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## Abstract

## Pilot project as enabler?

- towards empowering municipalities as well as employees own decision making

This article deals with a systemic perspective on transition. The field of study addressed is a pilot project as enabler of *transition* in a highly complex polycentric context. From a Luhmannian systemic approach, a framework is created to understand and address barriers of change occurred using pilot projects as enabler of transition. Aspects of how to create trust and deal with distrust during a transition are addressed.

The transition in focus is the concept of New Public Management and how it is applied in the management of the Employment Service in Denmark. The transition regards the systemic change from a very control based and detailed regulated version of New Public Management towards a system allowing more flexibility and decentralized decision making empowering municipalities as well as employees own decision making.

The means of transforming are Free Municipality trials, that constitute pilot projects, that other municipalities might learn from. The idea of establishing the Danish free municipality experiments in the period 2012-2015 was formulated on the political background that the public debt ought to be reduced. The objective was to ensure confidence in public finances in the wake of the global financial crisis. For several years there had been problems with violations of the municipal budgets creating distrust in the management of public budgets. Concurrently, the local municipalities criticized the increasing governmental micro management of the municipalities. Against this background of distrust the idea of the free municipality experiments was formulated, in order to test if trust could be rebuild.

In order to study the phenomenon in depth an approach is chosen, allowing not only to analyze an isolated organization implementing a change process through a pilot project but also analyzing the surrounding context, and how it influences and is influenced by the change process - The investigated case study concerns a free municipality experiment in a Danish job centre.

The framework is a theoretical linking of different parts of Luhmann's work: the theories of trust, communication, social systems and the semantic approach. Through a case study, problems in making isolated change experiments in the public sector are identified. The method combines qualitative interviewing at a job centre and a semantic analysis of the political rhetoric influencing the change process from the surrounding systems – thereby addressing the process as a systemic transition.

To cope with complexity, transition should be regarded part of institutionalization processes creating trust and reducing complexity. The semantic reservoir plays a role. The analysis reveals the semantic reservoir still being sectorial and not polyphonic, and still directed towards a basal self-referentiality and neither reflexivity nor reflexion.

Semantics enabling reflexivity/reflexion are identified as prerequisite to reach better alignment of polycentric environments. Such semantics, consisting of models, language, tools etc., should enable third order metacommunication i.e. seeing the systems own reflexivity from the perspective of others. Not having this in place was a barrier for change, and prerequisites for a systemic transition.

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