

Case Study on Intreo:

The one-stop-shop for job seekers in Ireland



Case Studies on Innovation and Reform in the Irish Public Sector

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Foreword

The Reform and Delivery Office (RDO) in the Department of Public Expenditure and Reform has developed three case studies on public sector reform in partnership with three academic institutions and public bodies. This pilot project was established to produce a teaching resource for lecturers and students of public policy and public administration, as well as those interested more broadly in organisational change. The study is intended to encourage learning among students and practitioners of public policy and also to inform the design and implementation process of future policy and administrative reforms. Furthermore, by telling the story behind these case studies it is hoped to communicate achievements and lessons learned and to acknowledge the significant progress that has been made under the public service reform programme in Ireland in recent years.

The three case studies on public service reform have been undertaken by the RDO in conjunction with the following public bodies and academic institutions:

- Intreo, the “one-stop shop” for jobseekers in Ireland, authored by Stephan Köppe and Philip J. O’Connell of the School of Social Policy, Social Work and Social Justice and the Geary Institute for Public Policy, University College Dublin (UCD)
- Office of Government Procurement (OGP), authored by Olive Fives and Colm Foster, Irish Management Institute (IMI)
- Tusla, the child and family agency, authored by Joanna O’Riordan and Richard Boyle, Institute of Public Administration (IPA)

Public service reform has been a key element of Ireland’s response to the economic downturn since 2011 and has contributed to the subsequent economic turnaround. To date, two reform plans have been implemented, and a third, focused on public service development and



innovation, will be published in late 2017. While the strategic imperative for reform was the deteriorating economic and fiscal crisis in 2011, the goal of ensuring the public service has the capacity to meet future challenges remains a fundamental ongoing strategic concern and driver of the next phase of development. Each of the case studies is rooted in the aims of the 2011 and 2014 Public Service Reform Plans, to institute greater innovation, cost and efficiency savings, and better service delivery for public service users.

The case studies benefit from the input of the key public policy practitioners, who led and continue to lead these significant change programmes and are based on interviews and research undertaken by leading academics.

The Department of Public Expenditure and Reform would like to acknowledge the contributions of all those involved in the production of the case studies, without whose time and continual dedication this project would not have been possible.

The case studies are not intended to be evaluations of the overall success and impact of the cases examined; rather, the aim is to capture reflections on the key organisational learning around management of a significant public service reform initiative at the time of its establishment and its ongoing implementation as new processes and ways of working bed down.

The case studies provide a valuable record of public service reform initiatives in Ireland. It is hoped they will be of interest and value to the reader and will inform the learning of future public policy practitioners.

Reform and Delivery Office

September 2017



Abstract

This case study analyses the implementation of Intreo, the “one-stop shop” for jobseekers in Ireland, between 2010 and 2016. The implementation followed an iterative and incremental process, where the Department of Social Protection displayed a high adaptive capacity. Prior to the establishment of Intreo, benefit payments and activation services were highly fragmented at the organisational and policy levels. During the fiscal and economic crisis several reform strands came together that led to an organisational merger, an integrated one-stop shop service model for jobseekers and innovative alignment of labour market activation measures. The key challenges highlighted in the study are change management with limited resources, complex industrial relations negotiations to redeploy staff and designing a new service, while catering for an existing and increasing client base. Throughout the implementation process senior management and the core change team found innovative and flexible solutions to overcome the challenges.

First, a small and experienced management team served as a flexible coordination hub. It shaped the broad vision and could react flexibly to changing agendas, but also relied heavily on support from other central units and frontline staff. This delegation of core tasks gave ownership of the change process to frontline staff and increased their support for the new service model. Second, the redeployment of staff benefited from coherent communication to frontline staff, respectful and strong labour relations, flexible union positions in the context of the crisis and the arbitration process set out in framework Croke Park and Haddington Road agreements. Third, the design process benefited from a broad vision right from the beginning that had been fleshed out in detail over time in an iterative process with strong involvement of frontline staff. In addition, the national roll-out included frontline staff. This enabled the basic template for service delivery to be amended locally to suit staffing levels, client base and physical infrastructure.



1. Introduction

This case study aims to shed light on the issues and success around the implementation of Intreo in Ireland between 2010 and 2016. The implementation of Intreo, which integrates both income maintenance and employment supports in a single system, represents one of the most far-reaching reforms in labour market activation policy and benefits administration in many decades, a reform which brings Ireland into line with established practice elsewhere in Europe. Our focus is on the implementation of the reform, after the high-level political decision to undertake the reform in labour market activation for the unemployed had already been taken.

It will look at the organisational and administrative challenges faced and solutions found during the implementation. Although several Government Departments and organisations had been involved in implementing Intreo, the focus will be on the Department of Social Protection (DSP). Providing an integrated service for jobseekers meant also incorporating two independent agencies, the Community Welfare Service (CWS) under the auspices of the Health Service Executive (HSE) and employment services provision, which had been part of FÁS (Training and Employment Authority), into DSP and the development of the new Intreo service from these three component parts. This case study takes the perspective of DSP on how it managed the integration of these three distinct entities in various dimensions such as organisational, cultural and physical.

The purpose of this case study is to encourage learning within the Irish public sector and to inform the design and implementation process of future major policy and administrative reforms. Moreover, it aims to be a teaching resource for lecturers and students of public policy and administration. This study is not an evaluation of the overall success and



impact of the Intreo service; rather, it aims to capture reflections on organisational learning around the management of public sector reform.

The key finding is that a small change management team with expertise from inside and outside the Civil Service facilitated a radical change necessitated by the urgency of the fiscal and unemployment crisis. This implementation process is best described as an iterative and incremental adaptation process with limited resources, which utilised small changes in the political network and policy context such as the binding arbitration provisions of the Croke Park/Haddington Road agreements and external accountability to their advantage. The plan to integrate the three services was developed as part of the response to the economic crisis and followed the broad direction set out by the Taoiseach in March 2010 to deliver the “integration of the income support provided through the social welfare system with the support for activation” (DoT, 2010). This was further specified in both the Programme for National Recovery (November 2010) and the Programme for Government (March 2011).

The vision of how integration was to be implemented was set out in a detailed project plan in 2011. Although the concept came top-down, the vision was consciously pursued not through a large scale, centralised transformation programme but through sharing ownership of the vision with line managers and through facilitating them in taking several piecemeal steps necessary to implement the overarching reform aims. Moreover, although the reforms were triggered by the crisis, the decision to merge CWS, FÁS employment services and DSP was presented and accepted by the organisation and its staff as an opportunity to improve the quality of service offered to customers by providing an integrated service under the new institutional roof. This required risk-taking, a flexible vision, effective communication and effective project management, all of which was facilitated by the urgency of the unemployment and fiscal crisis. The scale and success of the reform has been recognised and DSP has won national and international awards for



the Intreo reform (ISSA Good Practice Award Europe 2016, Outstanding Contribution Award at Civil Service Excellence & Innovation Awards 2015).

Our analysis is based on government documents (including internal material) and interviews with the core implementation team. Access to internal documents was provided through DSP and SOLAS, the successor to FÁS. The documents were analysed qualitatively to provide background information and to verify timelines and key stages in the implementation process. The main analysis is based on interviews with top civil servants in DSP and the related organisations. Due to limited funding and resources this case study lacks interviews with middle management and front-line staff. Most interviews were conducted with DSP staff as it was not possible to interview CWS staff or union representatives. In the description and analysis of this case, a potential top-down and DSP bias has to be acknowledged, although thorough probing during data collection, cross-checking with internal documents and sensitive analysis should reduce the risk of bias.

The case study is structured as follows. The following background section contextualises the Intreo implementation within the wider policy landscape, its main purposes and the overarching policy framework. The next section points to the main issues and challenges faced by the government departments and organisations. Section four discusses solutions and key decisions taken. In section five we discuss lessons learned from the case and how it can be generalised to similar reforms and challenges. The final section proposes some applications for teaching at universities, and suggests that the case study could be adapted for other settings as well.

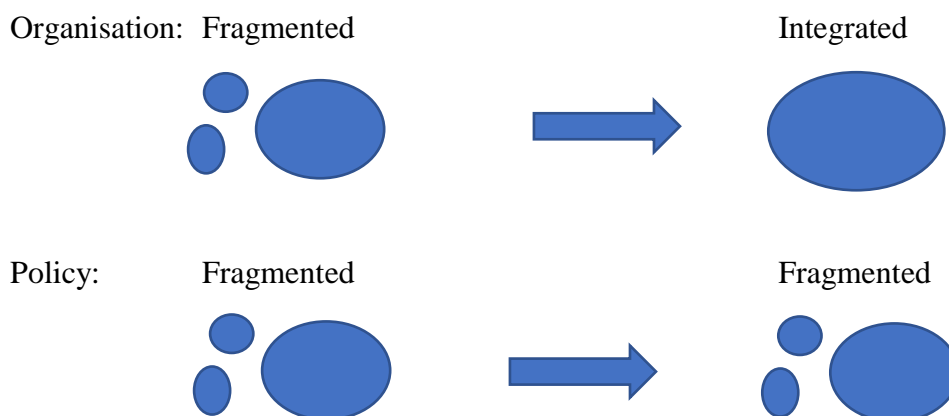


2. Background

Ireland is a late-comer with regard to labour market activation measures and the provision of integrated services (Weishaupt, 2011). While Nordic countries experimented with activation schemes as early as the 1970s, many European countries followed suit in the 1990s. Providing a “one-stop shop” service for jobseekers gained traction in the 2000s, most notably the UK (2002, Jobcentre Plus), Germany (2004, Bundesagentur für Arbeit) and France (2009, Pôle emploi). The basic idea of a one-stop shop service delivery is to provide benefit payments, assistance with job search and placements as well as referral to further training and other welfare services under one roof (Wiggan, 2007). Compared to fractioned unemployment services, a more integrated service delivery should have a stronger client orientation by processing benefit claims more quickly, accessing the individual needs of jobseekers and providing tailored support services for each client. Overall, an integrated service delivery should guarantee that no jobseeker falls through the cracks and that they receive all benefits and services to which they are entitled as well as offering greater effectiveness and efficiency of public service delivery. An ideal one-stop shop would a) process and pay out benefit claims, b) assess and profile the labour market fit of a client, c) agree a set of actions and mutual responsibilities regarding job search activities and d) refer the client to activation measures (training, internships etc.).

Figure 1: Types of organisational and policy integration

1. Asynchronous integration (e.g. organisational)





2. *Parallel integration*

Organisation: Fragmented



Integrated

Policy: Fragmented



Integrated

3. *Merging*

Organisation: Fragmented



Integrated

Policy: Fragmented



Source: Authors

By the late 2000s there was sufficient evidence from other countries that one-stop shops are a successful model to bring jobseekers quickly back into the labour market (OECD, 2001), backed up by specific national reports suggesting a similar reform path (Grubb et al., 2009; NESF, 2009; O'Connell et al., 2009). In addition, Ireland was hit hard by the financial crisis and the subsequent recession in terms of rapidly increasing unemployment rates (O'Connell, 2016). In the Programme of Financial Support agreement between the EU/IMF and Ireland that restructured the treasury debt, negotiated between October and



December 2010, the Government committed to “exploiting synergies and reducing the overlapping of competencies across different departments” (p. 21). The Government also committed to reform the social protection system, enhance activation measures, increase incentives to work and strengthen sanctions for non-compliance with job-search requirements for unemployment benefits (Roche et al., 2016).

Ireland faced the challenge of achieving both an organisational and policy integration of service delivery. As shown in **Figure 1**, several aspects of benefit payments and activation measures were highly fragmented in the Irish system. For instance, DSP paid for the Supplementary Welfare Allowance, but it was administered by CWS staff in the HSE. There was some level of integration at the policy level, but direct client provision was fragmented. Similarly, responsibility for labour market activation was shared across two, and at one point, three Government Departments and their Agencies (most notably DSP, the Department of Jobs, Enterprise and Innovation, the Department of Education and Skills and FÁS).

Although the crisis may have facilitated the move towards an integrated service for jobseekers, some of these changes were already well under preparation. For instance, **Table 1** shows that the Government had already announced in 2006 that CWS staff would move to DSP, going back to ideas in the late 1980s to merge the two functions under DSP as part of the process of reducing the breadth of Health Service operations – so that the Health Service could focus on its “Core Functions”. It took until autumn 2010, when it was finally agreed that CWS staff would join DSP in January 2011 on secondment for 9 months. The following year about 700 FÁS staff joined and Intreo offices were rolled out nationwide between 2012 and 2015. While the transfer of CWS staff was initially planned for a long time the original idea was to take



on “new functions in the department and [...] leaving them as they are” (#4).

In other words, if the original plan had been pursued, the CWS staff would have transferred into DSP, but remained as an identifiable functional unit within DSP. This original organisational integration suggests an asynchronous integration approach (see **Figure 1**). It was only over the course of late 2010 and early 2011, facilitated by the crisis and the new Government, that the concept emerged that the service delivery would change towards a “one-stop” shop and integrated service delivery, including employment functions from FÁS. Therefore, the implementation gradually developed from an asynchronous organisation integration, to ideas for a parallel integration into a full merger with streamlined organisational structures and a policy framework that would provide an integrated service for the client to realise efficiency and effectiveness gains (see **Figure 1**). At this stage, DSP was well aware that a successful and full implementation would span about 3-5 years (project board meeting 2 July 2010).

Table 1: Timeline 2006-2015

Date	Milestone
2006	The Government decides to move the CWS function to DSP, preparatory work and negotiations to transfer CWS staff begin in 2007
23 Mar 2010	Government announces transfer of employment and community employment services of FÁS to facilitate “end-to-end case management approach”
April/May 2010	Establishment of Programme Board with representatives from DSP, DEd, FÁS.
Autumn 2010	Final agreement with unions on CWS transfer following Public Service Agreement in June
Oct/Nov 2010	New staff join change management team project team within DSP
Q4 2010	Experimenting of DSP and FÁS with Group Engagement Sessions (GES) for jobseekers
Dec 2010	Social Welfare and Pensions Act 2010 transfers budget and policy responsibility for CWS and FÁS functions to DSP, negotiations pending for formal staff transfers



1 Jan 2011	1,020 CWS staff on secondment at DSP, agreement signed with FÁS regarding redeployment
Jan/Feb 2011	7 town hall meetings and workshops with CWS staff (later also with FÁS staff)
9 Mar 2011	Government announces one-stop shop as part of Programme for Government
9 Mar 2011	New Government reaffirms commitment to abolition of FÁS, creation of a new "one-stop-shop" service and announces the introduction of internship programme
Spring 2011	Video messages to new staff
Jun 2011	Launch of JobBridge (administered by FÁS on behalf of DSP)
Jun 2011	Government approves plan for National Employment and Entitlements Service (NEES)
1 Oct 2011	Full integration of CWS staff
1 Jan 2012	Transfer of 742 FÁS staff
Feb 2012	Launch of Pathways to Work
16 April 2012	Start of 4 pilots regarding integrated benefit claims (King's Inns, Tallaght, Arklow, Sligo), activation two weeks later
15 Oct 2012	Official launch of Intreo, national roll-out until 2015
30 Oct 2012	Launch of integrated reception at pilot
2013	One DSP Changing Together launched
Dec 2013	44 Intreo offices open
Mar 2014	46 Intreo offices open (DPER progress report)
Mar 2015	53 Intreo offices open
Jan 2016	58 offices open

Source: Authors



3. Issues and Challenges

The various organisations involved in the implementation of a one-stop shop faced three main issues and challenges: change management with limited resources, transfer of staff to be under one umbrella department and designing a new service delivery involving the integration of functions and staff, whilst continuing to deliver all existing services to an increasing client base. These issues will be discussed, in this and the following sections, under these headings.

3.1 Change Management

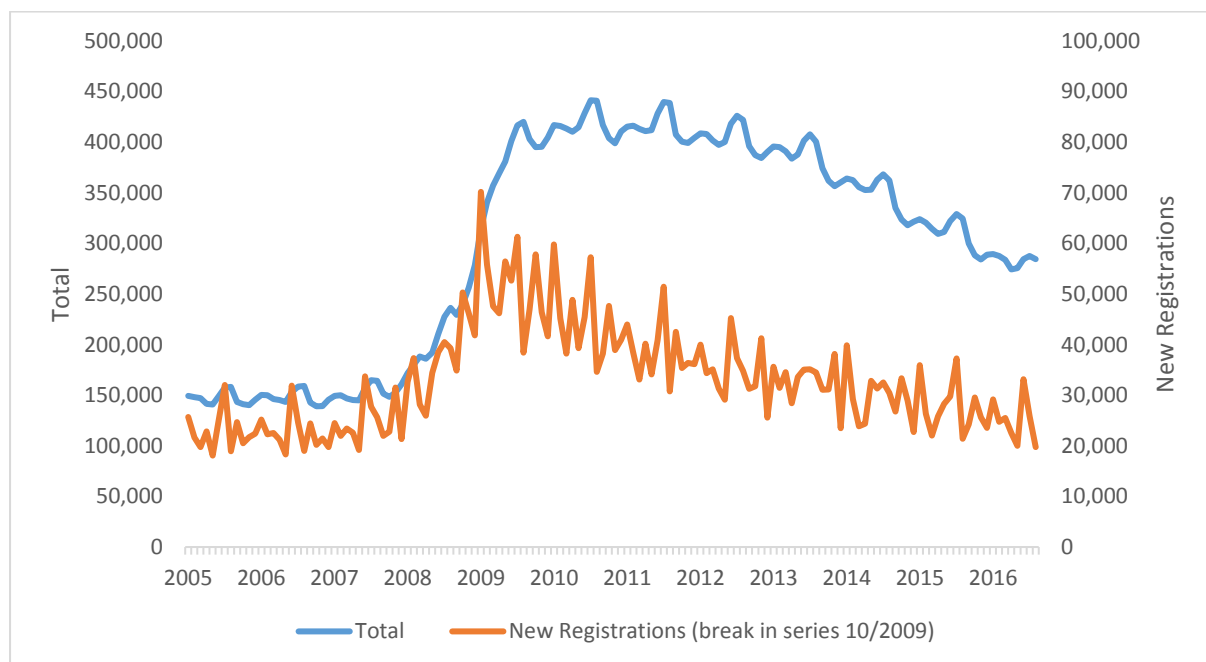
The core management team was faced with the task of implementing one-stop shops for jobseekers, but in an environment of increasing demand due to rising unemployment, shrinking budgets and scarce resources for managing, planning and redeveloping service delivery. The political decision to change the fragmented services for benefit claimants, and in particular jobseekers, into one entity, meant that it would be necessary to merge the benefits claims at DSP with the social services offered at CWS and the employment service provided through FÁS.

Overall, Intreo offices were rolled out during the biggest banking and financial crisis in the history of the Irish State. Beginning with the global financial crisis in Autumn 2008, Ireland went through a series of interconnected crises (O'Connell, 2013). At the onset of the property and banking crisis the State guaranteed to bail out several banks. In the following year, the global financial crisis led to an unprecedented economic downturn and rise in unemployment. These crises put high pressure on public budgets by eroding tax revenue and, at the same time, increasing welfare spending. By early 2010 the Government had to impose wage cuts, but the State finances eroded further over the summer. In early autumn 2010 Ireland had to seek help from the EU and IMF to avoid a sovereign bankruptcy and negotiated a wide-ranging



debt-restructuring programme that guaranteed the banks' liabilities, enforced several austerity measures and increased tax liabilities. In sum, the economic and social environment of the reform meant that on the one hand, budgets for service delivery were tightening or decreasing, while on the other hand demand for services was increasing. This major reform had to be achieved within existing or shrinking budgets. At the beginning there was only a very small budget for external advice, consultancy and service design. There were some funds for refurbishing and building office space as part of earlier committed budgets, but not specifically dedicated to create one-stop shops rather as general infrastructure investments.

Figure 2: Case numbers on the Live Register 2005-2016, monthly



Source: CSO tables and DSP stats reports

Moreover, caseloads were at very high levels not seen since the 1980s (**Figure 2**) and the client profile changed dramatically. The major rise in jobseekers occurred in 2009, plateaued on a high level throughout 2010 and reached its peak in mid-2011. DSP, which was responsible for processing the claims, was operating at its limits and required more staff to simply deal with the increasing number of clients. Processing a claim



required around three weeks to come to a decision and pay out entitlements. Therefore, most claimants relied on CWS payments to bridge the funding gap until a benefit claim was officially approved. Alongside this rise in caseloads the demographic profile of jobseekers who joined and stayed on the Live Register for more than a few weeks also changed. In the past, people with strong work experience and high levels of qualifications tended to find work quite quickly and move off the Live Register; in general therefore they didn't have an opportunity to engage with the State employment service in FÁS (referral to FÁS was after three months of unemployment). However, once the crisis hit those entering the system, even those with strong work experience and good qualifications were more likely to require activation/employment supports. In addition, a significant number of people who joined the Live Register did so from the construction and related business sectors. This meant that activation and reintegration programmes had to be developed to cater for a wide variety of professions and skill levels, some of which had not featured in the employment services portfolio for many years.

In addition to the high caseloads, there was also strong political pressure to achieve the changes quickly. The introduction of Intreo became a government priority with direct reporting to the Taoiseach and tight deadlines (including those from the Troika). Yet, when the organisational and policy reforms were set in late 2010/early 2011, the bulk of new claimants were already on the Live Register. The reforms were therefore being implemented "on top of" a crisis rather than in preparation for one and no matter how fast they were implemented they would always be "catching-up".

Finally, DSP experienced major senior staff changes. Almost the entire management board left DSP (partly due to retirements), which broke down existing expert networks and reduced organisational capacity. New ideas could be brought forward with new senior staff entering the



organisation. The established knowledge-based communities were eroded (Heclo and Madsen, 1987). This both required and allowed space for new alliances across agencies and departments.

3.2 Redeployment of Staff

Streamlining service delivery for the client required redeploying staff of the fragmented organisations DSP, CWS and FÁS and, in effect, it also meant dismantling the former CWS and FÁS organisations. Since 2008, three types of staff had been redeployed into DSP. The first wave included mainly civil servants from other Government Departments to deal with the large increase in claims for unemployment benefits (about 400 in 2009 and 200 in 2010: see annual reports). In total, this redeployment amounted to about 1,300 between 2009 and 2012, predominantly from the Department of Agriculture. The second and third wave concerned the integration of CWS and FÁS staff, respectively.

In the interviews undertaken for this report, the integration of the first wave of staff from other Government Departments were not mentioned at all and it was subsequently pointed out that this was for four main reasons. First, the redeployments had occurred in relatively small “batches” over a period of time. Second, all of the staff involved had the same terms and conditions of employment and were originally recruited and trained as civil servants. Third, the staff involved were available for redeployment given changes to work processes and volumes in other parts of the Civil Service. That meant that they did not bring work with them but that they took on the standard duties within DSP. Fourth, the redeployment “suited” staff in that civil servants who transferred to DSP could generally remain in their existing work location (town or city) and avoid a perceived risk of relocation elsewhere.

Hence, the main redeployment challenge was the integration of about 1,000 CWS and 700 FÁS employees into DSP. In the case of CWS it meant the entire staff were redeployed and the function ceased to exist as part of HSE. The affected FÁS staff represented about 40% of the



organisation, which was eventually abolished. It should be noted that elements of the further education and skills function effectively continued under the successor Further Education and Training Authority (SOLAS). Typically, the major concerns for staff affected by the organisational change were how this would affect their salary, their day-to-day job and work responsibilities, and office location. Other issues were the different institutional cultures and union representation. From both a management and front line staff point of view, another key issue was communication of the upcoming changes.

First, the fragmented nature of the Irish public sector meant that all three staff groups were on different contracts. Therefore one major challenge was to bring in the new staff from CWS and FÁS, who were not part of the “established” Civil Service, under similar contractual conditions. Established and non-established civil servants are employed on different bases and used to be enrolled in different occupational pension schemes (which merged in 2013, see www.cspension.gov.ie). Established civil servants typically fulfil core public service functions (“rendering established services” Civil Service Regulation Act, 1956) such as most officers in the former DSP local offices, while most non-established staff are employed directly by Government Departments in support roles such as maintenance staff, cleaning services or security guards.

Specifically, CWS and FÁS operated with salary scales, working hours, annual leave arrangements, supervisory structures and job roles that were not only different from each other (FÁS from CWS) but were also different to those that applied in the established Civil Service. The position was further complicated by the fact that different terms and conditions applied in different geographic areas within CWS reflecting the former health board structures.

Second, staff were concerned about changes to their routines, the possibility of being assigned new duties in the merged organisation, and



potentially a requirement to move office locations. Moving offices is probably the most obvious change for employees, but also changes to every day routines, the assignment of new duties, and organisational culture were a major concern, in particular among CWS staff who operated from about 900 locations around the country compared to 60 locations in DSP and FÁS.

Each of the three staff groups had not only a different organisational culture and structure but staff also had the perception of different work values and ethos. This led to concerns among staff regarding the merger and posed a challenge of creating a new organisational culture that included elements of the three. Identifying and assessing a specific organisational culture is already challenging, but even more challenging is to change that culture (O' Riordan, 2015). Specifically, the DSP culture had been described as rule-based, with top-down management structures and corporate accountability. For instance, most of CWS staff perceived that within DSP the public service and parliamentary accountability came first and the customer second.

CWS staff meanwhile valued their individual discretion, operated under a very fragmented and horizontal management structure and felt that their social work ethos would clash with the control and accountability ethos within DSP. The FÁS culture lay somewhere between these standpoints with a strong client orientation and experience in delivering tailored services for jobseekers, but with a more formal management structure than CWS. Yet, they were also suffering from low morale associated with the expenses and governance scandal that engulfed FÁS at that time (Quinlan, 2009). An issue for both CWS and FÁS staff was a stronger accountability culture at DSP. In the case of CWS staff, this meant less discretion in terms of managing their own workload and in the application of decision rules on supplementary welfare payments. Similarly, FÁS employees faced a new structure in relation to caseload management and integration with the benefits system.



The fragmentation of the Irish public sector also meant that staff at CWS and FÁS were represented by different unions than existing DSP staff. For the unions representing CWS and FÁS staff, any attempt to redeploy staff into the Civil Service meant a loss of members.

These two major challenges led to a third overarching issue: how to communicate the organisational change to existing and new staff in a way that would address these concerns and explain the rationale for the changes in a manner that would ultimately win their support. Communication of ongoing and envisaged changes is paramount to reduce anxiety and resistance to change. The communication challenges for the redeployment were manifold. As it affected all members of staff, it had to be ensured that all employees were reached. Moreover, communication across three fragmented organisations had to be organised efficiently and be targeted as not all employees faced the same changes. Communication efforts had to address the majority of staff in DSP as well as the newly-joining employees with a different organisation background in the public sector. The fact that DSP staff were geographically dispersed around the country was another factor which added to the complexity of the communications effort as part of the change.

3.3 Designing and Implementing the New Service

The Government announced in March 2011 that one-stop shops were to be introduced, although no specific details were published regarding how to deliver the service and design the actual claim and activation process, nor was it specified in later bills or ministerial directives. DSP had to work out how to deliver the new integrated service, including basic parameters such as the naming of the new job centres. When the new CWS staff were coming on board, even the broad vision was only emerging. The management team had a “broad vision that we were going to be an integrated service” (#2) and there was a high-level idea of how the process would work, but the detail still had to be developed.



Although this approach was deliberate in order to enable staff and local managers to contribute to and take ownership of the detailed design, the absence of detail was a concern among some of the staff who sought reassurance as to their role in the new organisation.

This became apparent at the first briefings with CWS staff in January 2011, where one of the overarching responses was that a clear plan was missing. However, even if the chosen approach had been to plan out the fine detail in a top-down manner, this could not have been shared with staff at that time as a full political mandate for the concept of the one-stop shop was only confirmed when the new Government came into office two months later. As the timeframe for change was relatively short, there was little room for extensive piloting and testing of solutions. However, an advantage was that other countries had already implemented similar reforms much earlier, offering opportunities for organisational learning from international best practice.

Other challenges included providing training for staff to provide the new service. Although existing and new staff had experience in providing services for the unemployed, the envisaged integrated service requires new skills. DSP and CWS staff would be well skilled to administer benefit payments, but lacked expertise in activation, which had been the core expertise of FÁS employees and vice versa.

Moreover, DSP was faced with the problem of how to roll out a universal national service in 60 different locations. Processing benefit claims and payments follows more or less a set of clear eligibility criteria, but the activation function requires a much more personalised and tailored service. Hence, the central DSP management had to ensure that jobseekers would be treated on an equal basis and have equal access to advice and training opportunities. In addition, CWS staff were used to having a lot of personal discretion when paying out hardship funds, compared to DSP processes of benefit payments. In brief, the challenge



was to make sure that the new Intreo service would be the same across the country.

As with the staff redeployment, all key issues required effective communication of the changes. Again, this included building trust for the new processes and rules as well as ensuring that each local office applies the same standards.



4. Solutions/Decisions

As **Table 1** highlights, the reform programme that ultimately led to Intreo started with the first negotiations to redeploy CWS staff to DSP in 2006. The actual staff transfer occurred between 2011 and 2012. It was only in this redeployment period that the model for Intreo was designed, followed by initial roll-out of Intreo offices in 2012 and final implementation nationwide in 2015. In effect, the programme can be thought of as comprising three partially-overlapping implementation phases (for details see **Figure 3**):

- The transfer of staff and the merger of organisations (2010–2012)
- The development and implementation of an integrated service model – Intreo (2011–2015)
- The integration of the three service cultures and operations leading to the establishment of One DSP (2013–Ongoing).

It is noteworthy that although implementation of the transfer only commenced in 2010, it was initiated in 2006 and the negotiations with the unions representing CWS staff from 2006–2011 took almost as long as the actual implementation of Intreo (Phase 2). Credit should be given to the team that laid the groundwork in 2006 for the final negotiations in 2010/11. However, the change management team at this decisive time made certain key decisions to facilitate the redeployment, but also benefited from the political environment during the sovereign debt and economic crisis and the conclusion of the Croke Park and Haddington Road agreements with the public sector unions.

The first section explains how the composition of the core change management team helped to accelerate and actually implement the reform. Second, we discuss the redeployment of staff, including the key industrial relations negotiations. Finally, we examine the design of the new service that followed the successful redeployment of staff, although



it should be noted that preparatory service-design work started in parallel to the final industrial relations negotiations in early 2011.

4.1 Change Management

4.1.1 Small and Experienced Team

Right from the beginning in summer 2010, before the implementation of phase 1, a few decisions were made that shaped the change management at its core. First, there was a strong belief that a small management team could achieve more than a large team. While in part due to limited resources, ultimately a senior management decision was made that a small team should be formed in order to more readily facilitate communication with the internal experts, share ownership of the change with line managers and give them responsibility for implementation with flexibility to adapt the overall model to local circumstances. This participatory approach would achieve change at a faster pace than a big team trying to enforce or implement a change from the centre. The core reform team consisted of four people who were designing, negotiating and communicating the implementation.

Second, the senior team leaders all had a background in change management, both academically and practically. Although they did not follow a textbook template, they all referred to established concepts of business administration and new public management ideas about how to design and communicate organisational change. In addition, the practical experience of the team and ability to learn from previous projects was crucial to kick-start the implementation process right away without a long research phase. The core team could refer to templates from prior experience and tailor them to the implementation period ahead.

Moreover, as well as the senior managers having a common background in management training and long work experiences (20 years plus), the team was deliberately recruited to represent diverse DSP careers and



professional expertise. In particular, the newly-appointed Secretary General shaped the recruitment of the change management team in summer 2010. A senior staff member had recently joined the Civil Service at Assistant Secretary level with experience of change management in the private and public sector, another had joined with strong experience of partnership and performance systems in the public sector while others were well connected within DSP and could draw on personal networks. One of these was a senior manager from within DSP with a background in operations management and with overall responsibility for industrial relations (IR) within DSP, while three implementation managers were assigned from each of the three organisations (DSP, FÁS and CWS) – to draw on the organisational culture and networks within each unit.

The decision to have an IR expert in the core change management team met some resistance as it was at odds with typical expertise in project teams, but the Secretary General had recognised that one of the major issues was staff redeployment and that this required specialised knowledge in the team. This combination of skills seems to have facilitated experimentation with new implementation approaches, but also contributed to good internal communication with middle management. For instance, one team member expressed that having “conceptual understanding of change through my MBA” and previous work experience in change management were key skills in implementing change. A “number of principles” were applied throughout the implementation process to achieve the reform aims. In sum, the composition of the team was a key stepping stone during the implementation process.

Overall, the small team worked as an implementation hub. Due to limited resources, it relied on expertise within and outside of the Department. This included working closely with internal experts in areas such as IT, industrial relations, human resources etc. Outside expertise



was sought through consulting firms, mainly Accenture, but also BearingPoint. In addition, national and international policy experts and reports were consulted to inform the design of the new service model (notably OECD, NESC and ESRI).

The limited manpower meant that the management team served in the first instance as a hub for exchanging information, liaising with different Government Departments, bringing the experts in the three organisations together and delegating tasks to the responsible units and divisions (e.g. Assistant Secretaries and Principal Officers). Tasks, in particular for the redeployment of staff, were delegated with clear deadlines and the teams had to report to the implementation team. “Instead of the project team doing all of that, [they] relied a lot on other people to do that” (#6 7.40). The change management team assigned tasks and monitored progress, but did not have the manpower to implement change themselves. While the strategic plan set out the overarching milestones and deadlines, the management team constantly had to negotiate and liaise between Departments and organisations to keep on track. Building trust and good working relations with all actors involved was important to make sure all teams were working to a joint aim.

A particular difficulty during phase 1 had been the decentralised organisational structure in CWS, as the personnel information was stored locally and required further liaison with regional officers to collect HR information. The core team had no manpower to implement any change; it could only co-ordinate and facilitate the change. Yet, this decentralised change management gave the responsible units and divisions (e.g. HR and payroll) ownership of and credit in the implementation process.

This “centralised design but local implementation” approach was continued for phase 2 – service development. The core team during this phase worked as change agents taking the service model template for



Intreo to each of the Department's 13 regions, where they held workshops with staff to develop a local implementation approach. In parallel, it continued to work closely with central DSP units to implement the infrastructural changes – in particular IT and estates – necessary to deliver the Intreo service model. In addition, transition managers were appointed from within the ranks of CWS staff for phase 1 on a Principal Officer (PO) equivalent level to manage the staff redeployment and early service implementation. This was crucial as CWS staff were dispersed across the country and lacked central management from the HSE.

In summary, the key management characteristic throughout phase 1 and 2 was strong co-operation between staff, staff representatives and local managers. The change management team supported local teams in each region, worked closely with central service units such as IT and facilities to effect the change on the ground and worked with staff representatives both at a national and local level to ensure that the implementation process ran smoothly.

4.1.2 Accountability and Top-Level Visibility

As highlighted above, Intreo became a priority for both the Government and the Troika. Neither the Government nor the Troika gave specific guidelines on how the service should work or be designed, but they were the watchdogs behind the scenes. During the main implementation process, the core team at Assistant Secretary level and DSP Secretary General/Deputy Secretary had to report monthly on progress to a cabinet sub-committee chaired by the Taoiseach. Similarly, the Troika watched carefully at least quarterly on the progress during the programme for financial support until 2013. This had two effects: first, it created clear accountability along set goals and second, it facilitated cooperation and commitment to find solutions with actors more sceptical about the reform path, most notably the unions.

Although it was not clear in the beginning how Intreo offices would deliver their service, over the course of 2011 a set of implementation



goals and visions were created with a timeline setting out when each goal should be achieved. Again, neither the Government nor the Troika dictated these goals; rather they played an advisory role, but where the implementation slowed down or stalled, they were the authority of accountability. The core team members could use it as motivation and could demand accountability from middle management and other organisational units on which they depended to deliver their targets. In the case of unions, the top-level attention also facilitated cooperative and constructive labour relations, but other factors also contributed to their consent.

4.1.3 Trade Union Engagement: Utilising Conflict Resolution to Progress Change

Within the reform process, unions could have been a significant veto player. As shown below in some more detail, the implementation team had to negotiate with up to five different unions as CWS and FÁS staff were represented through sectorial unions outside of the Civil Service staff industrial relations structures. For several issues, specific solutions were found and will be highlighted below. Five more general aspects can be identified that facilitated the final breakthrough in the negotiations leading to the organisational merger and the subsequent implementation of the one-stop shop service model.

First, the financial, sovereign debt and unemployment crisis created a context where the unions recognised the limits to the State's ability to compensate staff for change and, at the same time, accepted that a radical service change was required to improve outcomes for unemployed people. Considering that the unions resisted any substantial redeployment and change from 2006-2011, the crisis created a window of opportunity (Kingdon, 1995) that allowed the unions to act much more flexibly and adapt to the changing environment more than was previously possible. While their core interest was to protect the current terms and conditions of the work-force as far as possible, they were also



conscious of the need to make progress in implementing change and were open to working collaboratively with management in the interests of improving service delivery to the rising number of jobseekers.

Second, the initial agreement in autumn 2010 to transfer CWS staff on secondment for 9 months as an intermediate step was crucially important. On the one hand this enabled DSP to move towards an integrated service and on the other it gave staff from CWS experience of working within DSP and, in so doing, test whether or not their fears regarding the impact of cultural and institutional differences were legitimate. It also bought some time to finalise the labour negotiations, but also set a clear deadline, when negotiations had to come to a conclusion. In particular, the secondment facilitated management to move forward with the reform plan and to establish common ground among employees and breaking down barriers that could also facilitate negotiations with the industrial relations representatives. As part of this approach, the Secretary General of the Department had met with all of the General Secretaries of the relevant unions and agreed to maintain an open channel of communications and meet with the group as required to oversee the implementation programme.

Third, the framework of national agreements reached to address the fiscal and economic crisis provided the basis for resolving those issues where agreement between unions and DSP was difficult. The Public Service Agreement (the so-called Croke Park Agreement) was central to enabling future change in terms of service delivery and redeployment of staff. In particular, the binding arbitration mechanism meant that all parties had to accept decisions by arbitrators or the Labour Court. This mechanism was used strategically on a number of occasions to resolve specific issues that stalled in bi-lateral discussions. This change from negotiation to conflict resolution through binding arbitration worked well and sped up the implementation of some key issues. In sum, the crisis and the imperative for a national response created a dispute resolution



mechanism whereby previously complicated issues could be resolved much quicker.

Fourth, as already mentioned, the integration of the overall IR function within the project team and the strong relations between the Department's IR team and staff representatives contributed to goodwill and a constructive atmosphere. This personal and respectful liaison with union and staff representatives created a general commitment to the change agenda and a relatively smooth implementation at local level. In that regard, the initial negotiations since 2006 were important as both sides were able to build trust and informal working relationships to broker a deal. For instance, the innovative idea for secondment originated from CWS and proved to be a key stepping stone for the subsequent changes. The idea was communicated through informal channels with labour representatives which probably would have been impossible in a formal negotiation setting. Similarly many of the local adaptations to the general Intreo model were initiated by staff representatives.

Fifth, the significant investment in staff communications by top and middle level managers in DSP helped to ensure that the direction of change and the rationale for change was well known throughout the organisation. The regular direct communication with frontline staff, which represented a change in communications strategy for the Department, helped to ensure that staff understood the management perspective on change, which helped to overcome potential resistance, and to encourage staff engagement with the design of the integrated service model.

4.2 Redeployment of Staff

The redeployment of staff had to address three overlapping issues: ongoing negotiations regarding terms and conditions, integrating three distinct organisational cultures and overall communicating progress on these two fronts on a constant basis.



4.2.1 Negotiations and Binding Arbitration

The main long-term issue was to agree, with the unions, on the terms and conditions of the CWS staff and subsequently the FÁS staff. Plans for moving the CWS staff had predated any plans for an integrated service, but it was essential to facilitate the later emerging idea of a one-stop shop. As already mentioned, at the height of the sovereign debt crisis and facilitated through the Croke Park agreement, the unions agreed to the redeployment of staff, but by autumn 2010 no agreement had been reached on the final details of the deal. The key negotiations took place between the unions and DSP. The former employers CWS and FÁS were involved in these negotiations, but in a secondary role. Still, it meant that DSP had to negotiate with up to five different unions.

The main concerns regarding the transfer of staff were around salary scales, managerial roles and the status of the new staff. The basic agreement was that the current salary would be protected, but some staff joining DSP would be realigned to the grade structure in the Civil Service (in a small number of cases this was perceived to be a “downgrading”). This meant joining staff could be required to take on new duties across DSP – potentially across the Civil Service – reflecting their previous pay and managerial grade. Similarly, DSP staff could also be required to take on duties previously performed by CWS or FÁS staff, including, for example, case work with unemployed jobseekers. The outcome of the IR process is that all staff at a common grade can now be expected to take on any of the duties required of that grade irrespective of whether those duties were originally performed by FÁS, CWS or DSP staff. In addition to this change, the Labour Court in its determination provided for a “what you have you hold” approach to other terms and conditions including working hours and leave entitlements. DSP had sought a standardisation of these conditions, which varied among the staff being transferred, to Civil Service norms, which would have meant there would be winners and losers among staff.



In contrast, the unions had sought that staff on terms less advantageous than the civil service would move onto civil service terms, whereas those on better terms would retain them (“winners only” approach). The Labour Court approach, which applies only to staff who joined DSP on the date of transfer, was a “no winners, no losers” approach.

Other disputes that arose during the implementation of the new service model in phase 2 concerned longer opening hours to meet the aims of a stronger customer orientation and the removal of glass security screens from the reception areas of Intreo centres. For these concerns the negotiators could not find a solution and finally the change management team, with backing from the Secretary General, decided to use the binding arbitration mechanism of the Croke Park agreement. Finally, the determination of the arbitration board ended the negotiations with decisions in support of longer opening hours and unglazed receptions.

Compared to the earlier negotiations, by this time a vision for the integrated one-stop shop was emerging relatively quickly. By August 2011, the blueprint for the National Employment and Entitlements Service (NEES) had been launched and relied on a successful merger with CWS and FÁS staff. At the same time that the redeployment negotiations and visions for the integrated service were being developed, the successful conclusion of the negotiations was a pre-requirement of the integrated service, while in previous negotiations both services would have been within the same department, but two separate and independent services (reflecting the emphasis in 2006 on returning the Health service to its “core functions” rather than delivering an integrated service for jobseekers). As a matter of urgency, DSP and unions had a much stronger incentive to find a solution to be able to move on with designing the new service.

Finally, a major concern was more symbolic than around the terms and conditions. The Social Welfare and Pensions Act 2010 made a distinction between the established civil servants and the newly-joining staff from



elsewhere in the public sector. Although it would have made little difference for the individual terms and conditions as newly-joining staff would have kept their overall term and conditions, the new staff felt that being denominated as “unestablished” civil servants meant that they were considered second-class employees. In order to address this concern, DSP arranged for the staff to be re-denominated as established civil servants and each new staff member received a letter from the Personnel Officer in the Department confirming their status as such. For the unions, another point of concern was the affiliation of staff. Moving from the public sector to the Civil Service meant that some unions would lose their members. In particular, the Services Industrial Professional and Technical Union (SIPTU) and Irish Municipal, Public and Civil Trade Union (IMPACT) faced losing a large number of members, while the Public Services Executive Union (PSEU) and Civil Public & Services Union (CPSU) would gain all new members of staff.



Figure 3: Timeline of ideas and implementation

Idea	06	07	08	09	10	11	12	13	14	15	16	17
CWS merger												
FAS merger												
Integrated service												
Activation pathways												
Engagement & Innovation												
One DSP												
One Civil Service												

Legend: **Light grey:** idea formation, **dark grey:** Set-up/implementation, **checked:** Ongoing refinement/adaptation post set-up phase

Source: Authors

4.2.2 Organisational Cultures and One DSP

The change management team and the board of DSP were very conscious that bringing in new staff required a welcoming culture and intensive communication of the forthcoming changes to integrate the new employees (see communication strategy 2.07.3 July 2010). As part of the communication strategy, all staff joining the Department had the opportunity to meet and question top management of the Department at one of the “town hall” events (see below), had received numerous information notices, including a video message from the Secretary General and received a welcome pack on their first day containing information about the Department and the vision for the new integrated service. Yet, at the beginning of 2011, most of the communication efforts were directed at the new staff members joining DSP. This reflected the priority that had to be afforded to communicating with these staff given the limited time available. This inevitably led to some concerns being expressed among DSP staff that they were forgotten and



not included in the changes, although they were actually in the majority. Over time, a series of different communication strategies were pursued to bring the different organisational cultures together and inform staff on the ongoing changes. In the end, this led to the creation of “One DSP”, the internal branding as one corporate entity.

In the beginning, the change management team organised a series of Meet and Greet/Town Hall events throughout the country. In total, seven sessions with Community Welfare Officers and seven with FÁS staff transferring into DSP were arranged. Regional DSP Directors organised about ten Town Hall sessions with existing staff across the regions. There were interactive workshops with the DSP Secretary General, other DSP management board members and the outgoing directors of CWS and FÁS. The workshops included opening statements from members of the management board and continued as workshops, facilitated by the change management team. On the one hand, they had a dual aim of communicating the core vision of the one-stop shops to the staff and on the other hand, to listen to concerns and ideas. In particular, the involvement of senior staff and the Management Board was reported as an attempt to build trust among staff.

“Presentations were given on where the vision was, where we thought we were going, the plan, the whole lot. And then after that round table discussions and we had three questions. What did you think of what you have heard? What are your concerns? How can we address your concerns? [...] There was great interaction in the room” (#2)

As the team had several of these workshops around the country, it had the effect that “word was getting around”. This was supplemented by an email-based question-and-answer service that enabled staff to raise questions directly with the change management team.

Moreover, the team also experimented with new technologies. The Secretary General and the Director General of FÁS addressed the staff



via video messages in spring 2011. CWS and FÁS directors sent out targeted emails to affected staff to brief everyone on the recent developments and these emails contained a link to the video messages. These were originally directed towards the new staff, but video and intranet based messaging was used in subsequent communication campaigns with the enlarged staff in DSP. In addition, a special staff bulletin, updating everyone on the latest developments, was produced and issued to staff on a quarterly basis (initially monthly). The examples that we analysed show carefully written bulletins in a personal tone. For instance, one openly states they only want to report facts and decisions to counter rumours and avoid announcements of still unsettled issues. This intensive communications effort seemed to address most staff concerns and emotional resistance to change and concerns were muted as the information spread among staff.

In late 2011 and early 2012 a comprehensive staff survey was conducted to gather information on differences in work culture and attitudes to change. The results gave rise to concerns within the Department at that time. The survey revealed a considerable level of distrust, a relatively low level of identification and concerns about limited management skills of superiors. These results were not unexpected given the degree of "austerity-related" change in the public service generally including the imposition of significant pay cuts and an increase in working hours. Nevertheless, DSP reacted immediately with some short-term actions (e.g. increasing manager capacity, issuing quarterly reform updates, etc.). In the long-term it led to the development of the "One DSP" Changing Together programme in 2013. This developed some core values and aims that defines DSP and incorporates elements of the old DSP, CWS and FÁS value sets.

Moreover, more recently the Civil Service Renewal Plan of October 2014 sketches a vision for "One Civil Service" that entails elements of the "One DSP" programme, permeating into other Government



Departments. The 2015 Civil Service Employee Engagement Survey indicates rather a mixed outcome of the efforts made to integrate staff (DPER, 2015a). The internal departmental breakdown shows that staff report a high capacity to cope with change (DPER, 2015b), but slightly below average identification with the Civil Service and very low commitment to the organisation. In many ways, although the studies cannot be compared easily, these results reflect the fact that any one member of staff has worked for a considerably shorter time in the new organisation than the time they would have spent in one of the three previous organisations. Accordingly, one could expect that staff would have completely surrendered an old identity to take on the new DSP identity. Still, it remains uncertain if the efforts to create one organisational culture will actually be successful over the longer term.

This engagement of the Intreo team with the departmental culture led to the parallel – yet complementary – Engagement and Innovation programme. This programme sought to encourage staff and local managers to identify and collaborate on the implementation of change projects. One of its initial goals was to encourage staff in the new enlarged organisation to work collaboratively with one another, regardless of organisational background, to develop practical solutions to work issues. In this way, one of the goals of the programme is to develop a common sense of purpose and a common identity by engaging staff in the development of service improvements. In this way it is a successor to the previous “partnership programme” initiatives that had operated in DSP and logically the programme transferred to the central HR division and is now an integral part of the One DSP initiative.

In more practical terms, the integration of staff was achieved through the implementation of a new regional management structure – 13 new operational Divisions headed at Principal Officer level were created. Each Division manages the integrated delivery of employment/activation (former FÁS), CWS and DSP services. As part of this new structure there



was a reassignment of management roles at Assistant Principal (AP) level (involving for example some of the CWS transition Managers), which was deliberately designed to ensure that managers at this level had a breadth of responsibility across all of the former three services. This was further reflected in process and staff changes related to the roll-out of Intreo – including mixing teams – in the Intreo centres. For instance, about 300 staff at Executive Officer and Higher Executive Officer level, who had previously worked in roles in CWS and welfare functions, were redeployed into a case management function previously staffed exclusively by former FÁS employees. Yet, the integration of the majority of staff at clerical level was down to the local manager of each office and we do not have sufficient evidence to evaluate what happened at this level across the country.

Overall, despite all integration efforts, it seems that the DSP culture continues to dominate: “That was the culture that survived” (#2). However, managers also highlight that CWS and FÁS staff brought in a new consumer focus into DSP as they are seen to be “more empathetic towards the customer” which is highly valued by senior managers: “If I was to say an institutional culture which has had the most impact on the service, if I say just the community welfare service” (#4). Again, the local managers were key to celebrating the customer service approach the community welfare service and the focus on employment that FÁS brought into the organisation. Senior management tried to integrate and embed that value across the organisation through re-organisation and re-assignments of work particularly at junior to senior management level and the One DSP culture and value strategy. Yet, there was no integrated approach of mutual learning and training at this stage. For instance, experienced CWS staff could have been involved in providing formal training in customer orientation to deliberately cross-fertilise values and cultures of all former organisations.



4.3 Designing and Implementing the New Service

The Government announcement to provide an “end-to-end case management approach” in March 2010 came out of the blue for DSP and initial planning for the new service commenced right away. By July 2010 DSP put some “flesh on the vision” (see Overall Vision and High level approach, document 2.07.1), but also lacked clear political guidance how an integrated service should look. While establishing the change management team and preparing the staff redeployment in autumn 2010, a further development of the vision stalled because it was unclear if a new government would back the reform path after the general election in February 2011. In the background, the concept of a one-stop shop was prepared and was only officially announced with the new Government. Hence, designing the new integrated service in more detail began only in 2011, while some of the labour negotiations were still ongoing and while running the service. In order to establish a clear roadmap for the new service, the change management team developed a Project Plan for the Development and Implementation of the National Employment and Entitlements Service (NEES) (DSP, 2011b). This plan, approved by Government in July 2011, set out a high-level vision and guiding principles for the new service and identified over 700 separate steps that would be needed to establish it.

During the process of developing the NEES project plan, the resource limitations became obvious and the management team had to use available resources creatively. The Department had been working with the consulting firm Accenture on business process improvement, but the budget was not completely utilised. These funds were then used to commission Accenture to deliver a more detailed business model for the new Intreo service in collaboration with the change management team (DSP, 2011a). Over the summer of 2011, the main research and conceptual work took place and the final business model was approved in late autumn.



In the initial research stage, senior DSP management knew fairly well the basics of an integrated unemployment service from international and national reports, *inter alia* OECD, NESC and ESRI. Yet, specific knowledge on how to translate these policies into the Irish context was missing. The international ideal model of a one-stop shop has the four elements of benefit payments, individual skills assessment, establishing mutual rights and responsibilities in a contract and activation/employment services. The initial rough concept of an Irish one-stop shop concentrated only on bringing fragmented benefit payments and activation measures together with a strong focus on the customer experience and aim to increase service quality and effectiveness.

“We had [a] broad vision that we were going to be an integrated service. It is going to be a one-stop shop service, we were going to have employment services and income payment services in the one place. But that was about it [at the outset].” #2

This prompted the change management team to bring together key stakeholders and groups from across the three organisations to begin to share, develop and take ownership of the NEES project plan road map for change.

The consulting firm Accenture assisted the Department to develop and design a service mission, service model, and operating model between July and November 2011. Accenture followed a “collaborative approach facilitated through subject expert meetings and workshops with members of the DSP, FAS and CWS staff” (DSP, 2011a: 14) and consultation of international experts who went through similar mergers and service redesign. As part of this process, Accenture worked with the change management team in design workshops to draft a detailed blueprint for Intreo, still entitled National Employment and Entitlements Service (NEES) in August 2011, this blueprint was then reviewed, updated, fine-tuned and approved by November 2011 (DSP, 2011a: 14).



In this design process, international experience had a considerable influence, mainly from other English-speaking countries and some evidence in respect of recent reforms in Norway and France. The change management team also sought advice from the UK, with site visits to Belfast. Senior managers also reviewed international experience first-hand by visiting the French Department of Social Affairs, which had also been involved in a related reform process. France had started to integrate their fragmented services for the unemployed in 2009 (Gautié, 2013). They faced similar HR disputes and challenges around fragmented service providers and spatial distribution and limitations of locations. Yet, the French reform and implementation process was referred to as a failed top-down example. The French Department had much more manpower in the management team, but neglected to involve front-line staff who would have to deliver the new service in the end, which led to long delays and other implementation issues.

Members of the change management team also met with the Director of Employment, Labour and Social Affairs in the OECD who had led labour market activation reviews in a number of countries, including Australia; met with representatives of the Dutch public employment service and held conference calls with the Norwegian and German public employment services. Experts from Scandinavia and Germany were also consulted on their more positive reform pathways, but none of the senior civil servants, interviewed for this report, mentioned these countries as examples, partly due to stronger institutional and structural differences in their reform path which provided less comparative insights for the Irish reform programme.

Learning from the perceived difficulties with the French top-down approach, numerous workshops with all the operational units were held to customise and adopt the service design in July/August 2011. Through this iterative process, managers and staff could take ownership of the new service and the resulting templates for detailed process maps and



customer journeys. From this, the core elements of an integrated reception, integrated decisions and case management formed the template for each Intreo office. The integrated reception is the key element of the one-stop shop, with all services being accessible for the client from one office. Integrated decisions meant that all entitlements are considered at once and process times could be reduced radically, reducing recourse to the last resort of the supplementary welfare, and, thus, reducing pressure on the former CWS. The final result was a series of high-level process maps for clients coming to the one-stop shop.

Finally, the parallel reform agendas at DSP meant that all the activation measures such as profiling (PEX scores), group engagement, mutual contracts (record of mutual responsibility) and referral, were integrated in the design process and formed part of the case management (O'Connell, 2013; O'Connell et al., 2009). The new name, logo and branding of the service was developed shortly afterwards and approved for use by the Minister and Taoiseach in spring 2012.

Based on the NEES process models, four pilot sites (King's Inns, Tallaght, Arklow, and Sligo) started the new integrated service in April 2012. They started with the integrated benefit claims process, followed by the activation function two weeks later.

It should be noted that the pilots were not randomised or independently evaluated experiments. Progress was assessed on an ongoing and *ad-hoc* basis and the approach was customised in each office. There were some guidelines on what to change or which elements in the process were flexible and could be altered if not successful. Local management, together with the core change team, had significant autonomy in customising the approach in each office to take account of staffing levels, caseloads, and even the physical layout of the offices. Moreover, it was not prescribed which back office procedures and processes should be looked at in the pilot stage. Thus, although there was a high-level vision and recommended process maps, local staff had a significant input into



adapting the template in detail at a local level. The design approach taken at the pilot sites was iterative and incremental, an approach that also applied to the design of Intreo in general.

In one of the pilot sites, the key performance indicator used was the process time. It looked at how many clients can be served during the opening hours and how quick is the decision time. In order to bring down the process time, little change on the customer experience had been implemented; rather, changes were made to back office procedures such as staff rota and appointments allocation. For instance, the original idea was to make benefit decisions at the desk, but this was not achievable. More important was that the officer who collected the client information also made the decision. Before Intreo was introduced, these functions were separated. One officer collected client information, passed it on to a claims officer who made a decision. Often the claims officers had to request further information from the client, which delayed the decision process and was one of the reasons for the average decision time of 3 weeks. In the new system, the officers collected the information in the morning and made their decision in the afternoon, reducing process times to 1 or 2 days (for the afternoon appointments).

Moreover, sensitive personnel management was crucial. Motivated and willing staff ran the initial pilots and spread the word to staff that showed more scepticism. The idea was not to insist on staff, who had concerns with the new system operating, using it but rather to rely on motivated staff showing what could be achieved and who would subsequently act as “champions” of the new approach with their colleagues.

Again, weekly local staff updates from middle management played a major role. A constant presence of local managers and middle management at this early stage and an open ear throughout the piloting and experimenting contributed to smaller alterations of the process.

Although the Taoiseach and Minister for Social Protection launched the Intreo offices in mid-October 2012, not all aspects of the integrated



service had been fully designed and required further development. The key piece that had been missing at this stage was the reception without screens due to safety concerns. A labour dispute held this implementation up as well as complaints about the longer working hours.¹ Again, this was resolved by using binding arbitration. During the design stage, all unionised staff had been transferred to CPSU or PSEU, which meant that DSP had to negotiate only with one union, compared to the previous fragmented veto player setting (Tsebelis, 1995). Moreover, in implementing the changes pending the arbitration findings, the Department did not compel reluctant staff to work without security screens but to start the local implementation with staff who were open to the changes. Here, the diverse employment experiences helped as CWS and FÁS staff were used to dealing with clients across a desk with no security screen.

For the national roll-out, the pilot sites were training hubs and turned into model Intreo offices. All local managers and several key staff visited the pilot sites and learned how to implement the integrated service. Moreover, the change management team did local road shows again, involving all staff. In all regions, workshops were organised to develop the service locally. The national template was presented and local staff were involved in adapting it for the local circumstances, developing a process map for their office. Some offices also adopted a piecemeal implementation process. Some of the new activation measures (e.g. profiling) had already been adopted, prior to the office becoming officially transformed into an Intreo office.

The senior management and Management Board strongly believed in a local service delivery. Their perception was that Intreo offers a complex service and that the local offices, in other words the front-line staff, have to be involved in the final implementation and adaptation of the basic

¹ Later in May 2013 all civil service staff was required to accept longer working hours under the Public Service Stability Agreement 2013-2016 'Haddington Road Agreement'.



template, taking into account the physical infrastructure as well as the local economy. One respondent described the national roll-out as “60 variants of Intreo around the country because you got 60 offices. But the core is the same.” (#4).

Furthermore, the implementation process was closely monitored. Key performance indicators used were the number of offices opened so far, but also process times, assessment measures (engagement sessions, one-to-one interviews) and activation referrals. There had been strong accountability towards the Troika, but also the new national Labour Market Council monitored progress closely. Again, external accountability facilitated the implementation process.

Three further factors remained an issue at this stage.

First, the integrated Intreo service required a substantial public interface in many locations across the country. The roll-out of the Intreo brand required office layouts that facilitated the new business model and client orientation, such as integrated reception without screens and sufficient space for both benefit payments and activation interviews. While new service processes can be implemented almost instantly, changes to the physical infrastructure are more costly and require much longer to implement. Hence, refitting the existing offices into Intreo offices turned out to be a key limiting factor for a faster national roll-out. At the same time, the Office of Public Works (OPW) implemented the Property Asset Management Reform (OPW, 2013), which involved major reforms across the wider State property pool to find efficiency savings and effective allocation of resources. In this context, the OPW and DSP worked closely with other State property holders, such as the HSE and various local authorities, to assess, evaluate and identify suitable properties for the Intreo offices.

A few buildings were in the process of refurbishments and could already implement the new look; in other sites the refurbishment took longer. Some offices could offer an integrated service for the client, but relied



on back office support from other sites. Still, most physical changes were implemented quite efficiently. New space was only taken where no viable alternative was available. DSP estimates that about €40 million was spent on “redeveloping the activation/case management process, training staff, developing new IT and upgrading/refurbishing public offices” (DSP, 2013). However, about €20 million of this was already earmarked for office accommodation which would have occurred without the introduction of Intreo. As part of this general renewal plan, offices could adopt the new look without extra costs. By the completion of the programme, the OPW had refurbished and fitted out 74 buildings for Intreo.

Second, up until 2016 FÁS and its successor SOLAS continued to provide the IT support for the activation case management at DSP. The new DSP software had to deliver functions that are more complex and had been developed throughout the reform process. The old IT systems could only deal with benefit payments and DSP staff relied on the old FÁS IT system for the activation function. For the customer, an integrated service was offered, but in the background, staff still relied on old systems and coordination across agencies. The development of new IT capability within DSP to integrate the benefits administration with the activation/employment services system subsequently commenced in 2014 and was completed in 2016.

Third, although initial training was provided to staff to take on new responsibilities and acquire a broader skill set required to deliver an integrated service, most of the training was provided on an *ad-hoc* basis. The management team and Secretary General had already recognised these shortcomings in 2011 and 2012 during the road shows and committed to addressing this issue. Between 2012 and 2013 the staff development unit increased its training by 60% and maintained that level in subsequent years, but it remained an “emergency” or “quick-start” training when staff entered new roles (#7). The effects of this



effort are inconclusive partly due to a missing baseline survey before the reform process, although recent evidence suggests very satisfactory service delivery after the implementation. While a non-representative study using focus groups claims that the quality of service provision declined during the roll-out (INOUE, 2014), a representative survey among jobseekers in 2015 reports very high customer satisfaction (DSP, 2015). In particular, the survey revealed high satisfaction with staff performance and the physical layout at the Intreo offices, which were key priorities in the service design.

A priority for the Secretary General was the development of an accredited DSP training programme, similar to the structured training offered in the Office of the Revenue Commissioners for officers working in the tax system. The idea was that external recognition of the skills and knowledge required by staff would help to increase staff confidence and foster professionalism among front line staff. Over the course of three years, a modular training programme was developed, again in consultation with Accenture, following an open public procurement tender process. The Learning Curriculum was launched in early 2015 as part of One DSP and includes about 70 modules (DSP, 2016). In autumn 2016, the programme was accredited by the National College of Ireland (NCI) and the first group of staff to be accredited under this programme will be case officers. The new modules are already mandatory for new staff and it is planned to be essential for staff assigned to specific roles.

Finally, it is worthwhile noting that a project that started out as an organisational merger, and which progressed into an integration of benefit payments and employment services, in the end turned into a wider and more far-reaching labour market initiative. Some activation measures (PEX profiling) had been in preparation independently of the staff redeployment and integration of services well before the crisis (but were also held up by industrial relations issues). The implementation of Intreo meant that these activation measures could be developed and



integrated at the same time. So while designing and implementing the one-stop shop idea, the other aspects of labour market policy including welfare rates, training and linkages to enterprise led to the development of the Pathways to Work policy, which became an integral part of the change programme.



5. Lessons Learned

In many respects, the implementation of Intreo followed an iterative and incremental process of policy formation with high adaptive capacity (Eichholz, 2014). This stands in contrast to the ideal type of rational evidence-based policy making with clear definition of policy goals, thorough policy analysis and top-down implementation. A small management team adopted a series of creative solutions in order to implement far-reaching reforms in a context of intense demand to maintain existing services in the face of a mass unemployment crisis, and severe resource constraints due to the fiscal crisis of the State. Key to the implementation were: a flexible vision of the goal to be achieved that evolved over time, a sense of urgency that ensured that solutions and opportunities in the operating environment were utilised (e.g. taking advantage of availability of capacity represented by CWS and FÁS staff), and a communications strategy that articulated the reform and informed actors throughout the Department about how the reforms would be implemented at each level of the organisation.

Having a bold basic vision for change set in motion one of the major reform processes in the history of the Civil Service, yet while there was a high-level vision and set of design principles, there was not a fine-grained blueprint. The change management team developed the details of the processes on the ground in an iterative process that allowed for early implementation with adaptation in response to opportunities and barriers and feedback from frontline staff. This deliberate approach required persistence and leadership for certain fundamental elements such as the integrated reception desks without screens. From a management perspective, the change management team had the tools to moderate such a flexible and iterative implementation of a vision that took shape over time. They all had a similar educational background, knowing the basic concepts of communication and change management



as well as experience in change management inside and outside the civil service (public and private sector).

With their wider perspective, they were able to innovate and bring new management ideas into the Department. Still they relied on the expert knowledge in each departmental unit to develop and design the actual processes underlying the new integrated service. This reflects a wider trend towards New Public Management ideas and techniques in the Irish Civil Service that is stronger than in other European countries (Boyle, 2014). While this has facilitated innovation in this case, it remains an open question as to what the long-term effects might be if public administration borrows concepts from the private sector and what makes the public sector distinct when delivering universal services to its citizens.

The urgency of the crisis facilitated the implementation process hugely. To name only the two most important, the Public Sector Agreement (Croke Park) made it possible to solve labour relations issues by binding arbitration, and external accountability to the Troika (and the Government) with clear performance indicators moved the implementation agenda forwards. Yet, the budget constraints certainly limited the pace of physical change. It took time and substantial capital investment to change the physical infrastructure. Most of the Intreo offices that were opened last were those with more refurbishment involved. In other offices minimal layout changes ("face lifts") were required to deliver the new service, and these offices could be opened quicker.

Moreover, the urgency delivered a major reform for very good value for money. A small change team developed the basic principles in-house and sought external support only for design and some PR issues such as finding a positive name for the new service package, all for a budget under €100,000. It has to be acknowledged that most processes had been tested in other countries extensively, so that they required less



original research and on-site testing to optimise processes. Nevertheless, the major German labour market reforms a decade ago were much more costly. The academic reform commission alone had a budget of €128,000 and the controversial PR contract a value of €1.3 million in 2004 (Raffel, 2006: 156). Similarly, the UK government accompanied the roll-out of the Jobcentre Plus service with a major investment plan of £2bn, which equates to about €3.9bn in 2015 prices, for “better technology, improved training and modernised business processes” (HC, 2003). In Ireland, the reform was achieved in spite of the budget constraints.

Finally, efficient and effective communication was central for the reform process. The communication challenges had to address several audiences and multiple aims. Modern technologies were used to send out regular updates via email and give positive impressions via short videos. Moreover, personal roadshows with interactive workshops were essential for the iterative process to fill the basic vision with substance. Communication was understood as a two-way process. Gathering feedback through workshops, surveys and other means had been essential to pick up discontent and react to it. However, the results in the initial staff survey could suggest a need for a stronger and more effective communication strategy. Still, it is difficult to assess this, as a baseline survey before the reform is missing. Further monitoring of the Intreo offices should include more regular evaluation and assessment of whether the promised outcomes have been achieved.

The progress indicators used are largely focussing on output (offices open, interviews conducted), but the Department and wider Civil Service is only learning now about the effects on staff satisfaction and customer experience with more regular external evaluations and staff surveys. For instance, the representative customer satisfaction survey in 2015 established a solid baseline scenario to evaluate further service development (DSP, 2015) and departmental plans to repeat the survey



and external evaluation are highly welcomed. It is also appreciated that a counterfactual econometric study, which is due later in 2017, assesses the impact of the reforms on outcomes for jobseekers and quality of the service. Taking these studies together, DSP has access to an emerging body of evidence about how to design an implementation process effectively and to further refine service delivery to achieve better outcomes.



6. Teaching Notes

This case study can be used in different teaching contexts and learning settings. The following suggestions are designed for an undergraduate seminar in the social sciences.

Student task

Students should form groups of 3-5 and research the implementation process through annual reports 2006-2015 (<http://www.welfare.ie/en/Pages/Annual-Reports-Archive.aspx>) and strategy statements (<http://www.welfare.ie/en/Pages/Strategy-Statements-Archive.aspx>). Students shall highlight changes in strategy and organisational responses to new problems. Results are discussed in class.

Questions for discussion

- Is the reform process following a strategic plan?
- Which policy-making theories explain the implementation process?
- Has DSP adaptive capacity according to Eichholz? Which pillars are particularly strong or weak?
- Cooper and Marier (2015) differ between Civil Service and politicised executive styles. Which style applies to the Intreo implementation and why?
- Theories of policy-making differentiate between rational, mixed-scanning (Etzioni, 1967) and incremental (Lindblom, 1959) approach. Which theory explains best the case study?
- Could the Irish State repeat a similar reform without a crisis? What alternative strategies to Kingdon's (1995) multiple-streams approach could policy-makers apply?
- What or who were the drivers for change and obstacles against change? How did leadership contribute to bypass or overcome obstacles in the implementation process?



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