NETWORKS AND INTERACTIVITY: Ten years of street-level governance in the United Kingdom, the Netherlands and Australia

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Abstract

The systemic reform of employment services in OECD countries was driven by New Public Management (NPM) and then post-NPM reforms, when first-phase changes such as privatization were amended with 'joined up' processes to help manage fragmentation. This article examines the networking strategies of 'street-level' employment services staff for the impacts of this. Contrary to expectations, networking has generally declined over the last decade. There are signs of path dependence in networking patterns within each country, but also a convergence of patterns for the UK and Australia, but not The Netherlands. Networking appears to be mediated by policy and regulatory imperatives.

Key words: Employment services, networks, New Public Management, street-level governance, unemployment

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Introduction

Over the last two decades, successive waves of reform in OECD countries have transformed what were previously traditional public services into a range of complex public–private activities held together by new governance arrangements. To manage this new complexity New Public Management (NPM) techniques have been widely deployed including the use of quasi-market incentives, contestability of purchasing, performance-based contracts and outcome budgeting (Considine 2001; Lægreid and Christensen 2007; Hood 2005). While the early versions of NPM made explicit mention of customer empowerment and a focus on effectiveness, it was in subsequent reforms that the original NPM package was bolstered with the addition of measures to encourage 'joined up' responses, partnerships and other service integration priorities (Dunleavy et al. 2005; Lægreid and Christensen 2007; Gregory and Lonti 2008).

With this change in strategy, we hypothesize that there would be an increased level of networking activity by service providers, as they respond to the changed environment and try to join things up in order to deliver services to jobseekers. We also hypothesize that the networking patterns used to do this might have changed. Further, we hypothesize that these networking patterns within different systems will have converged, as the reform strategies of different nations have converged, so that levels of networking activity would rise in all systems and networking patterns would become more similar in different systems. To examine these hypotheses, we analysed the self-reported networking activities of street-level actors working in the UK, the Netherlands, and Australia, first in 1997–8 and then again in 2008. The research questions that frame this article are:

1. Does the level of networking activity rise or fall over the decade?
2. Do networking patterns change over time?
3. Do levels of networking activity rise or fall uniformly across systems?
4. Do networking patterns within the three systems converge over time?

NPM and Network Reforms

The reforms introduced in Organization for Economic Co-operation and Development (OECD) countries over the last two decades first sought to market a range of public services, and then to join up the resulting fragmented sets of agencies engaged in the same sector. The

more recent reform strategies aim simultaneously to motivate individual agents and to integrate groups of agents to work together. In the case of employment services, employers are seen to need greater engagement by agencies seeking to place jobseekers with various barriers to employment. Jobseekers themselves are seen to require complex support, coaching and even discipline in order to traverse the journey from welfare dependence to paid work. And the private and public agencies delivering these services are seen as both 'poacher' and 'gamekeeper' in that they want the maximum profit from their government contracts and must also act as a responsible state authority in dealing with vulnerable jobseekers. These employment services, in other words, exemplify many of the changes in public service patterns across the OECD in the last two decades (Aucoin 1995; Aberbach and Christensen 2001).

There are many points of critical engagement in these new systems where propositions about their effectiveness can be tested. Evaluations have been conducted by governments themselves to show that overall efficiency is increased by these NPM arrangements (e.g. Productivity Commission 2002; Freud 2007). At the heart of the intended changes to these public services is the expectation that agencies, including private firms, will exercise their new authority to build improved networks with employers and other stakeholders. These are seen as critical to the development of greater flexibility, improved responsiveness and greater individualization (often called 'tailoring') of services for jobseekers.

Driving this complex set of institutional changes in this policy field is a new menu of incentives and regulatory devices to activate jobseekers and to direct the work of frontline or 'street-level' staff who, to quote Lipsky's (1980: 3) benchmark study, 'constitute the services delivered by government'. As he argues, the 'discretionary actions' of these employees 'determine access to government rights and benefits'. In the model of practice required by these reforms, frontline staff tasked with delivering these services on behalf of the state, need to develop and use networks as a means of carrying out their duties. These networks involve regular interactions with a set of actors Lipsky (1980: 45) defined as including 'peers and others who occupy complementary role positions' plus 'reference groups' who are those who may not be 'literally present' in the workplace but who shape the work of frontline staff.

In the case of employment services this determination of roles at the frontline starts with a set of duties that involves interviewing jobseekers and employers and then devising

recommended service plans to meet their needs. Although jobseekers can be forced to adopt the recommended strategies for finding work, the service relationship is one of co-production where persuasion, tailoring and negotiation play a major role. This also applies to the use of support services such as training, rehabilitation, child care and the like. These are typically in short supply and frontline staff rarely control such resources and more often have to bargain and seek to influence other agencies in their decisions to provide such services to the common constituency of jobseekers. In other words, the limited authority of frontline staff and the scarcity of resources make successful building of networks important. This includes getting to know peers in other parts of the organization, obtaining 'know how' and co-operation from peers in other agencies able to supply services and developing strong ties to other government agencies with interests in the employment field. Such connections add a further and separate dimension to those immediate relationships in the workplace that are defined by the task environment, which include one's supervisor and the other members of one's work group.

This article, therefore, aims to analyse the networks used to deliver core social services. The key research questions stated earlier revolve around how similar or different these networking levels and patterns are across countries and over time. The term 'network' can be used to describe many different things. In this article it describes both the structure and intensity of the set of relationships built on top of the immediate working environment. When applied to the delivery of social services, these networks may be defined as: 'the ongoing interactions of officials in different agencies who use professional contacts to resolve problems, trade information, get resources and help clients' (Considine and Lewis 2003: 46). It would be artificial to try to make a strict distinction between formal and informal interactions in this realm since the authority for such activities flows from the discretionary nature of the work itself, the significant levels of autonomy that street-level bureaucrats have (Lipsky 1980: 161) and the exercise of what Howe (1991: 208) calls 'in situ judgement'. The operation of the welfare state is dependent upon the establishment and perpetuation of effective communication and resource-sharing networks that are formed to allow staff to work in this uncertain environment. Obviously this working environment has limits and one must be careful not to exaggerate the extent of discretion and autonomy driving these communication and resource-sharing interactions. As Dworkin (1978: 31) argues, 'Discretion, like the hole in the doughnut, does not exist except as an area left open by a surrounding belt of restriction.'

Unlike social workers and police who have been the subject of many other studies of street-level dynamics (Lewis and Glennerster 1996; O'Sullivan 1999) our study is interested in the mainstream of the welfare state where para-professionals and staff with less formal training are required to develop strategies for working with a variety of stakeholders. In the case of employment services, the networking activities that we identify include interactions with staff elsewhere in offices of one's own organization (for example to get advice on how to handle a problem), with equivalent staff in other employment agencies (for example to exchange information about clients or government expectations), with a range of opportunity providers among training, welfare and services associations (who might have valuable resources to commit) and interactions with employers who are ultimately those most able to provide jobs for the clients of the agency. Networks are built upon patterns of interactivity with all these proximate players in the employment services game.

Despite an awareness that networks play a role in the delivery of these core public services, the actual levels and patterns of networking which are used by frontline staff to get their jobs done are little understood. To address this gap, frontline employment services staff in Australia, the United Kingdom and the Netherlands were surveyed in 2008, to learn with whom they interact and how regularly those interactions occur. This follows on from a survey conducted a decade earlier, which aimed to examine the extent to which these networks are associated with each country's unique institutional traditions and central policy commitments, and to understand how networking patterns differ between actors employed directly by the government and those working in for- profit and not-for-profit agencies (Considine and Lewis 2003). The central research questions considered in that study related to: the extent to which officials build characteristic networks with others in their own organizations and with other agencies; whether different patterns of networking could be identified and measured; and the extent to which differences in networking can be explained as an outcome of the institutional character of the three countries, and of being located in non-profit agencies, public bureaucracies or for-profit firms.

In answering those questions the networking patterns of employment services staff engaged in assisting jobseekers find and retain suitable employment were analysed. The three selected countries provided a compelling comparison because each has broadly similar labour markets; all three countries had substantially reformed their employment services in the late

1990s by engaging the non-profit or private sectors and by acting to remove bureaucratic obstacles to efficient tailor-made job search assistance; and all of them have predominantly national employment services systems, rather than state or regional systems.[1]

The original study's factor analysis of the networking patterns of frontline employment services staff demonstrated that three different networking types could be discerned – termed basic, public and civic. The three networking types were found to be cumulative in the sense that all frontline staff used basic networking, while only some staff also used either or both of the other two types (Considine and Lewis 2003). The patterns of networking revealed led to the description of the factor that includes other parts of the respondent's own organization and employers as 'basic' as it reflects the fundamental interactions that all frontline workers need to do in order to get the job done. Basic networking is also the most common, as the vast majority of advisers had either daily or weekly contact with their internal colleagues and employers. The second factor was labelled public networking, because it is centred on a set of connections with people working in a range of government organizations that are related to helping jobseekers. Public networking involves staff interacting with government departments, municipal institutions, welfare agencies and training groups. It is the second most frequent form of networking.

The third type identified was termed civic networking, and is characterized by regular contact with officials in other employment agencies, service clubs, educational institutions and the local media. This type could be defined as longer-term capacity building and good will, since none of these target groups would normally provide direct services to these advisers but each of them would be considered important stakeholders in the regional economy. This type resonates with aspirational statements by policy makers in regard to the sort of interactive system they believe they are building through recent reforms to employment services by forming partnerships that reflect the new local governance ideals (Considine and Giguére 2008). Only a small proportion of officials did significant amounts of civic networking.

In addition to isolating distinctive network types, this earlier study demonstrated that levels and patterns of networking varied between the three countries. In short, it was found that UK employment services professionals, who were invariably public servants ten years ago, made more use of public networks than others surveyed, and also made significantly less use of civic networks. Dutch staff working in for-profit and public agencies made significantly more

use of basic networks than the rest of the sample. In the Australian case, the for-profit and the not-for-profit officials demonstrated a greater propensity for civic networking than their public service counterparts. The conclusions drawn from the analysis included that these frontline staff had substantial informal contact with others; that there were distinct forms of networking; and that these varied by country and ownership types (Considine and Lewis 2003).

Since the time of that study, progress has been made in understanding the structure and functionality of service delivery networks. The earlier research has also been cited by a number of scholars (e.g. Dent et al. 2007; Head 2008). But there remains a deficit of original research specifically related to how frontline staff interact in broader networks in order to deliver services in the post-NPM environment. While research on network governance has flourished and has provided some answers on how it functions and provides solutions to public management problems, plenty of opportunities remain for comparative quantitative survey research to bridge some important gaps (Klijn 2008).

In this article, the findings from the original study are compared to responses from a repeat of the survey conducted in the same three countries in 2008. The ten-year timeframe provides an ideal point of comparison as the employment sectors in these countries have undergone even more aggressive reform to 2008, including to strengthen quasi-market instruments such as the use of Employment Zones in the UK, refinement of the Australian Job Network tender and very significant increases in the role of private agencies in the Netherlands. At first blush this might seem to be a comparison of 'apples with oranges' as the composition of the sample will necessarily be different in each of the two time periods as more private agencies enter the field and fewer traditional bureaucratic agencies are dominant. However, this is not so much a comparison of differences within systems as a comparison of a national system evolving over time. The nature of the task environment is largely unchanged so we can be confident that any changes in street-level strategies relate to new forms of contracting and new government policies to encourage private enterprise. The question is, does this change the discretionary behaviour of those tasked with finding jobs for the unemployed? Are those who argue that these NPM instruments impose 'an immediate reduction in both discretion and autonomy' (Hadley and Clough 1997: 186) close to the truth? While we do not claim that networking is the only way in which such discretion might be evident, we argue that it is an important component of any account of street- level agency.

In the course of the ten years, policy makers in our three sample countries each attempted to harness the power of networks to get improved results in employment services. There were a range of policy driven reforms in both systems which aimed to create more brokered solutions to the problems encountered by jobseekers including in the various New Deals enacted by the Blair government and widely known as 'joined up solutions', the revised participation elements in Australia which were enacted in a series of what were known as Job Network contracts in Australia, increased emphasis on partnership, stronger service plans and outcome-based contracts in the Dutch case. Such brokerage rests directly upon a viable network of contacts, trusted relationships and regular forms of exchange with the proximate agencies able to help one's clients achieve a desired outcome. Given this policy emphasis, we hypothesize that the level of networking activity would have increased over the decade.

In this article we also test for changing network patterns over time. How similar are the networking patterns for these three countries now? Do they display path dependency within national systems over the decade? Or do the individual national patterns converge over time under the pressure of the NPM mechanisms employed in the three systems? We hypothesize that the networking patterns of the three systems will have converged over time.

We do not claim that this method constitutes an evaluation of the effectiveness of these reforms in achieving employment and training outcomes for jobseekers. Instead we seek to answer an institutional question about the impact of reform upon the dynamics of service delivery – whether it moves in the direction proposed by policy makers, whether such change constitutes a systemic or enduring reform and whether the effects can be seen in terms of path dependence or cross-national institutional isomorphism.

Services for jobseekers in Australia, the UK and The Netherlands

The employment sectors of the three countries have undergone radical change in the ten years since frontline employment services staff were originally surveyed in relation to their patterns of interactivity. Each has evolved its own form of NPM, and the key changes in each system are analysed in this section to contextualize this article's analysis of networking levels and patterns, against significant shifts in the policy environment.

Australian employment sector reform commenced in the 1990s under the Keating Labor government. A 1994 White Paper defined a new, competitive, client focused employment system for Australia, with an emphasis on moving away from rigid programmes towards more accurately assessing the needs of jobseekers (Keating 1994). This began a shift away from the public delivery of employment services and a move towards harnessing the potential of the private sector, and a belief that competition would lead to service improvement. The incoming conservative Howard government in 1996 abolished many of the training programmes initiated by the Keating government. It also increased the private providers' market share from 30 to 50 per cent and substantially changed the way the sector was regulated. This was the founding of Job Network (Considine 2001). In 2008, following the change of government to Labor, all Australian employment service contracts again went out to tender, this time with an emphasis on social inclusion.

In concert with these changes in regulation, the distribution of contracts also changed. A decade ago, Australian employment services were provided largely by three groups: a public sector organization with national coverage, a number of private for- profit and a larger group of not-for profit agencies. By 2008, all frontline employment services staff worked for private or non-profit agencies, and the total number of employment services agencies had steadily contracted from 262 in 1998 to ninety-seven in 2008. Of these, thirty-two operated on a for-profit basis and sixty-five operated on a not-for-profit basis.

In the late 1980s in the UK, reform began with limited privatization, and the introduction of market-style competitive processes within the publicly owned employment sector under a Conservative government (Finn 2005), but welfare sector reform was also a central plank of 'New Labour's' reform agenda in 1997. Under the rubric of a 'New Deal' the incoming Blair Labour government continued to re-invent the welfare state's method of providing job search assistance. These: 'relatively radical experiments directly drawing on the skills and expertise of the for-profit sector' (Finn 2005: 107) were explicitly directed towards the development of partnerships across a broad range of service providers and agencies.

Jobcentre Plus (JCP) was created in April 2002. It replaced the long-established Employment Service and the Benefits Agency and became the key government agency tasked with delivering employment services in the UK. By 2002, JCP had over 1,000 contracts with non-government organizations (NGOs) and in 2003 it was estimated that those contracts were

worth around £1 billion per annum. In addition, a large number of the early contracts awarded as part of the Government's 'Employment Zones' initiative went to Working Links, which is a private employment service provider owned jointly by the UK government, an Australian not-for-profit agency and two private for-profit companies. Moreover, as the out-sourcing of employment services expanded, the industry became increasingly global, with some dominant players in the UK market being owned by Australian companies. At the same time, privately owned UK agencies are aggressively seeking out a share of the Australian employment services market.

The reforms that were in place in the Netherlands at the time of the earlier study included a 1991 decision to remove job centres from direct government control and establish an executive agency under the control of a tripartite board. This included a regional structure that also had boards of local employers and union leaders. Central to this reform was the idea that employment services needed to be well grounded in the experience of these social partners so that integrated services could be made more flexible and better reflect the conditions found locally.

A further series of reforms throughout the 1990s increased the role of non-profit and private recruitment companies offering services to jobseekers as part of their public assistance package. The empowerment of a limited number of such agencies at the time of the first study gave the Netherlands a chance to experiment with private services without reducing public services, but it also made the system vulnerable to the charge that the Government was playing favourites by letting some come into the system and preventing others from doing so. And nor were the first experiments all that comprehensive. Sol and Hoogtanders (2005: 143) estimate that only about 20 per cent of the total budget was able to be used for the purchase of these services and that once this restriction was lifted in 2000, there was 'a painful loss of market share for the PES (public employment service)'.

By the end of 2001 the public employment service (PES) had been split, new Centres for Work and Income (CWIs) had been created to manage the initial contact with jobseekers, while the more elaborated case management (called re-integration) services were privatized. New regulations required the municipalities and the national social insurance agency responsible for benefit payments (UWV),[2] to purchase their client services through competitive tender (Sol and Hoogtanders 2005: 140). This resulted in the Netherlands

becoming the European leader in such reforms and ‘the first country to implement a full ‘‘reintegration market’’ where private sector organisations compete for tenders to supply employment services’ (Tergeist and Grubb 2006: 4). In contrast to the Australian and UK systems, the Netherlands operates tenders at both the national and local level, making it one of the most decentralized in the world (de Koning 2004). The major policy changes in each country during the two time periods are summarized in Table 1.

Methods for examining networking on a street level

The analysis that follows is centred on a comparison between countries in 1997–8 and in 2008, as well as a comparison within each of the three countries over the decade. This approach allows for an analysis of changes in networking levels and patterns, as well as further understanding of how the regime within different countries might influence and explain such interactions.

The original study, conducted from 1996 to 1998, was conducted as a paper-based survey, containing almost 100 questions on how frontline staff carry out their basic tasks in assisting jobseekers find employment. The questions asked included details of their organization type, own work history, workload, interaction patterns and attitudes to clients. Several of the items were taken from surveys conducted previously, including by US and Australian programme evaluators. In this first survey questionnaires were distributed directly to all offices in the selected regions in the UK and the Netherlands by agreement with management. In Australia the questionnaires were distributed to officials engaged in training seminars conducted as part of their role as frontline workers and a follow-up mail-out survey was used to assure a balance of responses from those who did not receive such training.

The 2008 survey results are drawn from the survey responses of 3,548 employment services professionals surveyed using an online questionnaire – an overall response rate of 45 per cent of those eligible respondents who were invited to participate. The 1997– 8 survey was much smaller in each of the three countries, with 677 people completing a (paper-based) questionnaire, with a 56 per cent response rate overall. The questionnaire used in both time periods comprised an almost identical set of questions, designed to solicit information about how frontline staff carry out the basic service delivery tasks required in assisting jobseekers find work. There are no systematic differences between the respondents and non-respondents

in our sample as far as we are able to gauge this. The most likely deterrent to participation was time available to complete the survey, which took approximately twenty minutes. The number of respondents for each year, country and ownership type is provided in Table 2.

Table 1: Employment policy settings

	1998	2008
Australia	• Public service, non-profits and private firms each delivering one-third of servives • Contracts define payment for performance • Agencies free to devise own strategy for clients • Public service remains first point of contact	• All jobseekers sent to private or non-profit agencies • Payment for performance contracts • 'Star ratings' used to delete poor performing agencies • Increasing regulation of agency interactions with clients after criticisms of 'parking' and 'creaming'
Netherlands	• Public service job centres ruled by tripartite boards • Regional training authorities provide skills support • Two private agencies given frontline role with long-term clients	• Public service exposed to greater competition after 2000 • Service split and private sector more involved in re-integration • Payments for performance strengthened • Agencies free to decide on service strategy
United Kingdom	• Employment Service (ES) is public executive agency with increased flexibility • Limited private sector involvement in training • Performance managed via annual targets set by government	• New Labour reforms ES and in 2002 creates one-stop benefits & work agency – Job Centre Plus • Employment Zones and other reforms open services to private sector • Payment for performance used in contracts

Table 2: Responses by country, ownership type and survey period

	Government	For-profit	Not-for-profit	Total
Australia 1997-8[a]	138	26	69	251[b]
Australia 2008	N/A	392	1056	1448
UK 1997	155	N/A	N/A	155
UK 2008	420	443	323	1186
Netherlands 1998	152	112	7	271
Netherlands 2008	522	333	59	914

Notes: [a]The earlier survey was conducted from 1996 to 1998, but only the later versions of the questionnaire included the questions about interactivity. [b]In Australia, 18 respondents chose 'other' as the type of agency, so the total of 251 includes these as their data on networks behaviours was included in the analysis

As indicated earlier in this article, the core duties performed by frontline staff remained largely the same between the two time periods. These street-level staff work with unemployed people on income support benefits in order to assist them to gain employment. Where the client is 'job ready' the process may include introducing them to employers, assisting with job applications or coaching for an interview. Where the client is not ready the staff member will typically work with the client to assist him/her to find support to overcome labour market 'barriers'. Barriers may include drug dependency, low levels of literacy, numeracy or disability. These staff also routinely support and monitor clients once they have been placed in work. Wrapped around these core duties is a wide range of possible interactions with agencies that should enable these core duties to be performed more effectively. It is this networking activity that we seek to map and understand. How much of it is undertaken by street-level staff? Do networking patterns reflect country differences or convergent NPM dynamics?

The question that staff were asked to elicit data on their interactions, in both surveys, read:

> *Excluding contacts associated with assisting a particular jobseeker to obtain a job interview, how often would you have some form of contact (including telephone) with the following: another official from your organization, official from a/other government department, local government, welfare agencies, employers, training providers, advisers in other agencies, local service clubs, schools and universities, local media?*

The options were: daily; weekly; monthly; quarterly; less than quarterly; never. Contacts associated with job interviews were excluded as these constitute a mandatory, non-discretionary part of the routine service and indicate little about the web of on- going interactions surrounding such core business. The focus here is the more variable set of possible interactions to help secure housing, child care, drug and alcohol rehabilitation and training assistance for jobseekers. Lacking direct control of such resources, frontline staff must develop and use a network of contacts to negotiate this work.

Levels of networking

An examination of the frequencies for each of the ten contact categories for all three countries in 1997–8 indicated that the most frequent levels of interaction by frontline staff were with other parts of their own organizations, or with employers. The lowest levels of contact were with local service clubs, schools and universities, and the local media. By 2008, this pattern had changed somewhat. The most frequent contact was still with other parts of their own organizations and with employers. Levels of contact with local service clubs, schools and universities, and the local media also remained low. Contact with government departments had fallen and contact with other employment agencies had risen slightly.

The ten ordinal variables that make up the contact matrix were originally scaled from 1 (daily) to 6 (never). These were rescaled to approximate business weeks of five days per week, in order to reflect better the distances between categories and provide a more accurate calculation of mean scores. 'Never' was set to zero, and the number increases with frequency of contact, as follows: quarterly or less is 0.015 (one out of sixty-six days or less); monthly is 0.045 (one out of twenty-two days); weekly is 1; and daily is 5. A comparison of these rescaled mean scores for all three countries combined (using independent sample t-tests and p 5 .05) indicates that, in 2008, the highest level of contact was with others in their own organization (more than twice per week), followed by contact with employers (a bit less than twice per week). The lowest level of contact was with the local media, at around twice per month. This same pattern is evident in the 1997–8 data. However, there were significantly lower levels of contact in 2008 compared with the earlier study, with other parts of their own organization, government departments, employers and local media, while contact was significantly higher in 2008 with local government, welfare agencies and advisers in other

agencies. No differences were apparent over the decade for training agencies, local service clubs or schools and universities.

Table 3 shows the comparison between the two surveys for each of the three countries individually. For Australia, advisers had significantly lower contact in 2008 within their own organization, employers, schools and universities and local media, higher contact with welfare and training agencies, and the rest were not significantly changed over the decade. For the UK, the level of contact within their own organization in 2008 had fallen significantly from the earlier survey, as had contact with government departments and employers, while it had risen with local government, welfare agencies and schools and universities. In the Dutch case, the staff's level of contact was significantly lower in 2008 with others in their own organization, with government departments, employers, training agencies and the local media, but higher for local government, welfare agencies and advisers in other agencies. However, the very low levels of interaction for local clubs, schools and universities and local media in all three countries, and for local government in Australia and the UK, should be kept in mind when interpreting these statistically significant results, which are unlikely to be substantively different in real terms.

There are also a number of significant differences between the three countries, in both of the survey periods. All of the categories except employers and local service clubs differed significantly between countries in their level of interaction in 1997–8, and in 2008 there were significant differences between countries for all of them (one way ANOVA, p5.05). Table 3 indicates that Dutch and UK advisers had more contact within their own organizations in 1997–8 than did Australian advisers. UK advisers led the interaction with other government departments and with training agencies, Dutch advisers had the most interaction with local government, and Australian advisers with welfare agencies, advisers in other agencies, schools and universities and local media. In 2008, Dutch advisers led the interaction levels with other parts of their own organization, local government and advisers in other agencies, Australian advisers had the highest levels of interaction with (other) government departments and employers, UK advisers had the most interaction with trainers, local service clubs and the local media, and Australian and UK advisers were similar and higher than the Dutch in their interaction with welfare agencies and schools and universities.

Table 3: Interaction levels for each country

	1997-8			2008		
Frequency of contact with:	*N*	*Mean*	*SD*	*N*	*Mean*	*SD*
Australia						
Other parts of own organisation*	246	3.04	2.19	1173	2.32	2.14
(Other) government departments	249	1.34	1.76	1158	1.14	1.69
Local government	249	0.16	0.60	1149	0.20	0.74
Welfare agencies*	248	0.46	0.98	1152	0.61	1.24
Employers*	251	2.87	2.20	1161	2.34	2.21
Training agencies*	248	1.03	1.46	1157	1.40	1.74
Advisers in other agencies	251	1.11	1.66	1161	0.91	1.43
Local service clubs (e.g. Rotary)	250	0.13	0.65	1153	0.10	0.46
Schools and universities*	253	0.35	0.88	1157	0.23	0.60
Local media*	250	0.24	0.70	1157	0.09	0.52
UK						
Other parts of own organisation*	154	3.46	2.12	961	2.05	2.15
(Other) government departments*	154	2.17	2.24	956	1.06	1.72
Local government*	154	0.23	0.54	948	0.44	1.14
Welfare agencies*	151	0.28	0.85	958	0.61	1.26
Employers*	152	2.83	2.31	959	1.83	2.10
Training agencies	154	2,09	2.12	956	1.67	2.03
Advisers in other agencies	150	0.60	1.30	949	0.81	1.44
Local service clubs (e.g. Rotary)	152	0.25	0.84	944	0.22	0.72
Schools and universities*	153	0.06	0.22	948	0.13	0.56
Local media	154	0.11	0.59	953	0.11	0.64
Netherlands						
Other parts of own organisation*	260	3.62	1.99	906	2.81	2.16
(Other) government departments*	269	0.51	1.22	898	0.03	0.30
Local government*	269	0.49	0.26	905	1.36	1.88
Welfare agencies*	270	0.14	0.51	901	0.29	0.84
Employers*	267	2.75	2.27	905	1.32	1.88
Training agencies*	272	0.61	1.30	9.03	0.40	0.88
Advisers in other agencies	273	0.48	1.09	904	1.11	1.77
Local service clubs (e.g. Rotary)	268	0.17	0.65	903	0.13	0.56
Schools and universities	274	0.17	0.65	904	0.15	0.53
Local media*	273	0.11	0.40	899	0.05	0.39

Note: *Independent samples t-tests significant differences between survey periods at $p < .05$.

The levels of interaction with local government, welfare agencies, local service clubs, schools and universities and the local media are all less than once per week in both time periods and in all countries, with the exception of contact with local government in the Netherlands in 2008. While for some of these cases there have been significant increases and decreases in the level of interaction over the decade, the level is very low in both time periods, so few substantive conclusions can be drawn for these. Concentrating only on the categories for which there are relatively frequent interactions (weekly or more, corresponding to mean scores of 1.0 or more in the table), we can see that the general trend in the level of networking is downwards. The ten-year period has produced less engagement outside the minimum or 'basic' set of interactions associated with core business. This runs counter to much of the current policy rhetoric about 'joining up' (UK) forming partnerships (Netherlands) and creating job networks (Australia). It also seems to contradict the move towards tailoring of programmes where that means helping clients obtain individualized services from agencies able to assist with health care, housing and other known barriers to employment.

Patterns of networking

Examining these levels in frontline networking and how they vary between countries and over the decade has pointed to some differences that appear to run counter to the expectations generated by policy changes. But this does not tell us about patterns of networking. To explain these patterns, factor analysis was used to reveal the underlying structures in these networks, as they were in the previous study. Tables 4 and 5 present the factor loadings for Australia, the Netherlands and the UK for both the earlier and the more recent studies. In Considine and Lewis (2003), the data from the three countries were examined in total, rather than separately for each country, as the focus was on exploring whether different patterns of networking could be identified and measured. As the current article aims to test the degree to which networking patterns, revealed by the use of these latent dimensions of networking, are stable between countries and over time, the analysis in this case has been conducted separately for each country within each of the two survey periods.

Table 4: Networking patterns, 1997-8

Frequency of contact with:	*Basic*	*Public*	*Civic*
Australia (Total variance explained = 46.3%)			
Other parts of own organisation*	.63		
(Other) government departments*	.51	.74	
Local government*		.56	
Welfare agencies*		.42	.58
Employers*	.75		
Training agencies*		.59	
Advisers in other agencies	.38		
Local service clubs (e.g. Rotary)			.76
Schools and universities			.66
Local media*	.47		
Netherlands (Total variance explained = 49.2%)			
Other parts of own organisation*	.48	.43	
(Other) government departments*		.70	
Local government*		.68	
Welfare agencies*		.64	
Employers*	.71		
Training agencies*			.56
Advisers in other agencies			.85
Local service clubs (e.g. Rotary)			.77
Schools and universities			.43
Local media*	.67		
UK (Total variance explained = 51.0%)			
Other parts of own organisation*	.68		
(Other) government departments*		.80	
Local government*		.62	
Welfare agencies*	.37*	.37*	
Employers*	.78		
Training agencies*	.75		
Advisers in other agencies			.68
Local service clubs (e.g. Rotary)			.78
Schools and universities			.68
Local media*			.59

Notes:

- Principal components analysis with varimax rotation.
- The table shows the factor loadings for the three factor solution. For Australia and the UK, three factors had eigenvalues
- greater than 1, and for the Netherlands, four factors had eigenvalues greater than 1, so a three factor solution was forced.

- Only factor loadings with a magnitude of 0.40 and greater are shown (with the exception of * which indicates the largest factor loading for this variable), for ease of interpretation.

Table 5: Networking patterns, 2008

Frequency of contact with:	*Basic*	*Public*	*Civic*
Australia (Total variance explained = 46.3%)			
Other parts of own organisation*	.56		
(Other) government departments*		.75	
Local government*		.68	
Welfare agencies*		.55	
Employers*	.75		
Training agencies*	.52		
Advisers in other agencies	.63		
Local service clubs (e.g. Rotary)			.76
Schools and universities			.59
Local media*			.65
Netherlands (Total variance explained = 49.2%)			
Other parts of own organisation*		.46	
(Other) government departments*			.80
Local government*		.52	
Welfare agencies*		.64	
Employers*	.77		
Training agencies*		.73	
Advisers in other agencies	-.72		
Local service clubs (e.g. Rotary)			.74
Schools and universities		.49	
Local media*	.41		
UK (Total variance explained = 51.0%)			
Other parts of own organisation*		.57	
(Other) government departments*		.79	
Local government*		.68	
Welfare agencies*		.45	.45
Employers*	.71		
Training agencies*	.66		
Advisers in other agencies	.75		
Local service clubs (e.g. Rotary)			.77
Schools and universities			.77
Local media*	.27*		

Notes:

- Principal components analysis with varimax rotation.
- The table shows the factor loadings for the three factor solution. For Australia and the UK, three factors had eigenvalues

- greater than 1, and for the Netherlands, four factors had eigenvalues greater than 1, so a three factor solution was forced.
- Only factor loadings with a magnitude of 0.40 and greater are shown (with the exception of * which indicates the largest factor loading for this variable), for ease of interpretation.

These two tables show the factor loadings for the three factor solutions. Three was the number of factors with eigenvalues greater than unity in most cases, but in the Netherlands in 1997–8 and the UK in 2008 a three factor solution was forced (both had four factors with an eigenvalue greater than 1) so that comparisons could be made. These tables can be interpreted by examining the pattern of contact with different organizations that emerge from these loadings, by grouping together the items that have the largest loading on each factor.

In 1997–8, the Australian case shows that there was a basic form of networking with other parts of the advisers' own organization, employers, advisers in other agencies and the local media. The public type of networking comprised interactions with (other) government departments, municipalities and training agencies, while civic included welfare, local service clubs and schools and universities. For the Netherlands, basic networking included other parts of advisers' own organization, employers and local media, public included (other) government departments, municipalities and welfare agencies, and civic, trainers, advisers in other agencies, local service clubs and educational institutions. For the UK, basic networking was comprised of other parts of advisers' own organization, welfare agencies (equal loading on basic and public), employers and trainers, public comprised (other) government departments, municipalities, welfare agencies, and civic, advisers in other agencies, local service clubs and educational institutions.

Each of these are reasonably similar to the three factor solution for the three countries combined which was outlined earlier in this article, with basic comprised of own organization and employers, public as (other) government departments, municipalities, welfare and training, and civic, advisers in other agencies, service clubs, educational institutions and local media.

In 2008, things have changed somewhat, although some of the same structures remain. In Australia, basic networking now combines interactions with other parts of own organization, employers, trainers and advisers in other agencies. The public type consists of interactions with government departments, local government and welfare agencies, and civic is made up of interactions with local clubs, schools and universities and the local media. In the

Netherlands, basic networking comprises employers and local media and NOT interacting with advisers elsewhere (negative factor loading), public, own organization, municipalities, welfare, training and educational institutions, and civic, (other) government departments and local service clubs. In the UK, basic networking is with employers, trainers, advisers elsewhere and local media, public, other parts of own organization, (other) government departments, municipalities and welfare (equal loading on public and civic), and civic, welfare, local clubs and educational institutions.

It is clear that the patterns vary between countries and they also differ between the two study periods. However, some items consistently load on the same factor for each country, while others move around. A systematic assessment of changes is required to understand not only the composition of networking patterns but also their degree of durability. Table 6 summarizes these trends using factor congruence scores, which provide an assessment of the similarity of factor structures (Lorenzo-Seva and ten Berge 2006). Congruence coefficients are calculated using Tucker's factor congruence index (Tucker 1951),[3] and 0.80 is taken as the level at which the factors can be seen to be reasonably similar. This is a relatively low level compared with some studies, but fits the purpose here of identifying a reasonable degree of similarity, without suggesting that factors with a congruence index of 0.80 are essentially equal. Congruence coefficients of 0.80 and higher are bolded in Table 6.

Table 6: Factor congruence scores for countries and survey periods

	Basic	*Public*	*Civic*
Australia: 1989 to 2008	**.81**	**.88**	.76
UK: 1998 to 2008	**.80**	**.84**	.79
Netherlands: 1998 to 2008	.62	.67	.51
Between Australia and UK: 1998	.72	.76	.58
Between Australia and Netherlands: 1998	**.83**	**.84**	.51
Between UK and Netherlands: 1998	.72	**.83**	**.89**
Between Australia and UK: 2008	.72	**.87**	**.87**
Between Australia and Netherlands: 2008	.07	.66	.48
Between UK and Netherlands: 2008	.02	.56	.53

These scores clearly indicate a high degree of stability in the Australian case over time, but especially for public and basic forms of networking, despite the considerable policy change occurring in this system. The degree of congruence was also relatively high in the UK over time for these two factors. More change occurred in the Netherlands, with 0.67 the highest

level of congruence, again for public networking. Importantly from the perspective of the NPM and 'joined up' agendas, the least stable factor in all three countries was civic networking – the most discretionary but potentially most tailored of the three forms of networking.

Looking just at the comparison within 1998, the UK and the Netherlands are the most similar, with high levels of congruence for the civic and public types. Australia and the Netherlands were also quite congruent on the public and civic types. There was less similarity between Australia and the UK in 1998, despite them both being reasonably congruent with the Dutch case. Civic networking was the most different across countries in 1998. In contrast, in 2008 it is Australia and the UK that are the most similar, particularly for the public and civic forms of networking. The similarities between these two countries and the Dutch case had fallen dramatically. It is now the basic type that differs the most between the Dutch case and the other two. But these coefficients indicate that there is little similarity between the Dutch and the other two cases on any of the networking types in 2008. Interaction patterns in the Netherlands appear to have changed the most over the decade, and it has also diverged from the other two countries.

Discussion

This comparison over time proves highly instructive in establishing that frontline staff engage in various forms of interaction as part of their job and make discretionary decisions concerning the development of such networks. These are non-standard repertoires of action and although they seem likely to be important, relatively little is known about their properties. Lipsky (1980) and others have explored aspects of discretion so far as they impact relations with clients, but have not studied this wider form of discretionary action. The results of this study point to path dependence in each country, but particularly Australia and the UK, as well as some divergence between the Dutch case and the other two. Importantly, the specific networking patterns within each country have remained relatively stable over the decade, even though the political regimes and aspects of the policy context certainly had changed. Australia had deepened its commitment to the market delivery model, the UK had invested in a more contestable model and one with 'joined up' aspirations, while the Dutch had shifted from predominantly public to a mixed economy of public and private delivery. In

other words, path dependence is apparent in each country, even though each system underwent quite substantial policy changes.

Where this impacted upon service delivery networks it appears to support the conclusion that this decade produced a decrease in the intensity of this form of frontline networking. The levels of contact had fallen significantly over the decade to 2008 in key areas such as interactions with government departments and with employers. While this conclusion holds overall, important differences emerged between the three countries. For example the Dutch and UK advisers were more likely to interact with parts of their own organizations and, not surprisingly, the Dutch had the highest levels of interaction with local government. By 2008 the Australian advisers were the most likely to interact with government departments and with employers. These general trends suggest a narrowing of focus and the persistence of some underlying regime differences, such as the impact of the more decentralized Dutch system.

The first part of this analysis points to a diminution in networking levels of frontline employment services staff in these countries over the last decade, countering the first hypothesis stated in this article, which was that this would in fact have increased. The fall in levels might be linked to bigger caseloads, if frontline staff see more clients in an average day and therefore have less discretionary time. Since this ten-year period also represents a record period of labour market expansion one cannot credit these changes to a decline in the business cycle. Instead it appears likely that government policy changes have driven operational change in networking levels. Policy changes aimed at increasing accountability for results through targets (UK) and price incentives (Australia, Netherlands) have almost certainly had the effect of focusing attention on relationships that most assist programme outcomes in the very short term – the so-called ‘work first’ approach.

The second part of the analysis, based on patterns of networking, indicates that these have remained broadly similar in character to the three types observed a decade ago, with some major variations to them only in the Dutch case. Having a network of contacts with advisers in other agencies is now part of the basic type of networking in Australia and the UK, and also loads on this factor for the Netherlands, but is negative, indicating that NOT having these contacts is part of the basic pattern of networking in that country. This seems to be a more defining part of the job than it was a decade ago. In Australia this item previously

loaded on the basic factor, while in the UK and the Netherlands it was formerly related to the civic type. Given the greater fragmentation and diversity of the Australian system compared with the UK and the Netherlands a decade ago, which were still largely in public hands, this contact with advisers elsewhere in the UK may signal the new importance of being connected with others like yourself to get information, and share experience and knowledge, in getting the job done. The Dutch pattern suggests that this form of networking is not part of the basic job.

The earlier study showed the latent structure of these interactions as three somewhat cumulative forms of frontline networking, with the 'basic' form describing standard interactions in all systems. The ten-year comparison provides compelling evidence that these structures are a worthwhile and robust means to understand street-level networks by bureaucrats. With the aid of factor congruence scores we have shown how these relatively stable structures compare and how such comparisons express important dynamics in these service systems. A number of caveats should always be applied to surveys, which are only as good as the quality of the responses received from the participants. However, we have no reason to believe that the respondents are inherently different to the non-respondents, other than that they might be less busy and so more willing to find the time to complete the survey.

Most compelling from the perspective of the wider discussion concerning networking as a key aspect of public governance, the three types and the analysis of their congruence between countries and over time, prove effective for analysing system convergence. They show us that the two systems with the most centralized delivery architecture (Australia and the UK) have the most congruent networking strategies over time. And while there is little congruence between them in 1998, by 2008 they have converged, particularly in both the 'public' and 'civic' forms of interaction. Although there could be several forces playing into this convergence one is drawn to the conclusion that greater privatization, fewer contracts, clearer performance demands by the purchaser and a simpler benefit system have made the networking strategies of these staff in these two systems more alike than they once were. And while the Netherlands was quite similar to the UK in 1998, the two have grown apart over the ten-year period despite being European leaders in contracting out of services. The hypothesis of convergence, then, was met in the Australian and UK cases, but not in the Dutch case.

Our explanation for this is that contracting by itself does not determine the level or type of networking on the front line. It provides certain threshold conditions which support other imperatives such as how much discretion is available within the contract, how many 'principals' the agent is dealing with, and how significant are the ancillary services available to clients (such as child care, health care, etc.). As the system with greatest complexity and the most generous range of benefits, the Netherlands has widened the distance between itself and the other two, so far as networking is concerned. We conclude from this that changed policy intentions and privatization do not tell us enough about networking. Commitments to 'joining up' and 'tailoring' of services only result in new relationships at street level when other aspects of the programme architecture support them. What is clear is that policy and programme change do provoke a concentration of effort in systems like Australia and the UK where target and pricing contracts become more exacting over time. The risk, of course, is that this is making the front line far more concerned about immediate outcomes and less likely to invest in a wider set of work relationships capable of generating the kinds of systemic relationship changes promised by the post-NPM agenda.

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Notes

1. The Netherlands has such a national system but also delivers employment services to unemployed people through municipal programmes, making it slightly different to the two other cases in this respect.

2. UWV stands for Uitvoeringsinstituut Werknemersverzekeringen.

3. Tucker's factor congruence index:

$$\emptyset(x, y) = \frac{\sum x_i y_i}{\sqrt{\sum x_i^2 y_i^2}}$$

where xi and yi are factor loadings of variable i on factors x and y.

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