collectively through their respective confederations, federations and unions.⁴ The Basic Collective Agreement is agreed and voted on in a joint ballot of all union members in each bargaining entity. This Agreement is a central one and stipulates the scope for local bargaining. Once it is agreed upon, the civil service will conclude local agreements on the basis of the delegated negotiating scope provided for by the central

agreement. Increased decentralization has resulted in bargaining at ministry level and lower, e.g. in public service units and government agencies. However, bargaining issues are still largely defined by the Basic Collective Agreement. These Agreements are normally renegotiated every second year, with the provision to renegotiate general pay increases at the central level during the intermediate year. This means that wage negotiations take place virtually every year.

The right to strike, arbitration and conciliation within the civil service

Senior officials (*embetsmenn*) and the military are the only groups within the civil service that are not allowed to take strike action. The police were given the right to strike in 1995.

The Public Service Dispute Act of 1958 contains rules of procedure for the implementation of collective agreements and dispute procedures for the state sector. This Act mandates the right and obligation to bargain. The statute distinguishes between “disputes of interest” and “disputes of rights”. A dispute concerning the conclusion or amendment of a collective agreement is a dispute of interest, while a dispute over the interpretation of an existing agreement is a dispute of rights. A strike can only take place when agreement is not reached after negotiations and mediation (dispute of interest). Even then, rules on notification and mediation have to be followed. Collective agreements that are in force include a peace obligation, and industrial action that concerns a dispute of rights is unlawful and can be taken to the Labour Court.⁵

A demonstration or political strike against decisions by the political authorities, or in order to influence them to make certain decisions, is permitted. These strikes are legal when the purpose of the strike is not to alter the strikers’ own collective agreements or other labour- related matters.

According to the Labour Disputes Act, all strikes have to be notified to the state Mediator⁶ (*Riksmeglingsmannen*) who decides whether or not mediation is necessary and whether a temporary peace obligation should be imposed. In the state sector, mediation is compulsory, but either party may demand that the mediations be terminated after two weeks, after which time the mediator has one week in which to resolve the conflict.

Compulsory arbitration is not prescribed by permanent legislation, and nor are other forms of government intervention. There is, however, a broad political consensus that the Government has ultimate responsibility for preventing labour conflicts from causing serious damage to society. The Government may present a special Act to Parliament in order to prevent or end a strike it considers detrimental to society. The dispute has then to be resolved by an arbitration board, the National Wages Board. This institution is a permanent voluntary arbitration court that can, but seldom does, handle disputes referred to it by the parties on their own initiative. During recent decades, the use of compulsory arbitration has resulted in a number of claims to the ILO for violations of international conventions, as well as domestic law suits against the Government (Dølvik, 1994).

Social Dialogue in the Norwegian Civil Service

Today, social dialogue in the Norwegian workplace is built on two pillars. The first is based on indirect representation, i.e. co-determination and employee representation through employee organizations and trade unions. The right to co-determination in the state sector is laid down in collective agreements and supported by statutes – the Public

Service Disputes Act, the Civil Service Employee Act, and the Worker Protection and Working Environment Act. It is, however, the Basic Agreement that is considered to be the Constitution of Social Dialogue in Norway, acting as a foundation and framework for how social dialogue is practised at the workplace level. This pillar of social dialogue encompasses the right to be informed and heard, co-determination (i.e. participation by trade union representatives in decision-making bodies) and the right to negotiate. This last restricts managerial prerogative, but only within a limited number of issues (see box 2).

The second pillar is based on direct representation, i.e. participatory management. Direct participation is based on employee involvement in decisions about how the organization is run and how workers perform their jobs. The right to participate directly is also regulated by statute, cf. the Worker Protection and Working Environment Act of 1977,⁷ and through the Basic Agreement.⁸ Direct participation was originally viewed as both a means and an end. It was seen as an end in itself for achieving better working conditions and personal satisfaction, but was also viewed as a means to increased motivation and competency which, again, would enhance participation in the formal co-determination system, and hence contribute to the development of industrial democracy. Industrial democracy was further viewed as part of democratising society as a whole. Direct participation in the democratic processes at work would therefore enhance competency and increase interest in participating in larger societal decisions (Berg, 1998).

The above picture, however, would be incomplete without a third pillar, although this one is not directly workplace related. It involves participation by the employer and employee organizations in different national committees, i.e. the corporative channel. They participate in many different types of national committees and boards, and are often heard regarding different legislative proposals and policy issues, which again have a bearing on labour legislation, national incomes policies and the terms of reference for national wage bargaining.

In this paper, the focus is on the first pillar.

Social dialogue in the Norwegian Civil Service is partly a reflection of that being carried on in Norwegian industrial relations in general, including the private sector, and partly a reflection of issues particular to the civil service. The development of social dialogue in the public sector is interwoven with its development in the private sector. A common understanding in Norway is that civil servants should have the same rights to co-determination in the workplace as employees in the private sector have. However, workplace democracy has an added dimension in the civil service. Civil servants are not only employees, they are also caretakers of political decisions. A balance must therefore be struck to ensure that increased rights for civil servants do not undermine political decisions, which raises the question of where the line between political and administrative issues lies. In the 1970s, this was a question that caused much concern and interest when the different parties (employer and employee interests, the ministries and political parties) were considering whether civil servants should have rights to co-determination and how these rights should be framed during the 1970s (Lægneid, 1983; Berg, 1998).

Although co-determination is not a new phenomenon in the public sector (it has its roots in the 1930s), the first Basic Agreement for the Civil Service with set rights to co-determination was concluded in 1980. The current Basic Agreement does not differ much from the 1980 version. As mentioned above, the question of what form social dialogue should take, not only in the civil service but also in Norwegian industrial relations in general, has not been without controversy. The issue has been a highly political one, between different political parties, within the labour movement, and between employers and employees (Bergh, 1983). The contours of the present co-determination system were shaped as recently as the 1970s and 1980s, initially in the private sector, then in the public

one. The question of how to regulate, by way of statute or of collective agreement, has been one of the major issues. Although elements of co-determination can be found in the statute books, the main provisions are currently to be seen in the collective agreements. The preference for collective agreements may be an expression of ownership, commitment and guardianship. It is the labour market parties themselves that are direct parties to the agreements; it is their wording in the texts and it reflects their compromises. With vested interests in collective agreements, the parties also play a more active role in ensuring that the agreements are heeded – including in the workplace. Further, the preference for collective agreements can also be seen as strengthening the collective wage bargaining system already in place.

The strategic aim of social dialogue has changed over time – from the initial focus on democratising working life, to improving the working environment/job satisfaction, and, finally, to improving productivity and effectiveness (Berg, 1998). Today, the pressure to modernize and improve productivity and effectiveness is apparent, as shown not only in new reform initiatives from the Ministry of Labour and Government Administration, but also in new texts in the central collective agreements – section 1, subsection 2 of the Basic Agreement (cf. box 1) is an example of this.

The Basic Agreement

The Basic Agreement is central to understanding how social dialogue is regulated in Norway. There are actually several different Basic Agreements, covering different sectors of the economy. However, they are often structured in the same way and cover the same principles, although varying from sector to sector. It should also be noted that collective agreements concluded at a sub-national level (e.g. within a government agency or a private enterprise) stipulate that the Basic Agreement is Part 1 of the local agreement.

The Basic Agreement for the Civil Service consists of four parts. The first relates to co-determination, the second regulates the rights and duties of the parties, the third contains rules that supplement the Civil Service Disputes Act, while the fourth regulates disputes concerning interpretation of the Agreement, as well as its duration. In total, there are 48 sections and the document is relatively comprehensive, covering different forms of co-determination, administrative procedures, personnel policy and considerations relating to the Working Environment Act.

Section 1, often considered the most important, outlines the purpose and intentions of the Agreement and, for this reason, is presented in full in box 1.

As previously mentioned, an important argument against introducing co-determination in the civil service was the fear that civil servants would interfere with, or impede, political decisions or the political decision-making system. In the first framework agreement of 1980, it was emphasized that the rights to co-determination for civil servants must not be implemented in such a manner that political democracy was challenged. Trade union representatives were not allowed to participate in political decision-making processes based on Acts of Parliament or other political resolutions. For civil servants, co-determination was restricted to internal administrative questions pertaining to the work situation (Berg, 1998). In the 2002 version of the Basic Agreement, the same principles are upheld (cf. box 1, section 1, subsection 9).

Chapter 4 of the Basic Agreement defines the different forms and areas of co-determination, three of which are specifically provided for: information, discussions (consultations) and negotiations. Irrespective of which cooperation arrangements are chosen, the employers/management at all levels must inform union representatives of conditions that significantly affect the employees' working situation (section 10,

subsection 2). It is also emphasized that the procedures laid down in the Agreement are to be followed *before* decisions are taken and, hence, before implementation.

Box 1. Section 1 of the Basic Agreement of the Civil Service

Part 1. Co-determination

Chapter 1. Purpose and scope

Section 1. Purpose and intentions

1. The government and the confederations for government employees' unions have entered into this Basic Agreement for the purpose of creating the best possible basis for cooperation between the parties at all levels. The Basic Agreement shall be the basis of the employees' right to co-determination, in addition to the rules laid down in the Civil Service Disputes Act, the Civil Service Act and the Working Environment Act. The Basic Agreement shall entitle the employees to actual influence in the organization of their workplaces and on the development of working methods. The parties agree that the Agreement is an instrument for developing management, co-determination and the working environment. Work must be organized and ordered so that employees' knowledge and skills are utilized, and so that each employee is given the possibility for professional and personal development. Co-determination should contribute to flexible and user-friendly services with a good working environment, good management, better performance and a satisfactory relationship with the public.
2. The parties agree that the state is currently facing new demands which, amongst other things, entail changes in work methods, roles, organising and the regulatory framework. The parties therefore view the Agreement as an instrument to adapt, increase efficiency and modernize the state sector. The Agreement shall contribute to ensuring good services in order to maintain legitimacy and confidence amongst the public.
3. The Agreement of Intent Concerning a more Inclusive Working Life requires that the parties cooperate in a binding manner to reduce the extent of sick leave and the take-up of disability pensions, increase the actual pension age, and contribute to personnel policies which are more inclusive and stimulating.
4. The achievement of the aims of the Basic Agreement is dependent on the employees and employers meeting as equal parties. A further requirement is that the parties meet with a will to find solutions to problems, and that their representatives have the necessary credentials, qualifications and attitudes.
5. The parties agree that the right to co-determination is best exercised through the elected union representatives, and that it shall be exercised in such a way that employees are involved in the process of planning and decision making as early as possible.

The parties shall further establish conditions for forms of cooperation that allow employees to have direct influence on the organization of work and on the ways in which tasks are solved in their own work areas. In this context, the parties agree that, subject to agreements, experimental activity can be carried out to develop forms of organization and ways of working that put the employees' co-determination into effect, cf. the requirements of the Working Environment Act relating to the organization of work.

6. Elected union representatives carry out their official duties as a necessary part of the democratization of the working environment within the government service. Official duties in connection with the unions shall be given equal status to normal service. Holding union office yields competency and this shall be significant in a person's further service and career.
7. Managers at all levels shall exercise a form of management that enables the elected union representatives to be involved in the decision-making process in all matters relevant to the employees' working situation. At the same time, employees in the agency are expected to submit proposals for measures in the different areas of the work of the agency that will enable the achievement of the best possible performance and service to the public.
8. The parties agree that the employer shall provide union representatives with the best possible working conditions for attending to their official duties. The parties also agree that elected union representatives shall function in such a way that the flow of work and the efficiency of the agency are not hampered.
9. The parties agree that rights pursuant to the Agreement must be exercised in such a way as to be in no way detrimental to political democracy. In accordance with this, the government services shall loyally implement the decisions of the political authorities at the same time as employees are able to enjoy actual co-determination in relation to internal administrative matters concerning the working situation.

10. Information and communication technology (ICT) plays an ever more important role in the activities of the public service agencies. The parties will actively ensure that ICT shall contribute to better services for the public, improve the quality of services, and be a means to simplify and increase efficiency. It is important that a holistic approach, which includes technical, organizational and economic factors, as well as environmental and social factors, is used when assessing ICT.
11. One of the purposes of the Basic Agreement is to create a basis for civil service personnel policies in the areas covered by the Agreement, within the limitations prescribed by laws, regulations, etc. The parties therefore emphasize the importance of giving priority to personnel work, and in this way contribute to the effective solution of tasks assigned in an efficient and user-friendly manner.
12. The parties shall collectively and separately continuously follow up and train managers and union representatives, with the aim of achieving a joint understanding of the Basic Agreement's intentions. The employer shall annually ensure that experiences are shared and discussions held in each agency regarding the contents of the Basic Agreement and the adjustment agreements. Both parties are to be present, along with the top representative on the employer side. Minutes from these annual meetings are recommended.

Timely and good information is seen as one of the crucial factors for successful social dialogue. Therefore, section 11 contains a number of provisions aimed at ensuring that adequate information is provided:

- The employer shall, without delay and without being asked to do so, supply information as early as possible during the processing of cases, so that employees have a genuine opportunity to exercise co-determination during the different phases of the process.
- The elected union representative shall, at any given time, have access to documents relevant to the cases concerned. If the information is electronically stored, the trade unions should, on request, receive the information electronically.
- Information should be supplied in a form that is easily understood without unnecessary use of special technology. If the case is complicated or requires special insight, the employer should ensure that the elected union representatives receive appropriate professional grounding.
- Information is given in meetings and/or in writing.
- In cases of great importance to the employees (for instance, in connection with rationalization, organizational changes, etc.), the employer has a specific responsibility to ensure that all employees are as well informed as possible. Briefings/information meetings for this purpose shall be planned in cooperation with the elected union representatives.
- The elected union representatives are obliged, on behalf of the unions, to provide the employer with information about cases dealt with in the unions that are of significance to the employer.

Section 12 lists the following issues which are subject to discussions (consultations):

- budget proposals;
- redefinition of vacant posts;
- building projects;
- the agency's short- and long-term plans and spending plans for the agreed budget;

- factors relating to the processing of cases referred to under section 13 (Negotiations);
- options relating to procurement and distribution of equipment and utilities involving considerable capital investments;
- staff training;
- defining workplans (shift plans, duty rosters, etc.);
- certain cases under the Working Environment Act;
- reallocations between salary costs and other operational costs.

Negotiations are the strongest form of co-determination the Basic Agreement provides for. For this reason, the full text is included in box 2. As is made evident in section 13, subsection 1, the reform which NORAD underwent, and which will be discussed later, falls within the ambit of negotiations.

In light of the above, it is clear that a regulatory framework to enhance social dialogue is in place in the Norwegian civil service. Nonetheless, important questions remain. Is the above regulatory framework adequate, and how do the parties to the agreement utilize the framework? These are empirical questions that remain to be answered. In the following section, the case of NORAD is examined.

Box 2. Section 13 of the Basic Agreement of the Civil Service

Section 13. Negotiations

1. Decisions made as a result of negotiations must:
 - (a) lie within the employer's sphere of authority;
 - (b) lie within the framework of the budget resolution adopted by the *Storting* [the Parliament], or within the framework of budget authorities granted by the *Storting*;
 - (c) be subject to, and in accordance with, the regulations or the priorities laid down for the agency by the competent ministry, or, by authority, by the agency itself.
2. Unless the parties in a specific case agree otherwise (cf. subsection 1), the employer is duty bound to enter into negotiations with the unions through the elected union representatives concerning the cases referred to below. The list below is exhaustive:
 - (a) Internal organizational changes where the following three conditions are met at the same time:
 - the organizational chart is altered;
 - the changes are meant to last for more than six months;
 - the changes entail the reallocation of personnel and/or equipment.
 - (b) The establishment (creation) of new posts without abolishing vacant posts (increase in staffing levels).

Note to b:

This point applies to the distribution of new posts where this has not already been decided by budget resolutions of the Storting or by the authority that disposes the budget.
 - (c) Welfare measures and the distribution of welfare funds.
 - (d) Measures to stimulate employees to submit proposals for improvements, including the award of prizes for such proposals.
 - (e) Staff rules, cf. section 23 of the Civil Service Act.
 - (f) How spatial areas are to be used for the purposes of work, rest and eating in new, leased or rebuilt premises.

Note to f

The spatial organization of departments or which office individual employees shall use are subject to consultations.

- (g) Issues under section 24, subsection 2 of the Working Environment Act, which are subject to negotiations pursuant to Part 1 of the Basic Agreement and which the parties to the adjustment agreement agree, shall be dealt with according to the rules laid down in these agreements.
- 3. The unions have a right to state their views in cases that, pursuant to section 13, subsection 1, will not be the subject of negotiations. If the unions so require, such statements shall accompany the case to superior levels, but not further than to the competent ministry.

The Norwegian Agency for Development Co-operation (NORAD)

NORAD is a subsidiary agency under the Ministry of Foreign Affairs and was established in 1968. The Ministry of Foreign Affairs is responsible for formulating aid policy and adopting strategies for cooperation with individual countries. NORAD's role is to facilitate and coordinate the practical aspects of development cooperation in dialogue with partners in developing countries, and to administer funds and support schemes in accordance with the guidelines of the Ministry.

NORAD is a widely dispersed agency, with subordinate agencies in embassies on three continents. At the end of 2001, it employed nearly 340 civil servants. Approximately 18 per cent of the employees were stationed abroad and nearly 10 per cent were on unpaid leave of absence. Just over 10 per cent are employed on temporary contracts. Two-thirds of the employees in NORAD's home administration are women. Men still outnumber women in the top managerial grades, but, since 1997, the Director-General of the Agency has been a woman, and, at the time of writing, four out of the 11 directors are women. There is an even age-spread and nearly half of its staff have been employed for less than eight years. However, a substantial number, approximately 25 per cent, have worked for the Agency for at least 20 years.

The Director-General is the only senior official (*embetsmann*) and is appointed by the Cabinet for a period of six years. The remaining employees are civil servants (*tjenestemenn*) with no limit to their employment up to the age of 70.

The regulatory framework presented above covers NORAD. The Basic Agreement stipulates that the government services must specify how they intend to implement the Basic Agreement in separate adjustment agreements (*tilpasningsavtaler*). In addition to its Adjustment Agreement, NORAD is also covered by a special agreement regulating compensation levels for civil servants serving abroad. Regarding the remaining issues, civil servants abroad are covered by the same statutes and collective agreements as civil servants working in Norway. However, there is one more exception, namely, that civil servants serving abroad are exempt from the working-hour regulations (Chapter X) in the Worker Protection and Working Environment Act of 1977.

As mentioned earlier, collective bargaining may take place at both national and workplace level. The Basic Agreement and Basic Collective Agreement are negotiated at national level, but for a number of issues, they function as framework agreements delegating negotiating powers to the workplace (agency) level. As illustrated earlier, section 13 of the Basic Agreement stipulates which issues are open for negotiation at workplace level (cf. box 2). In addition to these, the local parties have the right to conduct decentralized wage bargaining within the framework of the Basic Collective Agreement.

Social dialogue at NORAD

The following section describes how the system of co-determination is organized at NORAD. This will be followed by an assessment, by members of management and local union leaders, of how well this system functions generally. The latter is based on interviews, during the summer of 2002, with eight central actors.

Employee representation at NORAD

Three trade unions are recognized for collective bargaining purposes and are also represented in most of the internal committees relating to employment and labour issues. These unions are:

- *The Norwegian Civil Service Union (NTL)*: NTL is the largest union at NORAD, with 115 members (including members on leave and serving abroad). Its members represent a wide variety of trades, vocations and professional backgrounds. NTL competes vertically with the other two unions mentioned below and organizes civil servants from all grades. It is a member of the Norwegian Confederation of Trade Unions – Section for State Employees (LO-stat).
- *The Confederation of Academic and Professional Unions in Norway (Akademikerne)*: The confederation has 104 members at NORAD and organizes civil servants who hold academic degrees (lawyers, economists, engineers, political scientists, etc.). It does not represent administrative staff in lower grades.
- *The Norwegian Union of Multi-disciplinary Employees (Flerfaglig fellesorganisasjon -2fo)*: 2fo is a member of the Confederation of Vocational Unions – Section for State Employees (YS-S). It has 82 members and represents civil servants of all grades.

Approximately 10 per cent of NORAD employees are not organized. This group consists largely of young academics.

Part 2 of the Basic Agreement draws up the rights and duties of the parties. The first chapter establishes the relationship between the parties, i.e. how union representatives are to be elected (section 30), mutual rights and duties (section 31), and the exercise of the official duties of union representatives (section 32). The last section is presented in box 3. It stipulates that union representatives have the right to office space, equipment to disseminate information and use of a telephone. It is also worth noting subsection 6, which stipulates that holding union office requires competency, which the employer must recognize.

Box 3. Section 32 of the Basic Agreement of the Civil Service

Section 32. Exercise of official duties as a union representative

1. When union representatives have matters they wish to put forward, they shall consult directly with the employer's representative.
2. Elected union representatives shall have unimpeded access to the different departments to the extent that this is necessary in carrying out their official duties. They are duty bound to inform their immediate superiors of any reason for leaving their workplaces. They shall also, as far as possible, inform the manager of a department they visit of the name of the person they wish to speak to.
3. The union representative must ensure that disturbances to work are kept to a minimum.

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| <ol style="list-style-type: none">4. The union representatives shall be allowed access to the use of office equipment at their place of work and to the agency's internal distribution channels for the circulation of minutes from discussion and negotiation meetings in the agency. The extent to which this shall apply to circulation of other types of information regarded as necessary for members is laid down in the Adjustment Agreement.5. In the case of union representatives who are allowed full or partial leave to attend to their official duties, cf. section 33, it can be agreed that an office, telephone, etc., is placed at their disposal by the agency concerned. All elected union representatives shall have access to a telephone at the workplace.6. Holding a union office yields competency and this shall be considered significant in a person's further service and career (cf. also section 1, subsection 6). |
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The second chapter in Part 2 contains the regulations concerning leave of absence with/without pay. Section 33, subsection 1, stipulates that union representatives have a right to leave of absence with pay during the exercise of their official duties. If union representatives have a genuine need for assistance from other employees during information, discussion or negotiation meetings with the employer, the latter will also have a right to leave of absence with pay for this period. Further to this, section 33 stipulates the other circumstances in which union representatives may have the right to paid/unpaid leave. The Basic Agreement does not stipulate how much paid leave union representatives are entitled to, but leaves this question to be agreed locally in the individual agencies.

Senior NORAD union representatives at NORAD indicate that they spend between 25-40 per cent of their working hours on union matters. The amount varies, of course, with the workload. During restructuring phases, it increases.

The Director-General of NORAD is the employer pursuant to the Basic Agreement. The Director-General has, however, delegated the main responsibility for ensuring that consultation and bargaining procedures are followed according to the Basic Agreement to the Director of the Personnel and Administration Department. Day-to-day contact with union representatives is again delegated to the head of the Personnel Office (an office under the Personnel and Administration Department).

Co-determination at NORAD

According to NORAD's Adjustment Agreement, the parties have agreed that information relevant to the employees' working conditions should be given as early as possible. It may be passed on verbally or in writing. If the information is electronically stored, it should be passed on to the unions electronically. If the information is deemed to be of great importance to all employees, or all employees should receive the information without delay, the information may be spread by way of a general meeting, the info-market or via Intranet. The parties agree that, in matters of great importance, open meetings and hearings may be used in order to promote co-determination.

The parties at NORAD have also agreed that the summons and paperwork must be distributed at least two weeks prior to consultations or negotiations. In matters in which NORAD has particularly narrow deadlines, e.g. in budget matters, shorter deadlines may be agreed upon – normally a minimum of one week.

At NORAD, co-determination is most directly linked to four institutionalized bodies/arenas:

- contact meetings (kontaktmøtet);
- NORAD's Employment Council (tilsettings- og innstillingsrådet);

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- the working environment committee (*arbeidsmiljøutvalget*);
 - informal contact meetings between the General Director and the senior union representatives.

In order to meet the Basic Agreement's requirement to inform, consult and bargain over a number of issues, NORAD has established *contact meetings*. These are held once a month. The employer and employee sides are equally represented, but the employer side chairs the meeting. From the employer side, the Director-General, the Director of Personnel and Administration and the head of the Personnel Office attend. On the employee side, the three senior union representatives are present. In addition, the senior safety delegate and the equal opportunities representative attend. Other employer and employee representatives may attend when needed. The main function of contact meetings is to exchange information, particularly regarding issues that affect the agency as a whole. The parties are expected to agree on how concrete cases/issues are to be dealt with and to set deadlines/timeframes for the work. A co-determination calendar is drawn up and minutes from the contact meetings are made available to all employees through Intranet.

The parties at NORAD have agreed that all cases/issues are to be opened as an information matter. Further, they may agree to deviate from the procedures laid down in sections 11-13 in the Basic Agreement (Information, Consultation and Negotiation). However, should one of the parties require it, the provisions in the Agreement must be followed.

For posts in which NORAD is the appointing body, appointments are made by *NORAD's Employment Council*. For those for which the Ministry of Foreign Affairs is the appointing body, NORAD's Employment Council functions as a nominating council and acts under the name of NORAD's Nomination Council. For civil servants who are not appointed by the King (i.e. by the Cabinet), NORAD's Employment Council also acts as a disciplinary board (penalties, dismissals, suspensions and complaints). NORAD's Employment Council consists of six members with the right to vote. Present from the employer side are: the Director of the department relevant to the post or position, the Director of the Personnel and Administration Department and the head of the Personnel Office. From the employee side, three representatives from the unions are present. Which representatives actually attend varies according to which posts are in question. In addition, the equal opportunities representative attends, but only as observer with the right to speak. The Director-General is the chairman. If there is a tie, the Director-General, or her deputy, has the casting vote.

The working environment committee has been established in accordance with section 23 of the Worker Protection and Working Environment Act of 1977. This section states that "enterprises which regularly employ at least 50 employees shall have a working environment committee on which the employer, the employees and the safety and health personnel are represented". The employer and employees are equally represented and their representatives are elected alternately as chairman. When votes are equally divided, the chairman has the casting vote. The work of the committee is to establish a fully satisfactory working environment, participate in planning safety and environmental work, and follow up developments closely in questions relating to the employees' safety, health and welfare. According to section 24, subsection 2d, the committee must consider "plans that may be of material significance for the working environment, such as plans for building work, purchases of materials, rationalization, *work processes*, working time systems and preventive safety measures" [author's emphasis]. At NORAD, issues that fall within the scope of section 24, subsection 2d can also be handled within the framework of the Basic Agreement, which, in practical terms, means through contact meetings (cf.

NORAD's Adjustment Agreement). Minutes from the working environment committee are made available to all employees via Intranet.

The current Director-General introduced *informal contact meetings* between the Director-General and the senior union representatives. The intention was that the parties could meet "more freely" in a smaller group. No minutes result from these meetings and, on average, three to four have been held annually. Initially, the Director-General met the union representatives alone, but the group has been expanded to include several of the Director-General's closest staff.

In addition to the abovementioned forums, the union representatives are involved in shaping NORAD's personnel policy. According to section 19 of the Basic Agreement, the employer, together with the union representatives, is expected to develop binding personnel policies/guidelines. NORAD's personnel policy is reviewed every second year. If it is deemed necessary to make changes, the employer side is responsible for proposing the amendment, but the union representatives must agree to it before it is passed. The employee representatives also have the right to propose amendments.

The Basic Agreement also stipulates that the employer side is responsible for initiating and implementing equal opportunity measures (cf. section 21). In NORAD's Adjustment Agreement, it is further stipulated that equal opportunity measures be part of NORAD's personnel policy. Further to this, the parties have agreed that:

- The aim is a gender quota of a minimum of 40 per cent women or men in the managerial team, in delegations, project groups, etc. Deviations from this norm are to be reported on and explained.
- Female employees are given priority in the managerial candidate programme.
- Women are encouraged to apply for posts if they are under-represented within a grade/area of competency.
- A gender-neutral wage policy is the norm.
- The employer side must provide statistics annually that illustrate how the equal opportunity policy is progressing.

The NORAD unions jointly appoint an equal opportunity representative who is responsible for ensuring that the equal opportunity measures are implemented and followed up. The equal opportunity representative is a member of contact meetings, and is also given the right to attend and speak at NORAD's Employment Council.

All the above forums and measures indicate that NORAD has a framework to underpin good social dialogue. The next section examines how eight central actors, five from the management side and three union representatives, appraise social dialogue in NORAD in general.

Social dialogue in practice

In an effort to establish how management and union representatives view social dialogue in NORAD, a number of questions were put to them:

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- *Does NORAD have a tradition of cooperation?*
 - *How would they describe the cooperation “climate”?*
 - *Does management involve the trade unions in decision-making?*
 - *What role do the trade unions play, and do they have any influence?*
 - *How would the parties describe the conflict level, and what issues cause the most conflict?*
 - *What importance do the parties attach to the regulatory framework for social dialogue at NORAD? And finally:*
 - *What forum or arena for co-determination do the parties consider the most important?*

Not all the answers were congruent. This is hardly surprising given that the informants represent different interests. The disparity in answers is also probably a reflection of different experiences, i.e. some of the informants had worked only for NORAD and, therefore, had no other reference points to base their evaluations on, while others were new to the organization and had less of the knowledge that is embedded in organizations. At a very general level, most of the respondents expressed the same sentiment, i.e. that there is a tradition of cooperation in the Agency. However, there were many variations as to how well social dialogue works in practice, what promotes it, and what is a hindrance. There was also one voice more critical than the others, which makes it difficult to present a coherent picture.

The informants did share the opinion that the cooperation “climate” very much depends on the persons involved – and, as a result, the climate has varied over time. *Who* is in office, both on the management and union side, matters. It was also a shared sentiment that the head of NORAD (the Director-General) must be genuinely interested in promoting cooperation. If this is not the case, much of the activity will be pro forma.

The interviews also confirm that formal structures are in place. Both management and union representatives invest much time in meetings. Some of the respondents interpret this as meaning that the unions are therefore involved and have a say. Opinions differ, however, as to what the unions have a say in, and whether or not co-determination is real or only a delusion. While some of the informants believe that the unions are given a real voice in many important and strategic questions, others are not so sure. Not all the union representatives agree that management takes them seriously. In important strategic decisions, they sense that they are already taken, and hence they are consulted too late. Disillusionment with the system is most apparent in consultation processes where the employer has the final word. As one informant put it: “It is not a question of accepting the final decision or not – it is a question of whether or not we have been heard before the decision is made.”

When it came to the question of the role the union representatives play, all the respondents believe that they play an important one – though opinions differ somewhat as to what exactly it is. Most of the informants believe that the union representatives work *with* management not against them, and that they are an important legitimising factor in social dialogue. Further, all the informants see the representatives as “watchdogs” – and are of the opinion that this is rightly so. The union representatives ensure that the rules of the game are abided by, and that agreements are kept, and provide management with useful correctives. It must also be stated that the central Personnel Office also has an important “watchdog” function. This office has been delegated the day-to-day guardian of the Basic Agreement on the employer side. Although it is well versed in the ins and outs of the Basic Agreement, the same is not true for all the line managers. The Personnel Office, therefore, has to “remind” the line managers of their duty to inform and consult the union representatives in accordance with the Basic Agreement.

As mentioned previously, the Basic Agreement contains 48 sections and, by many standards, is very comprehensive. In order to fulfil its intentions, more information and discussions about how the Agreement may be interpreted are needed locally. NORAD’s Adjustment Agreement stipulates that the employer should organize discussions once a year between management and union representatives in an effort to come to a common understanding of how the Basic and the Adjustment Agreements may be understood and interpreted. While the union representatives welcome this effort, interest among some segments of management has not been overwhelming.

Not all aspects of social dialogue can be regulated or enforced on the parties. One such factor, and an important one, is *trust*. Usually, it takes longer to build trust than it does to destroy it. It is a complex phenomenon and may be based on many different things. As with the cooperation “climate”, the building of trust depends very much on the people involved. The current Director-General sees trust building as an important facet of her job and is very conscious of this. In her eyes, an important element of trust building, is to deliver the goods (i.e. to do what one said one would), and to make the staff feel that they can voice their opinions, even when those views are dissenting, without being reprimanded either directly or in more subtle ways. Although the interviews indicate that there is more mutual trust in NORAD today than a few years back, they also show that the trust is not unlimited.

The respondents do not consider the conflict level at NORAD to be high. Both management and the union representatives were of the opinion that at times conflicts are overdramatized in order to make a point. This does not mean that there are no differences of opinion between the employer and employee side. When asked what issues have caused conflict, the answers were as numerous as the respondents. Conflicts over two types of issue were, however, mentioned by several. The first relates to appointments (hiring practices). Different views in the Employment Council as to the criteria given priority when employing staff cause conflicts on occasion. The second issue is a much more recent phenomenon. Decentralized (local) bargaining with an emphasis on performance pay is proving to be an area in which management and the unions do not see eye to eye.

As to the question of what importance the parties attach to the regulatory framework for social dialogue in NORAD, the answers indicate that there is a shared belief that a set of playing rules is necessary. Had the national framework not been there, it would have been necessary to develop one within the Agency itself. As one union representative put it: “Trust is important, but so is the legal safety-net the Agreement represents and the support I have from my members.” Management also appreciates the legal framework because it functions as a checklist for social dialogue, particularly with reference to the provisions regarding information, consultation and negotiations.

Finally, the informants were asked which forum or arena they considered the most important for social dialogue. Several felt that all the meeting places were equally important. The union representatives tended to favour contact meetings for their informational purposes, while the management respondents were a bit more sceptical about their usefulness because they were relatively large (many people attended) and the information flow was basically one way (from management to the employee representatives). On the role of the informal meetings between the Director-General and her nearest staff and the union representatives, opinions differed. Several respondents emphasized the good intentions behind the initiative, i.e. trust building and sharing of information in a less formal setting, but wondered whether the circle had not become too large to realize the intentions.

The following section will focus more closely on *NORAD 2000* – a reform which contained both restructuring and the introduction of new work processes, and which, as already mentioned, clearly falls within the ambit of section 13 (Negotiations) of the Basic Agreement. Before examining the reform process and the social dialogue that took place, a brief introduction to the actual reform is presented.

NORAD 2000

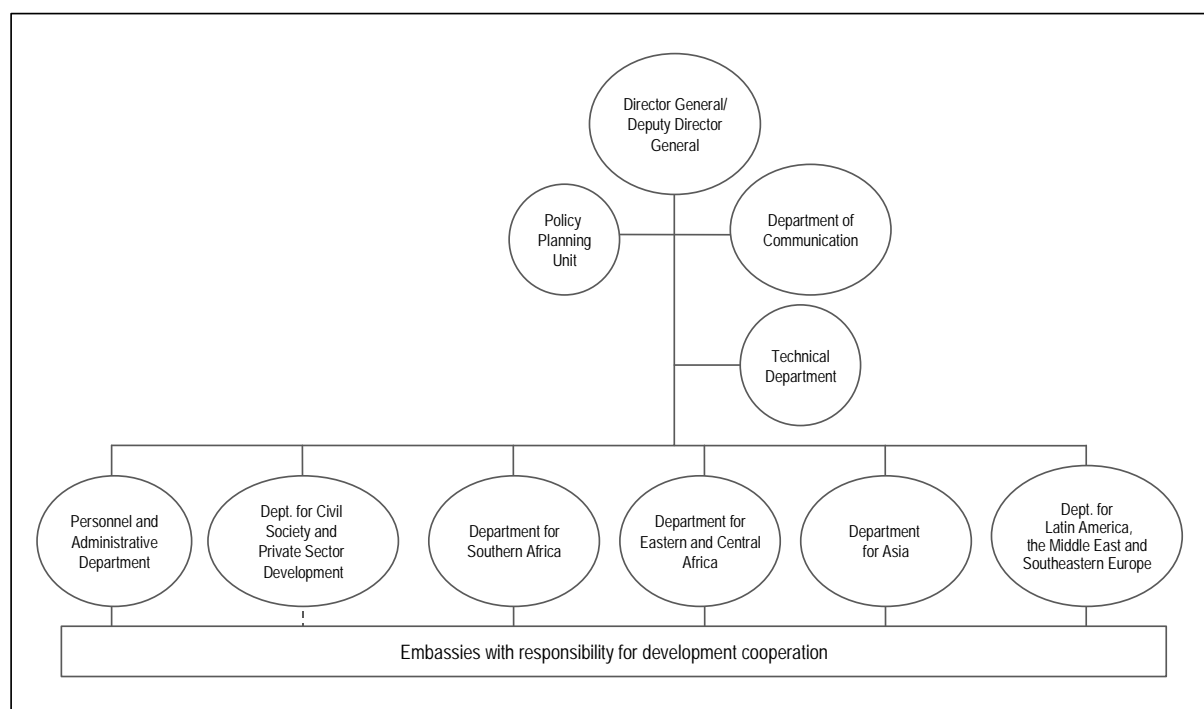
On 1 January 2001, NORAD was restructured with the objective of providing a more holistic country approach to development cooperation. The reform contained three main elements: a new organizational structure, new work processes, and new job categories and the redeployment of staff.

In order to shift the focus from channels of development assistance to a more country or regional approach, NORAD established new departments while abolishing others. When developing the new organizational structure, emphasis was placed on strengthening the capacity and competency to work analytically and strategically, improving coordination with regard to the aid instruments NORAD commands at country level, and simplification and rationalization.

Four new regional departments were established, each with total responsibility for activities within their respective regions. In addition, the Department for Civil Society and Private Sector Development was established which is meant to act as a link between NORAD and the Norwegian aid community in general (Kristiansen, 2002). This department focuses on Norwegian voluntary organizations, Norwegian and international organizations, and the local business community. A new analytical unit, the Policy Planning Unit, was also established in response to the need for more analysis and assessment of what is happening in the recipient countries and in the international arena.

Currently, NORAD consists of six line departments, four of which are regional, three departments with an auxiliary function, top management, and 19 integrated embassies (cf. figure 1). Each line department has been delegated decision-making powers within their respective areas of competence, while the auxiliary departments act in a supervisory capacity.

Figure 1. NORAD's organizational chart as of January 2001



However, *NORAD 2000* is more than new names on an organizational chart. New ways of working have been introduced, not only within, but also between, departments. The *new* NORAD is a matrix organization in which teamworking, networking and organising tasks into projects are key elements. The aim has been to achieve a flatter organizational structure, make better use of resources and increase cooperation across departmental boundaries. NORAD's matrix organization is a "procurement" model, i.e. staff are selected from different departments to assist with specific tasks. The exchange of personnel in this manner is regulated by agreements containing a description of the task, duration, working methods and reporting lines. Although expertise can be procured across all the departmental divisions, the impact of this reform will have the greatest effect on the Technical Department. This department is responsible for implementing the procurement system and ensuring quality, and all orders for expertise are channelled through it.

The *new* NORAD is also a network organization in which solutions are sought across departmental lines and across different types of competency. This is achieved by the extensive use of teamworking and by organising tasks into projects, with the project staff selected from different departments. The aim of the new organization is to organize tasks into projects to a greater extent. A project leader heads each project.

In an attempt to de-bureaucratize NORAD, more teamworking has been introduced. Within the regional departments, much of the work is organized around teams. Each team is responsible for their tasks and for keeping the other team members informed. The teams may also be organized across departmental lines and include participants from, for instance, the Technical Department. A team leader heads each team. He/she is responsible for the task at hand and does not have any personnel responsibility.

In addition, NORAD aims to utilize networks. These are meant to be an informal way of obtaining, sharing and developing experience and competency. If the network spans more than one department, the Director-General decides which network is to be created and which should be dissolved. Networks may encompass different aid, as well as more administrative, issues. Each network is headed by a network coordinator who answers to his/her superior (head of department).

The new ways of working also have implications for the role of leaders. According to the Director-General, the role of the team leader is not to check on the work of the team members, but to provide advice on how to achieve high-quality good results (Kristiansen, 2002). Emphasis will, therefore, be placed on altering the leader's role from giving orders to functioning as a process partner, providing advice and counselling, i.e. "coaching" the employees.

The reorganization has also entailed new job categories and the redeployment of staff. Approximately 150 employees were redeployed as a consequence of the reform. Some employees were reassigned to new jobs, while others had to apply/compete for positions. In an attempt to make the organization flatter, a number of mid-management positions were abolished. However, four new director positions were created, as well one for a Deputy Director-General. Some of the new positions were reserved for internal applicants, while some were open to candidates from outside the organization.

The NORAD 2000 reform process

In most reform processes, it is difficult, and often incorrect, to pinpoint specific dates or times when the process started and when it was completed. In most organizations, change is ongoing and continuous. However, for the purposes of this paper, the reform in question will be divided into five different phases. The process that led to the formulation of the need for change may be considered the first phase. The decision to reorganize marks the beginning of the second phase. In this phase, the main focal point was to define the overall structure of the new organization. In the third phase, emphasis was on defining the lines of responsibility and staffing requirements within, and between, departments. When these elements were in place, the work of redeploying staff could start. This task was the main element in the fourth phase. Finally, phase five is the post-reorganization phase, in which evaluations, adjustments and readjustments are the main elements. Even though the phases may overlap somewhat in time, they are distinct in the sense that the focal points change.

What follows is a broad-brush presentation of the main features of the reform process. Each phase is then described in detail, and, finally, what central actors considered to be the success factors in the process, and what they were less satisfied with, will be alluded to.

The Director-General was the main driving force behind the reform. She initiated it and was the torchbearer and guardian, both formally and symbolically. By many accounts, it was an intensive process. Comprehensive changes were undertaken in a relatively short period. After taking office in 1997, the Director-General had, in the course of three years, adopted a new strategy for NORAD and aligned the organization with it. Table 1 indicates the milestones in the process.

In each phase, there were different challenges and tensions. A distinctive feature of nearly all the phases, however, was the degree of employee involvement. There were many points of entry into the process with many different arenas for participation and involvement, both formally and informally. Employees were initially hesitant and not sure whether the invitation to comment on proposals, express dissenting views and propose alternative ideas was real or not, but as the process progressed, more and more employees showed interest and expressed their opinions.

Table 1. The new NORAD: From initiation to implementation. Milestones

16 August 1999	Adoption of NORAD's new strategy: <i>NORAD Invests in the Future</i>
First half of 2000	Subsidiary project to determine how to implement the strategy
1 June 2000	Subsidiary projects under <i>NORAD 2000</i> submit preliminary conclusions
15 June 2000	Decision to reorganize
1 August 2000	Outline of new organization presented by internal group headed by Director-General
Aug.-Sep. 2000	Discussions and proposals
7 September 2000	Director-General presents proposal for new organization
Mid-September 2000	Negotiations with government employees' unions
Early November 2000	Internal announcement of vacant positions and internal applications
Mid-December	Consideration of final reports from <i>NORAD 2000</i> reorganization project
2 January 2001	The new NORAD in place

A second distinctive feature of the reform was the turbulence level, or rather lack of it. It is not uncommon for reform processes of this nature to trigger many different responses, not all positive. Since *NORAD 2000* directly affected the majority of employees, it was only to be expected that there would be different opinions about how best to organize the Agency. Nonetheless, the level of discontent can be described as “contained”. The most contentious issue was whether or not the organization *needed* to reorganize. Once the decision had been taken, however, all involved parties contributed to the process in an effort to ensure the best possible result.

In retrospect, the central actors interviewed consider the reform *process* a success, particularly after the decision to reorganize was taken. In addition to the two features mentioned above, they point to the following success factors:

- The information strategy: A plan for internal information was drawn up early in the process and a number of information arenas were utilized, some for the first time. Since the information strategy is considered a key element in the success, it will be discussed in more detail below.
- All employees were welcome to contribute, and all contributors received feedback on their input.
- No external consultants or advisers were used. This was a conscious decision made from the outset, based on the belief that it is the employees who know the organization best.
- A job guarantee was given at the outset which ensured no downsizing, no reduction in agreed wages and no loss of acquired rights.
- The reform process moved forward quickly and predetermined deadlines were met. The atmosphere was characterized as “intense” in a positive sense.

In addition, several of the informants also emphasized the importance of the Director-General. Her energy, will power and driving force to see the reform through were seen as important factors.

The information strategy

The information strategy encompassed several different, but complementary, elements:

- An information plan.
- General meetings for all head office staff on milestone occasions.
- Information sessions (commonly called info-markets) every fortnight throughout the process.
- The establishment of separate sites on the Intranet where all information was to be posted as soon as decisions were made or feedback regarding proposals was desired.
- The establishment of an electronic discussion group and a question-and-answer service on the Intranet.

The first element, considered by some to be the key success factor, was an information plan to keep NORAD employees informed and actively involved in the process. Shortly after the decision to reorganize was taken in mid-June 2000, the plan was prepared. It consisted of a detailed schedule of different events, specifying which information channels would be used and which people were responsible for the different events. The plan was discussed with the union representatives before it was distributed to all employees in late June. It committed management to the process and helped reduce any uncertainty among the employees regarding some of the “when” and “how” questions.

NORAD has a long tradition of general meetings open to all employees. However, these meetings have seldom functioned as an arena for dialogue, being, rather, a one-way information channel from management to staff. It was therefore seen as essential to find an alternative and better way of communicating. Information sessions, also called info-markets, where the employees could *meet* management, were introduced. The Director-General, or her deputy, attended all of them. It was not uncommon for 60-80 employees to attend. Not only was information provided at these fortnightly meetings, but time was also made available for question-and-answer sessions. The setting was more informal than for the general meetings, and many employees took the opportunity to express their opinions and ask questions. Many of the questions were of a “*How will this affect me?*” nature. The union representatives were present and, depending on the issue, contributed with information, points of view and answers to concrete questions.

As well as the question-and-answer sessions, an electronic discussion group and a question-and-answer service were established on the Intranet. However, this discussion group did not live up to expectations. Direct contact between management and staff at the general meetings and the info-markets attracted the greatest interest.

Since the embassies were not yet linked to the Internet, exchange of information between head office in Norway and the embassies was limited to letters, e-mails, the telephone, and consultative meetings that were arranged in Norway twice a year. Once the decision to reorganize had been taken, the Director-General and several people from the director group visited the embassies in order to discuss *NORAD 2000*. All written information on the reorganization process was also forwarded to the embassies. Despite this, embassy staff felt that they were not adequately involved in the process.

A final element of the information strategy was the welcoming of all employees to the *new* organization when they arrived back at work after the New Year on 2 January 2001. Every employee received a personal greeting at his/her workstation.

The role and impact of the trade unions

The union leaders who were directly involved in the reform process also characterize the process to be a success – but limit it to the process after the decision to reorganize was taken. According to them, the reform process contained many positive elements – the information strategy, the amount of information received, the degree of involvement and openness in formal and informal meetings were all examples of positive elements mentioned. In addition, they expressed satisfaction with the redeployment process and the physical moving of staff that ensued.

Although management's duty to inform was considerable, the union representatives believe that management met this requirement in an extremely satisfactory manner. The flow of information and degree of transparency were seen as key elements of success. The union representatives were not only consulted on the information strategy before it was presented, they also actively took part in disseminating information and participated jointly with management at the info-markets. They saw these as particularly important in reducing tension and conflict in the organization, as well as speculation, uncertainty and frustration. Although the success of the info-markets meant that a substantial amount of the communication between management and the employees was *direct*, the union representatives did not feel that this in any way undermined their role or made them superfluous. On the contrary, they viewed the high degree of transparency as an asset – it made their office as representatives of the employees easier and cut back on the need to organize meetings within their constituency.

However, they were not satisfied with the initial phase of the reform process. The board of two of the unions at NORAD felt very strongly that they had not been included in the initial phase when the strategic decision to initiate a reorganization process was taken. This issue will be discussed under phase 1 below. Nonetheless, even though they felt that the most important questions had already been taken, the unions decided to participate actively when the invitation to do so came. Despite fears that they might be co-opted and that their participation could be interpreted as full support for the proposals put forward, they took part in an effort to influence the mandate of the working groups and to clarify roles.

As already stated, the reform involved much more than a restructuring; it also introduced a series of new concepts into the organization, e.g. teamworking, networking, coaching, etc. The second major area of discontent expressed by the union respondents concerned the insufficient time allocated to discussing and clarifying how these concepts should be understood and how they could be implemented in the organization. Several believe that this lack of clarity, or common understanding, is the cause of problems with which NORAD is still "struggling" today.

As to which *role* the union representatives played, several can be mentioned: They were a link between management and the employees; they performed an important "watch-dog" function, and, to a lesser or greater extent, they functioned as a sales channel for the contents of the reform. In the final stages, they were very insistent that the redeployment process be conducted in a fair, orderly and transparent manner.

But what *impact* did the union representatives have on the reform process and the final outcome? They believe that they contributed with constructive criticism and proposals, and, hence, improved the final outcome. They do not ascribe their influence to the formal negotiations with management in the latter phases alone, but to their participation in discussions with management in many different forums throughout the process. In particular, they "guarded" the principles of a flatter organizational structure with fewer hierarchical levels. As one informant put it: "If it hadn't been for the trade

unions, the organization would have easily slid back into its traditional hierarchical structure, with management's blessing."

Phase 1: Defining the need for change

For change to be instigated, someone must "see" or define that there is a need for it. Some may say that the need for change is inherent, but unless the need is recognized and expressed, change as a planned process will seldom be initiated. When the present Director-General of NORAD took office in 1997, she used the first year of service to acquaint herself with NORAD, the second to develop a new strategy, and the third to realign the organization with the new strategy. With regard to *NORAD 2000*, it was the Director-General who ultimately defined the need for change.

According to her, three factors played a significant role in the decision to reorganize. Firstly, operating parameters had changed and it was necessary for a more holistic approach to aid, which, in turn, entailed greater internal coordination along country/regional lines within NORAD. Secondly, one of the departments was not performing as desired, and, thirdly, the organization was too bureaucratic and lacked expedience. Although different reforms within the civil service had been on the political agenda for ten years, the NORAD reform cannot be linked directly to any of these. *NORAD 2000* is first and foremost a reform defined *within* the organization and not part of an encompassing one covering any other agency.

In the spring of 1998, work began on adjusting NORAD's strategy. After a comprehensive internal process,⁹ the new strategy was finalized in the summer of 1999,¹⁰ and, in the late autumn, an internal working group submitted a report on its implementation, which gave rise to the *NORAD 2000* reorganization project.

The aim was to provide concrete tools to enable NORAD to implement its new strategy and test new ways of organising its work. The initial plan was that the decision about whether to reorganize or not should be taken after the *NORAD 2000* project had come to completion in November 2000. Five subsidiary projects (read: groups), consisting of about 30 staff members, took part in this phase of the process. Three of the projects focused on working methods. In addition, a group of five ambassadors served as a reference group for the project. One of the projects was delegated an "overseer" role (i.e. as a steering committee) for the other projects. The Director-General met in this group as an ordinary member while the employees were represented by one joint delegate as observer.¹¹ This group met on a monthly basis and had an advisory role vis-à-vis the Director-General.

On 1 June 2000, the subsidiary projects submitted their preliminary reports. The three projects that focused on work methods all pulled in the same direction, i.e. the need to reorganize. NORAD's former structure was based on the aid channels and was no longer seen as suitable for meeting the challenges linked to a holistic approach. On the basis of these signals, the Director-General decided not to wait until November to decide whether or not to reorganize. The formal decision was brought forward and taken in mid-June 2000. From this point, the reform process entered the next phase, i.e. defining the main organizational structure (see below).

As indicated earlier, the most critical voices against the reform process directed most of their attention to the above phase. There are two main elements to their criticism: the unions were not involved in the initial defining phase of the need to reorganize, and the *need* to reorganize was not evident. Two of the unions in particular are critical of the lack of transparency in the initial phase. They "sense" that the strategic decisions had already

been taken by an inner circle prior to initiating the *NORAD 2000* process, added to which, they point out, NORAD had undergone a reorganization in the mid-1990s under the leadership of the previous Director-General. The arguments and rationale put forward then had been in many ways similar to the ones put forward for the new changes. Since the last reorganization had hardly had time to “sink” into the organization and it was felt that no real analysis had been carried out to evaluate what was wrong with the last restructuring, two of the unions questioned the need to reorganize yet again. In addition, many employees who had served NORAD for a number of years and who had already been through a series of reorganizations experienced a feeling of *déjà vu* that provided further nurture for reform fatigue.

Critical voices also question whether the decision to reorganize was too hasty. The *NORAD 2000* projects had not finalized or concluded their work when the decision to reorganize was taken, and some believe that the outcome might have been somewhat different if the reform process had followed the original timetable.

In summary, it is correct to conclude that the need to reorganize was not shared unequivocally by all employees – quite the contrary. Initially, a great number of employees were not convinced there was an urgent need for it. But once the decision had been taken, the unions and the majority of employees rallied around the ensuing process, during which the union representatives played an important role in emphasising transparency and predictability, and ensuring that due consideration was given regarding individual employees’ welfare. Further to this, the union representatives hoped that the reform would prove a positive experience and provide possibilities for further development for each individual.

Phase 2: Defining the main organizational structure

Shortly after the decision to reorganize was taken, the Director-General informed all employees of this at a general meeting. It was also explained why NORAD needed to do so and which structure or model NORAD should work towards.

The “overseer” group from phase 1 was enlarged and converted into one group focusing solely on how to reorganize. Under the new name *New Organization*, the Director-General chaired the group, which comprised eight to ten people, including representatives from the unions. The “new” group’s mandate was to prepare an outline for a new organizational structure with the aim of having the new organization in place by the New Year. The mandate had been discussed with the union representatives and the group had until 1 August to present a new organizational framework.

As June 2000 came to an end, the information plan was presented (cf. above). At the same time, all departments, embassies, staff members and “bush groups” were encouraged to contribute ideas and suggestions. All employees were also encouraged to create “bush groups”, i.e. interdepartmental groups of employees for the purpose of surpassing the existing dialogue structures at the workplace. Written comments and proposals were to be addressed directly to the Director-General, and more than 30 proposals were submitted.

On 1 August 2000, the first draft of a new organizational structure was presented at a general meeting. The proposal presented may be characterized as “sketchy”, but was followed by a two-month process during which it was discussed further, both at head office and abroad at the embassies. During this period, the Director-General and a management team toured the embassies. There were many different opinions about what would constitute the best overall structure for NORAD. The contributions from internal sources

were compiled in a separate document and formed the basis for the preparation of a new draft structure which was completed on 7 September. This draft was negotiated with the unions in a series of thorough, practical negotiations that enhanced the quality of the final result, which was produced at the end of September. The Ministry of Foreign Affairs was informed of the plans and received regular progress reports but was not directly involved in the reform process.

None of the respondents see this phase as difficult, challenging or contentious. Things went more or less according to plan and social dialogue with the union representatives was established and functioned to their satisfaction. According to them, however, the next phase encompassed many more challenges.

Phase 3: Defining lines of authority and staffing needs within and between departments

Even though the decision to reorganize had been taken in June, the subsidiary *NORAD 2000* projects, which focused on new working methods, continued their work. During the autumn of 2000, the different groups began to present their reports with the final ones being presented in November. The main focus in this phase was to define how the different departments should be organized and coordinated in light of the new structure and of the new working methods to be introduced (teamworking, networking, more projects, etc.).

Several of the respondents see this as the most challenging phase. Demarcation lines, lines of authority and responsibility, staffing requirements and reclassification of positions/posts were all issues that had to be dealt with and defined.

A major concern of the union representatives and employees was that the restructuring and redefinition of jobs would create a premier league and a league with lower status within the internal labour market. Repeated assurances had to be given by management that this would not be a consequence of the reform.

The introduction of a number of new types of “leaders” (team leaders, network leaders, project leaders, regional coordinators, etc.) also brought to the fore the question of what authority and role the different types of “leaders” should have. Which leaders were to hold personnel responsibilities and which should function only as supervisors? With fewer mid-managers, the union representatives were also concerned that the leaders’ span of authority would be too great, reducing accessibility to them and causing bottlenecks. The union representatives played an important role in forcing management to be more attentive to these questions.

The unions were also heavily involved in discussions concerning the (re)classification of positions and career routes. Management wanted promotions and career development to be based more on tasks and responsibility than seniority, while the unions were worried that positions which did not consist of sufficient managerial tasks would lose out in the competition for the “best” positions, both at home and abroad.

Discussions about how the reorganization would affect the employees were held with the union representatives, both in contact meetings and in more formal consultations and negotiations. With regard to the (re)classification of positions, management had to go an extra round with the unions in order to come to a common understanding. As will be discussed under phase 5, not all these questions were resolved satisfactorily and still remain problematic for the organization today.

During this phase, negotiations were also held with the unions regarding procedures for redeployment. Job descriptions for all new positions, as well as a plan for filling them, were drawn up and agreed. The unions agreed with management on the principles to be followed, and emphasized the need to conduct the redeployment process in a fair and transparent manner.

Phase 4: The redeployment of staff

One of the major exercises in the restructuring process was the redeployment of staff. Although this phase is seen as challenging because it affected the majority of employees directly, it was, nonetheless, in retrospect, characterized as very orderly and correct. The most intense and contentious discussions had in many respects already been undertaken. The job guarantee given at the outset probably also played a significant role in ensuring that the actual redeployment process went as smoothly as it did.

The process consisted of a combination of internal and external advertisements for positions and applications from employees expressing interest in a position. The newly created position of Deputy Director-General and five positions as Director of a department were advertised externally. Other newly created positions were advertised internally. All, apart from those in the Administrative Department, were opened up for reassignment.

Approximately 25-30 positions were defined as being of a “new character” and, as such, were advertised internally. The remaining ones were not considered to fall into this category and thus were open for “reassignment”. On 3 November 2000, the invitation to apply for one or more of the new positions and/or express an interest in those open for reassignment was sent out to all employees, i.e. all permanent and temporary staff appointed by NORAD’s Employment Council. All the positions were announced at the same time and employees were given a fortnight to apply or express an interest (the deadline was set for 17 November).

Employees serving abroad or on leave but who intended returning to head office before the end of the year were included in the redeployment process on equal terms with staff serving at head office. Employees planning to take leave by the end of the year could express an interest as to which department they would like to work in on their return. However, employees on leave who were not planning to return before 1 January 2001 could not express an interest but were assigned to a department.

Along with the announcement of the positions, information was provided regarding the different departments, their main areas of responsibility and tasks, as well as the different positions within each department. In addition, an information session (info-market) was held in an effort to clarify misunderstandings and answer general queries.

All employees were also invited to a “chat” with management in the Personnel and Administrative Department. The “chat” fulfilled several functions – it not only provided employees with an opportunity to express what work they wanted to do in the future and gave management an opportunity to advise them on different career possibilities, but it also offered management the chance to be explicit about the limitations within NORAD. The reform process had heightened expectations among many employees, however, it was clear that not everyone could have their expectations fulfilled. The “chats” were conducted on a voluntary basis, and, if desired, the employees could be accompanied by their union representative. Approximately 50 employees signed up for the “chat”, while another 50 were specifically asked by management if they wanted one. According to the Personnel and Administrative Department, 50 of those who had a “chat” are well on their way to realising their ambitions in the organization. Since the Personnel and Administrative

Department considered this initiative a success, they have repeated it. The “chats” provide the department with important insight into which employees are on the lookout for something new, with regard both to changing posts at home and to serving abroad.

In their application forms, the employees were asked to put forward more than one request, and in preferential order. According to the Personnel and Administrative Department, which was responsible for fitting the pieces of this “jig-saw puzzle” together, most of the employees attained their first or second choice. The majority were content with their allocation, while a minority were disappointed. The latter were mostly senior employees who had reached the ceiling within their posts. Since permanent employees were to be redeployed first, there was some suspense attached to the question of how temporary staff would fare. All in all, the Department believes that temporary staff were also reasonably satisfied.

The unions were not directly involved in placing employees in new positions/posts. This task was carried out by the Personnel and Administrative Department, according to the guidelines and procedures agreed with the unions. Once the Department had its proposals for placements ready, they were forwarded to the unions as a matter of information before they were put to the Director-General for the final decision.

Approximately 150 employees were covered by the above procedure. Just before the Christmas holiday, employees were notified of which position they had attained and would be serving in from the New Year.

In addition, the newly created position of Deputy Director-General and five positions as Director of a department needed to be filled. All of these were advertised both internally and externally. The initial plan was to have the candidates for these positions ready before the major redeployment process was initiated. *Who* was going to head the different departments was one of the input variables in the choice of department for a number of employees. However, the process of recruiting the new directors took longer than expected and was not finalized before the redeployment process was completed.

Phase 5: Evaluations and readjustments post-NORAD 2000

In late November 2001, i.e. almost a year into the new reform, NORAD’s management, in agreement with the unions, decided to evaluate it. The evaluation was to focus on whether or not NORAD functions according to the reform’s objectives, map how the employees experience the *new* NORAD (degree of job satisfaction), and what improvements could be made.

The Norwegian Gallup Institute (NGI) was given the task of conducting the evaluation which consisted of a questionnaire to all employees,¹² 26 personal interviews with managers, senior union representatives and a random sample of employees, focus seminars and interviews at a sample of embassies. The survey was carried out from late 2001-early 2002.

It showed that there were shortcomings with the reform and that readjustments were needed. A summary of the main findings is given below. On the basis of its findings, the NGI recommended 12 proposals for action/readjustment. The results were presented to all interested employees at an information session on 31 January 2002.

The main findings of the NGI survey

Firstly, it found relatively significant differences in opinion between different categories of employees and between different departments regarding how they assessed the *new* NORAD (Norsk Gallup, 2002). The following summary is not exhaustive:

- There was ample support for the new organizational structure and the organising principles of regionalization and cross-departmental working.
- Opinions as to whether NORAD had reached its objectives were divided. However, there were clear expectations that, during 2002, it would move in the right direction. In general, management was more optimistic than the employees.
- The majority of respondents believe that there has been a certain (but not significant) development in the direction of more holistic aid. However, they do not believe that the administration of aid has been simplified.
- Although the aim of the reorganization was to achieve a flatter structure, the experience of the majority of respondents is that the number of decision-making levels has not decreased.
- According to the majority of respondents, the ambition that the *new* NORAD would contribute to a simplification of working methods has not been achieved.
- The majority believe that the *new* NORAD is able to offer more interesting jobs in all departments and, thus, has become an organization better able to develop competency. However, a significant minority, in varying degrees, disagree with this.
- The employees are, on average, relatively “satisfied” with management, but there are significant variations. Approximately a quarter are not satisfied, and many have queried how managerial responsibility is allocated and shared within the organization, particularly with reference to the division of responsibility between directors of departments and their deputies.
- The survey also uncovered the need to clarify roles and lines of responsibility in a number of positions further down the organization, and between subordinate “leaders” and their superiors.
- Employees also expressed a desire for greater decentralization of decision making.
- A relatively high percentage of employees feel that the degree of autonomy in their jobs is high and that they have a clear picture of which tasks they are responsible for. However, a significant minority do not share this experience.
- Four out of five employees are reasonably satisfied with the level of coordination within their own department, but are less satisfied with the degree of coordination with other units within NORAD.
- Employees’ motivation is assessed as very high, but a significant number are not satisfied with the possibility of involvement in the new work methods.
- At times, accessibility is so poor that it creates frustration both at home and abroad.

Several of the recommendations for change put forward by NGI focused on the need to clarify roles, lines of responsibility and the “rules of the game” regarding collaboration within a matrix organization. The latter must make clear that one and the same person may

relate to many different “leaders” and “contractors” within the same organization at the same time.

NORAD’s readjustments

On the basis of the survey, the Director-General made a follow-up plan which was discussed with the unions, senior safety delegate and the equal opportunities representative in a contact meeting on 6 February 2002. The plan contained nine points, and, throughout February, the different departments familiarized themselves with the problems that had been identified. At the end of that month, an extraordinary directors meeting was held with needed readjustments on the agenda. Following this meeting, consultations and negotiations with the unions were held.

According to the interviews conducted in late summer/early autumn 2002, NORAD has not crossed the “finish line” yet, but is closing in. Although the Director-General saw no need to change the overall structure of NORAD, certain adjustments within and between departments has been necessary. Progress has, however, taken longer than first expected. One of the departments, in particular, is lagging behind as a result of several different factors: a lack of enthusiasm for the reform, loss of status and scepticism about a flatter organization.

In general, NORAD still suffers from a lack of clarity regarding managerial and leadership roles, and lack of leadership presence. The experience of many employees is that it is even more difficult to communicate with management now than it was before the reform. This applies not only to the top management team but also to the employees’ immediate superiors. Many leaders are also finding their coaching role poses a dilemma. As one respondent put it: “If they let their subordinates shine too much, they will be left in the shade. To enhance their own career, the leaders also need to shine brightly.” How the coaching role should be understood and applied has been on the agenda of contact meetings and courses in coaching have been offered to leaders.

The introduction of new working methods, like teamworking, has also proved a stumbling point. A number of courses and seminars aimed at training employees to work in teams has since been carried out. However, since the teams are relatively small, they are also very vulnerable if they are not able to recruit the competency they require in order to achieve their goals. NORAD has therefore reviewed the human capital situation and made an assessment of future needs, both with regard to recruitment and reskilling.

Employment and labour issues dealt within the reform

As is evident, restructuring has meant that many NORAD employees have been affected by the reform in one way or another, particularly through the redeployment process. In the following section, the impact the reform has had on a number of employment and labour issues will be discussed.

The regulatory framework and collective agreements

To date, the reform has not had any implications for the regulatory framework. It has not been necessary to renegotiate collective agreements or amend any statutes.

Wages

The reform has not had any wage implications for the vast majority of employees. No new wage agreement was renegotiated and no bonus system was offered. A wage guarantee was given ensuring that no one would have his/her wage reduced. This guarantee also applied to those who were placed on a different grade.

For the 25-30 positions defined as being of a “new character”, a wage assessment was carried out. Most of the recipients of these positions did, therefore, receive a wage increase, but within a maximum of five pay grades.

Performance pay has been introduced into the Norwegian civil service during the past decade, and NORAD is no exception. This development should not be linked directly to the *NORAD 2000* reform, although the implementation of the performance pay system coincided, to a large extent, with the *NORAD 2000* reform.

The staffing level and recruitment needs

As already mentioned, a job guarantee was given at the outset. The aim of the reform was not to downsize, and no early retirement or redundancy packages were offered. However, a flatter organization (less middle management) meant that some of the managerial positions became superfluous. As a consequence, some middle managers were offered positions as advisers. According to the respondents, no employees have left NORAD as a direct consequence of the *NORAD 2000* process.

Three new Director positions and a Deputy Director-General position were, however, created as a direct consequence of the reform. The Ministry of Foreign Affairs appointed these positions, on condition that NORAD could finance these from within its existing budget.

As also mentioned, an assessment of whether NORAD has sufficient staff with the right mix of competency to meet the new challenges has been made. The assessment concluded that the staffing level at head office is adequate if resources are redistributed between the departments, resulting in a better mix of competencies. The challenge, therefore, is to redistribute and utilize existing resources (read: competency) and thereby reduce the need to recruit externally. However, the staff level at the embassies needs to be strengthened. NORAD has estimated the unmet need to be eight man-years. In order to achieve this, NORAD needs to extend its budget, which is a matter for negotiation with the Ministry of Foreign Affairs.

Work processes and job content

It goes without saying that a flatter organization, with increased emphasis on delegating responsibility down to team level, on sharing knowledge and competence, and a greater focus on flexibility and cooperation across departmental lines should, in theory, have an impact on job content. According to the respondents, many employees feel that they now perform a wider variety of tasks and participate in a wider variety of activities. However, the reform has not had the same impact across the whole organization. Some departments “feel” the reform more than others do, and not all employees believe that their job has changed for the better. Approximately 25-30 employees are dissatisfied with their placement, which is still a challenge for NORAD today. Some of these have difficulty seeing where their future with the organization lies. However, this is not a problem that is swept under the carpet; it is aired openly and discussed, although a solution has yet to be found.

Concluding remarks

As an example of social dialogue, the *NORAD 2000* reform *process* may, by many accounts, be characterized a success, particularly after the initial phase. However, the same conclusion cannot be drawn with regard to its outcome. This is not to say that the reform did not yield positive effects, but rather that opinions differ about what the outcome was and how successful it has proved. Interviews held by the author do not conflict with what the Norwegian Gallup Institute found in its survey. In both instances, management is more positive about the reform and its outcome than, in general, the employees are.

Successful social dialogue depends not only on the existence of formal structures, like agreements, meetings and negotiations, but also on a minimum of trust between the parties. The same applies for the reform at NORAD. To succeed, it is not sufficient just to provide the framework or structures for teamworking, networking, etc., these relationships must also contain a minimum of trust and openness. For new working methods to be successful, employees, subordinates and superiors alike, must be willing to be generous, to share ideas and competency, and to let each other “glow”. The “trust relationship” needed to foster the above may, however, be stifled if acceptance of criticism is low. Several of the respondents sense that employees at NORAD fear for their careers if they express dissension, and therefore refrain from contributing with constructive criticism and necessary feedback. Creating a climate of trust may well be the ultimate challenge for NORAD.

Even though a number of issues still need clarifying and the reform needs time to sink into the organization, several of the respondents emphasize that the joint effort they have been through has contributed to a “team spirit” – i.e. a feeling of having accomplished something together. This has increased the feeling of unity, and hence the feeling of moving in the same direction – towards a common goal. This is a valuable asset for NORAD as an organization.

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Notes

¹ 233,000 persons were employed by the state sector as of 1 October 2001.

² 62,327 persons, or 58 357 man-years, were employed in the central administration.

³ The following employee organizations are party to the Basic Agreement covering the state sector: The Norwegian Confederation of Trade Unions – Section for State Employees; the Confederation of Academic and Professional Unions in Norway; the Confederation of Vocational Unions – Section for State Employees, and the Federation of Norwegian Professional Associations and the Norwegian Union of Teachers.

⁴ In 2000, the following employee organizations represented government employees in the Basic Collective Agreement negotiations: (1) The Norwegian Confederation of Trade Unions – Section for State Employees (LO-State). The largest union in LO-State is the Norwegian Civil Service Union (NTL). (2) The Confederation of Academic and Professional Unions in Norway. (3) The Confederation of Vocational Unions – Section for State Employees (YS-S). (4) The Federation of Norwegian Professional Associations. (5) The Norwegian Union of Teachers.

⁵ The Labour Court is a public court based on law rather than agreement. However, when appointing lay judges to the Court, large organizations have the right to put forward their candidates.

⁶ The state Mediator has existed since 1916 and is a permanent mediation institution.

⁷ Section 12, subsection 2 of the Worker Protection and Working Environment Act of 1977 stipulates: “The individual employee’s opportunity for self-determination and professional responsibility shall be taken into consideration when planning and arranging the work.” Kalleberg (1983) describes this part of the Act as one of the most advanced and visionary democratic reforms introduced into Norwegian working life since the Second World War. Kalleberg also emphasizes that the working environment committees which have to be established in all enterprises/agencies over a certain size are the first bodies with equal representation from both sides of industry given decision-making powers on a number of issues.

⁸ The Basic Agreement stipulates “the parties shall (...) establish conditions for forms of cooperation that allow employees to have direct influence on the organization of work and on the ways in which tasks are solved in their own work areas...”. (cf. section 1, subsection 5).

⁹ The work of drawing up the strategy was headed by a small working group, with the Executive Board acting as steering committee. The working group obtained the input it required by making specific requests for information to departments, embassies and individual staff members. In addition, two internal consultative surveys of the entire agency were carried out and a full-day seminar was arranged for all the members of the head office administration.

¹⁰ The main aspects of the new strategy, *NORAD invests in the future*, are: (1) A more holistic approach to problems and possibilities in individual partner countries in which cooperation with the private sector, central government authorities and civil society is viewed in a more overall context. Adopting a more holistic approach will also mean reorienting efforts towards larger-scale programmes rather than many individual projects. (2) Greater emphasis on value creation in order to prevent future dependency on development assistance. (3) Better coordination of all Norwegian contributions, and realistic analyses regarding the contribution that can be made by development assistance in general and Norwegian efforts in particular. (4) Emphasis on strengthening cooperation and coordination with other donors, both bilateral and multilateral.

¹¹ The employees were represented by one senior union representative, not three, and the seat was allocated to the largest union.

¹² The response rate among head office employees was 64 per cent, while the response rate for NORAD employees serving abroad was approximately 34 per cent (Norsk Gallup, 2002).

Sectoral working papers ¹

	<i>Year</i>	<i>Reference</i>
Global information processing: The emergence of software services and data entry jobs in selected developing countries (S. Mitter and R. Pearson)	1992	SAP 4.14/WP.51
The construction industry in Brazil: Surviving the transition to a more competitive market (H. Zylberstajn)	1992	SAP 2.29/WP.52
Human resource management issues in developing country public enterprises (petroleum/chemical sectors) (D.G.M. Cheshire)	1992	SAP 2.30/WP.53
The restructuring of the Japanese National Railways: Effects on labour and management (S. Watanabe)	1992	SAP 2.31/WP.54
El sector bancario argentino: El impacto de los cambios tecnologicos y estructurales sobre el trabajo y el empleo (J.C. Neffa)	1993	SAP 4.15/WP.55
An industry steels itself for change (S. Moinov)	1993	SAP 2.32/WP.56
Un atout pour la santé: La rémunération du personnel infirmier (A. Brihaye)	1993	SAP 4.16/WP.57
Les conditions d'emploi des travailleurs des plantations: Compte-rendu d'un atelier tripartite national (P. Egger)	1993	SAP 2.33/WP.58
Ajustement structurel, politiques agricoles et efforts d'adaptations paysannes en Côte d'Ivoire (M. Allechi, Y. Affou, D. Ngaresseum)	1993	SAP 2.34/WP.59
White-collar unionism in selected European countries: Issues and prospects (E. Kassalow)	1993	SAP 4.17/WP.60
Les enjeux des services bancaires: hommes, techniques et marchés (J. D'Alançon)	1993	SAP 4.18/WP.61
Occupational Safety and Health in the Food and Drink Industries (Shizue Tomoda)	1993	SAP 2.35/WP.62
Employed or Self-Employed? Contract Labour in the British Construction Industry (Julian Birch)	1993	SAP 2.36/WP.63

¹ Working Papers Nos. 1-50 are not included on this list for reasons of space, but may be requested from the Sectoral Activities Department.

The effects of technological and structural changes on employment in major Irish banks (Noelle Donnelly)	1993	SAP 4.19/WP.64
La banque française en mutation: marché, profession, organisation, culture (E. Blaustein, M. Dressen)	1993	SAP 4.20/WP.65
Nurses' pay: A vital factor in health care (A. Brihaye)	1993	SAP 4.21/WP.66
Part-time and temporary employees in the Public Service in Japan (Seiichiro Hayakawa)	1993	SAP 4.22/WP.67
La situación de las mujeres docentes en centroamérica: Hacia la igualdad de oportunidades y de trato (Mafalda Sibille Martina)	1994	SAP 4.23/WP.68
Por la remuneración equitativa del personal de enfermería (A. Brihaye)	1994	SAP 4.24/WP.69
Privatization of public services and public utilities (C. Oestmann)	1994	SAP 4.25/WP.70
Les droits syndicaux des cadres: Une perspective internationale (Claire Dupont-Sakharov et Laure Frexinos)	1995	SAP 4.26/WP.71
Consequences for Management and Personnel of the Reorganization of Railways in the Russian Federation – 1990-1992 (Irene Valkova)	1994	SAP 2.37/WP.72
Trends and Perspectives in the Nursing Profession (Christine Hancock, James Buchan, Phil Gray; Cécile Fontaine; Sholom Glouberman; Tom Keighley)	1995	SAP 4.27/WP.73
Trade union rights of managerial staff: An international perspective (Claire Dupont-Sakharov and Laure Frexinos)	1995	SAP 4.28/WP.74
Los derechos sindicales del personal dirigente: una perspectiva internacional (Claire Dupont-Sakharov and Laure Frexinos)	1995	SAP 4.29/WP.75
Productivity, employment and industrial relations in coal mines Two case studies from the Czech Republic and the Russian Federation (Edited by Norman S. Jennings)	1994	SAP 2.38/WP.76
Productivity, employment and industrial relations in coal mines. Three case studies from China, India and Zimbabwe (Edited by Norman S. Jennings)	1994	SAP 2.39/WP.77
Productivity, employment and industrial relations in coal mines. Three case studies from Australia, United Kingdom, United States (Edited by Norman S. Jennings)	1994	SAP 2.40/WP.78

Atmospheric pollution control: How much of a threat to coal? (Sonja Boehmer-Christiansen)	1994	SAP 2.41/WP.79
Job satisfaction and decentralization: The effects of systemic change on Swedish comprehensive schoolteachers from 1988 to 1993 (Roger Ellmin)	1995	SAP 4.30/WP.80
Contract labour in Malaysian plantation, construction and sawmilling industries: A survey report (Lee Kiong Hock and A. Sivananthiran)	1995	SAP 2.42/WP.81
Sectoral trends in world employment (Jaroslaw Wieczorek)	1995	SAP 2.43/WP.82
Les femmes enseignantes dans l'enseignement technique et professionnel au Bénin, en Côte d'Ivoire, au Mali, au Sénégal: Une étude comparative (Soledad Perez)	1995	SAP 4.31/WP.83
Occupational stress and burn-out of teachers: A review (Tom Cox and Amanda Griffiths)	1995	SAP 4.32/WP.84
Gender and employment on sugar cane plantations in Tanzania (Marjorie Mbilinyi with Ave Maria Semakafu)	1995	SAP 2.44/WP.85
Various forms of employment in the food and drink industries (Shizue Tomoda)	1995	SAP 2.45/WP.86
L'ajustement dans le secteur public et la gestion des ressources humaines: le cas du Sénégal (Abdoul Aziz Tall)	1995	SAP 4.33/WP.87
Privatization in Mauritius: Semi-privatization, Counter-privatization and Closure (P. Ujoodha)	1995	SAP 4.34/WP.88
L'ajustement structurel dans le secteur public et la gestion des ressources humaines: Le cas du Mali (Mohamed Moustapha Sissoko)	1995	SAP 4.35/WP.89
Document d'orientation sur les politiques de privatisation du secteur public (Alain Adérito Sanches)	1995	SAP 4.36/WP.90
Women workers in manufacturing, 1971-91 (Shizue Tomoda)	1995	SAP 2.46/WP.91
Adjustment in the public sector and management of human resources in Mauritius (Raj Mudhoo)	1995	SAP 4.37/WP.92
Privatization in the iron and steel industry (Stephan Moinov)	1995	SAP 2.47/WP.93
Privatization and human resource issues in the Caribbean sugar industry (Clive Y. Thomas)	1995	SAP 2.48/WP.94
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