

# How do street-level organisations adapt to a new policy framework? Evidence from a Swiss canton

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## Abstract

This article examines how street-level organisations (SLO) respond to new legal framework conditions after regulatory reform. Organisational response to a changed legal framework is key to understand implementation resilience as established organisational practice may collide with new legal obligations. Our cases are four family support and child protection organisations in a Swiss canton facing new legislation. These SLO and their personnel are strongly committed to their clientele and thus cannot simply adapt to new legislation. The study shows how the organisations perceive their discretion in the implementation of the new policy framework, the accountabilities they are bound by, and the way they cope with divergent requirements and conflicting priorities given their dependence on the regulator as commissioner of their work. SLO differ in their strategies for dealing with the new legal framework depending on the economic context in which they operate, in particular if they act as mainly privately run organisations.

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**KEYWORDS**

organisational adaptation, policy change and implementation, regulatory accountability, social space orientation, street-level organisations

**Points for practitioners**

- Members of street-level organisations (SLO) are strongly committed to their clientele and thus cannot simply adapt to new legislation.
- Facing legal restrictions, SLO members aim to maintain their client-oriented services and to exercise their discretion as far as possible.
- SLO that are administratively and financially dependent on the regulator and the service commissioners cannot ignore a new legal framework.
- SLO differ in their strategies for dealing with the new legal framework depending on the economic context in which they operate, in particular if they act as mainly privately run organisations.

## 1 | INTRODUCTION

How do street-level organisations (SLO) adapt to new legal framework conditions after regulatory reform? Following Brodtkin (2013), Gofen et al. (2024) label SLO as the ‘operational arm of the state’. Organisational response to a changed legal framework is key to understand implementation resilience as established organisational practice may collide with new legal obligations. This article uses the case of four organisations working in the field of family support and child protection to examine how their members and their executives in particular cope with changed legal–political conditions that affect their previous model of successful service delivery.

The role of organisational, institutional, and regulatory settings for policy implementation is a topical subject area in current implementation research (Sager & Gofen, 2022). SLO are distinctively prone to respond to legal changes that affect their practice as they are at the immediate intersection with their clients (Gofen et al., 2019). Regulatory changes that impact either their working conditions (e.g. new funding schemes) or their tasks (e.g. new terms of reference) can fundamentally question the mission of SLO. This applies even more to commissioned SLO that depend on the commissioning public body to fulfil their tasks. Such organisations run the existential risk of ceasing to exist if their regulatory basis fundamentally changes.

The present article analyses the case of educational support organisations that provide networked services according to the concept of social space orientation (social space-oriented organisations, hereafter: SSO). SSO implement educational assistance policy for children under vulnerable conditions. With the concept of social space orientation, SSO employ a specific professional and strongly individualised approach according to the needs and resources of the concerned families. This approach depends on legal conditions that allow for flexible service provision. Consequently, SSO are very susceptible towards regulatory change.

We argue that SSO are prototypical SLO that work at distance from central authorities' control with important discretion in the definition of their tasks and immediate contact to the target group. SSO are classic frontline organisations in the sense of Brodtkin's (2013) SLO. We study four SSO facing new regulation in the canton of Bern. Cantons are the middle rung in Switzerland's federalist political system (Sager & Zollinger, 2011). The article investigates the implementation of the revised cantonal policy on services for children in need of special support and protection that came into force by 2022. The legal regulations changed in a way that no longer supports SSO's way of working; hence, the focus of the study is on the SSO who as providers of socio-educational services are directly affected by the new requirements for the provision and financing of these services.

Our study contributes to the knowledge on the role of SLO in policy implementation. The outsourcing of socio-political tasks to private organisations is practised in various countries. It is accompanied by specific areas of tension for the respective SLO, which has an impact on the fulfilment of tasks. By focusing on this feature of SLO in general, this study claims relevance beyond the field of child protection and the situation in Switzerland.

In the next section, we refer to the literature on SLO and derive theory-driven conjectures. In Section 3, we lay out the empirical venue of the study, that is we explain the initial situation and the tension between the new legal framework and the concept of social space orientation. Section 4 outlines the research design of the qualitative study. In Sections 5 and 6, we present the empirical results in the form of a comparative analysis of the case studies, and we discuss the conjectures. Section 7 discusses the findings in light of theory. Finally, in Section 8, we draw conclusions, point out the limitations of the present study, and formulate future research trajectories.

## 2 | SLO, THEIR PROPERTIES, AND THEIR RESOURCES

SLO are specific forms of organisations. Based on Smith (1965), Gofen et al. (2024) name three defining characteristics of SLO that all relate to the core feature of discretion: autonomous task definition, exclusive service delivery, and distance from the controlling authority. According to Gofen et al. (2024), frontline organisations firstly largely define themselves the way they deliver policy rather than follow central directives. Second, frontline organisations have a monopoly of information about the political clientele they serve, while performing tasks independently of other comparable units. Thirdly and consequently, it is difficult for the central authorities to control SLO due to their physical distance on the one hand, and because of the constant need to respond to ever-changing situations which are not easily monitored on the other. The three characteristics are even more pronounced in the case of outsourced tasks and SLO that act as commissioned service deliverers.

We follow this definition of SLO to derive conjectures as to how such organisations respond to regulatory change that directly affects their work. As Brodtkin (2011) shows for changes in the governing management scheme, SLO not just respond to changing context conditions but employ resources to adjust to them. We therefore refer to SLO's characteristics and resources as well as to their accountabilities to formulate expectations as to how SLO respond to a changing legal framework. Organisations do not act per se but by their personnel as agents of the organisation. The organisation forms the restricting and enabling context within which these agents act. Organisational response results from the decisions taken at the various hierarchical levels in an organisation. Management is key for decisions that regard the whole organisation. To understand the organisational action, we therefore first focus on the role of the management and refer to the respective literature of street-level management (SLM) and their mission to maintain continuity

in their SLO's work (Gassner & Gofen, 2019). Second, Brodtkin (2011, see also Ritz & Sager, 2010) identifies discretion as the most important resource of SLO. Third, the accountability literature shows how street-level workers are subject to a number of reference systems ranging from the state to their peers (Thomann, van Engen, et al., 2018). These accountabilities can lead to tensions that determine the response to regulatory change.

## 2.1 | SLO and SLM

SLM differs from street-level bureaucrats in that the focus shifts from clients (the service beneficiaries as individuals) to the 'policy clientele' as a collective that is characterised by a certain mix of policy preferences, needs, and requirements (Gassner & Gofen, 2018, pp. 552, 558 f.). The orientation towards the clientele manifests in four functions of SLM (Gassner & Gofen, 2018, p. 560 f.): translating (often ambiguous and vague) policy guidelines into service provision, adapting them to close implementation gaps, mobilising volunteers as 'bridges' between the SLO and the clientele, and articulating the latter's needs towards superiors. It can be assumed that at the level of SLM, the tension between the orientation towards legal requirements and the orientation towards the clientele (as well as the other points of reference, i.e. profession and market) is even more accentuated than at the individual level, because SLM has to ensure existence of the SLO and at the same time maintain its mission (Gassner & Gofen, 2019). Gofen et al. (2023) highlight SLM's capacity to adapt to changing circumstances along these two priorities. Correspondingly, we formulate a first conjecture:

**Conjecture 1.** *Confronted with changing legal conditions, SLO will try to balance adaptation with mission.*

## 2.2 | Discretion

Discretion is an important resource for SLO as it enables street-level bureaucrats to tailor their decisions and procedures to the specific situations and needs of their clientele and thus make services meaningful for them (Tummers & Bekkers, 2014, p. 540 f.). For SLO, discretion is core to fulfil their tasks particularly if they employ idiosyncratic forms of service delivery as is the part in outsourced implementation. Discretion is assessed differently from a top-down perspective. For commissioning agencies, discretion can be considered problematic because SLO may pursue their own goals and thus undermine effective implementation and democratic legitimacy of a policy; control mechanisms are therefore often introduced to ensure rule compliance (Tummers & Bekkers, 2014, p. 530). Accordingly, Lipsky (1980/2010) places discretion at the core of street-level dilemmas.

For SLO, discretion is deemed necessary to make an appropriate decision in the implementation of a policy or the application of a rule in the specific circumstances of an individual case (Thomann, van Engen, et al., 2018, p. 583 f.). The granting and, on the receiver's part, the perception of discretion—in addition to other factors, such as the consideration of a regulation to be meaningful for society or the clientele—are also important prerequisites for the willingness of street-level bureaucrats to implement a regulation (Thomann, van Engen, et al., 2018, p. 598). Correspondingly, we formulate a second conjecture:

**Conjecture 2.** *Confronted with changing legal conditions, SLO make extensive use of legal discretion to maintain their existing scope of services as far as possible within a new policy framework.*

### 2.3 | Accountability

In exercising their discretion, implementation agents can align themselves with different reference systems and feel obligated to different authorities. The dilemmas in this regard have been captured in various models in further development of Lipsky's theory (for an overview, see Sager et al., 2020). The fact that street-level bureaucrats implement a policy (more or less) oriented towards legal norms corresponds to a conception of 'state agents', which, however, does not correspond adequately to the self-image of these protagonists who rather see themselves as 'citizen agents', acting in orientation towards individual clients and circumstances (Maynard-Moody & Musheno, 2000, p. 329 f., 348). Based on Hupe and Hill (2007, p. 288 f.), Thomann, Hupe, et al. (2018) distinguish four forms of accountability, referred to as public-administrative accountability (related to the law or the political-administrative superiors), participatory accountability (related to the clientele or society), professional accountability (related to colleagues or the values, norms, and attitudes of one's own profession), and the market accountability (i.e. the orientation towards customers and shareholders). Facing different forms of accountability, street-level bureaucrats working in the social sector often tend towards the coping strategy of 'moving towards clients': they see themselves as primarily committed to clients and orient themselves towards their needs to provide assistance (Tummers et al., 2015, p. 1108; Sager et al., 2020, p. 9). If policy requirements seem incompatible with the needs of the clients, the implementing agents find themselves in a role conflict, which they can overcome by bending and adapting the rules in favour of the clients (Tummers et al., 2015, p. 1109).

The four identified dimensions (state, clientele, profession, market) also apply to SLO. In their actions and the exercise of their discretion, SLO are confronted with divergent or even irreconcilable requirements and obligations. Assuming that they will also 'move towards clients' in this context, they should continue to promote the needs of clients, but prioritise their own existence over client orientation (Gassner & Gofen, 2019). Correspondingly, we formulate two conjectures that cover the range between the two orientations and therefore are contradicting each other:

**Conjecture 3.** *Confronted with changing legal conditions, SLO promote the needs of clients with the regulatory authority to legitimise their mission.*

**Conjecture 4.** *Confronted with changing legal conditions, SLO prioritise adaption to the new policy over maintaining the client orientation.*

In the next section, we present the empirical venue of our study and the four SLO under scrutiny.

## 3 | THE CASE: TENSIONS BETWEEN THE NEW LEGAL FRAMEWORK AND THE CONCEPT OF SOCIAL SPACE ORIENTATION IN THE SWISS CANTON OF BERN

The policy case at hand is the stationary and ambulatory educational assistance for children with specific protection needs, that is children under vulnerable personal or context conditions. The

provision of respective services in the canton of Bern is largely outsourced to non-governmental organisations specialised in this field of social and educational work. Four organisations thereby adhere to a holistic approach that focuses on the children's individual needs rather than on specific services. These organisations faced an existential threat with the enactment of a new fundings scheme for their services in 2022.

The basis of these organisations, which are specifically characterised by networked and flexible educational support, is the concept of social space orientation, which is centred on five guiding principles (Hinte, 2020, p. 12 f.; Hinte & Treess, 2014, p. 45 f.; Noack, 2015, p. 107 f.): orientation towards the interests and the will of the people entitled to services (connecting with their motivation for change); support for self-initiative and self-help (priority of activating work over caring activities); concentration on the resources of the people and the social space (instead of deficit diagnoses, which are often the basis for entitlement); cross-target group and cross-sectoral perspective and activities (consideration of the socio-spatial context); and cooperation and coordination (networking and integration of professionals as a basis for functioning individual case assistance). SSO thus provide a flexible range of services which are 'tailor-made' according to the needs and resources of the children and parents concerned and their environment. Furthermore, in non-case-specific work, they aim at creating networks of support (Hinte & Treess, 2014, p. 119 f.; Noack, 2015, p. 124 f.). The existential precondition for this holistic approach is its remuneration by lump sums as the practice does not allow for the singling out individual services. This basic condition changed in 2022 when the canton of Bern's legal-political framework regulating stationary and ambulatory educational assistance was fundamentally reformed.





As of January 2022, the new Act on Services for Children with Special Needs for Support and Protection (Gesetz über die Leistungen für Kinder mit einem besonderen Förder- und Schutzbedarf, hereafter: KFSG) came into force. The reason for the reform was organisational rather than economical. The intention was to eliminate the fragmentation in the socio-educational landscape and the resulting confusion with responsibilities scattered among several directorates and offices. The proposal consequently was not controversial in the parliamentary debate and passed with a clear majority. The new KFSG provides uniform regulation of the steering, financing, and supervision of socio-educational services.

The new policy framework brings a multitude of alterations for the agents in the field of stationary and ambulatory educational support. A central element of the new regulation is the change of the funding regime. The new law departs from the established lump sum scheme and newly defines a catalogue of refundable services. The services of educational support are recorded in categories, standardised in the main features by law (KFSG), and specified by the cantonal government in an ordinance. This catalogue defines the services which the canton provides for children in need of support and protection by concluding service contracts with the service providers (Kanton Bern, 2021, p. 2). The funding of services is now effected on an individual case basis for a specifically indicated service. In contrast, the prior funding practice was characterised by subsidisation of institutions and lump sum financing.

The new requirements are in tension with the way the SSO work. The SSO in the canton of Bern were committed to bringing their views and concerns into the legislative process of the KFSG, but they hardly succeeded in doing so.

Comparing the concept of the new legal-political framework and the principles of social space orientation, several tensions and issues can be identified. This shall be illustrated (Table 1) and explained subsequently focusing on four characteristic aspects of the new cantonal regulation concept.

**TABLE 1** fields of tension.

	<b>New policy framework (KFSG)</b>		<b>Concept of social space orientation</b>
Range of services	Legally defined service catalogue		Design according to individual needs
Service definition	According to an indication of service orderers		Negotiated among stakeholders, oriented towards will and resources
Responsibility for child and youth welfare	Specialised and differentiated according to directorates		Comprehensive responsibility (including prevention) in social space
Financing	Individual case basis, restricted to specifically indicated services		Lump sum including funding of case-unspecific work

*Note:* Authors' own elaboration.

### 3.1 | Standardised (legally defined) versus flexible (according to individual needs) services (range of services)

The service catalogues formulated in the new legal regulations, normatively recording educational assistance as separate categories, are contradictory to the social space-oriented principle of flexibilisation and tailoring. Indeed, according to the legislative materials, organisations should be free to provide different services from the catalogue, whereby the individual services can be linked with each other in terms of content or time (Kanton Bern, 2021, p. 29). Nevertheless, the recording (and financing) of services in predefined service categories stands in the way of a consistent needs orientation and individual 'tailoring' of the support setting.

### 3.2 | Unilateral (by orderer) versus shared (negotiated) definition of services

The KFSG introduces a clear differentiation of the roles and responsibilities of service providers and service orderers. The ordering authorities are responsible for the definition of services in individual cases. In child protection, these are namely the communal social services (in the case of a consensual arrangement of services) and the child protection authorities (regarding coercive measures). The law does not envisage a role for the service-providing organisations in defining services in individual cases. The framework for flexible educational assistance is therefore essentially determined by the ordering authorities. Accordingly, the SSO cannot decide autonomously with their clients on the design of the services.

### 3.3 | Segmented versus comprehensive social space-oriented responsibility

The new policy framework produces a unification of state responsibility for services based on a special need for support and protection, but not for all areas of child and youth welfare. This means

that 'high-threshold' educational assistance is legally standardised and financed separately from 'low-threshold', prevention-oriented services, as these provisions are regulated by different laws and assigned to separate directorates. Specifically, the KFSG gives no legal mandate for non-case-specific networking in the social space on which the SSO could base their work.

### 3.4 | Financing: Specific versus lump sum funding

The previous funding modalities allowed the SSO considerable freedom to design their services. Specifically, the previous service agreements between the SSO and the responsible directorate included, at least in part, funding for non-case-specific work. With the new financing rules, namely the principle of subject financing, there is no longer a basis of compensation for such networking in the social space. Moreover, due to a new way of calculating stationary services, the facilities may increasingly see themselves obliged, for economic considerations, to achieve a high utilisation rate of the available places. These financial conditions are therefore in conflict with the basic principles of social space orientation, namely, to be oriented towards the will (the motivation for change) of the people concerned and the resources of the families and the social space, and to support the people involved in their possibilities of self-help.

We present our empirical strategy in the next section.

## 4 | RESEARCH DESIGN

Our analysis consists of the comparison of the response of the four affected implementing SLO to the new policy. An investigation from a street-level perspective implies a qualitative approach that is contextual and attempts to understand the logic of the implementation agents and thus reconstruct their actions (cf. Brodtkin, 2008, p. 328).

The four theory-driven conjectures are deterministic. Accordingly, our analytical approach must remain descriptive (Gerring, 2012). The objective of the study is to depict how legal exogenous change impacts existing modes of operations, policy orientation, and organisational structure within the context of SLO. We do so with a descriptive comparative study of four SSO in Bern.

For understanding the subjective patterns of interpretation and logics of action of the agents, the leaders of the SSO were interviewed in detail, using the instrument of semi-standardised guided interviews. The form is based on the problem-centred interview, which is particularly suitable for theory-based research, as it is not purely exploratory in nature, but focuses on specific aspects of a problem that has already been analysed in advance (Mayring, 2016, p. 70). This allows incorporating the theoretical framework for the structure as well as for the analysis of the interviews in this study. We conducted nine interviews of durations between 50 and 90 min. The interviews were recorded and transcribed. The list of interviews is in the appendix. The interview data are available upon request. The interview data were complemented with document analysis.

Our units of analysis are SLO. Regarding the selection of cases, it was possible to carry out a full survey: By interviewing the four organisations in the canton of Bern that embrace the concept of social space orientation, all cases of interest could be investigated. Apart from their common orientation, there are some differences between the four SSO: two of them operate in the area of a larger city, one organisation is situated in a small town, and one in a rural region. The organisations also differ in terms of the services they offer, with stationary services making up a larger

share in two institutions and only a small share in the other two institutions where ambulatory services prevail. Two organisations also offer special schooling services. These differences make it possible to analyse various contextual factors in the study. In the analysis, we use anonymised labels (A, B, C, D) for the four SSO. In the list of interviews in the appendix, the SSO are unblinded but not assigned to the anonymised labels.

Prior to the interviews with the SSO, an expert interview was conducted with the Deputy Head of the Cantonal Youth Office (Kantonales Jugendamt, hereafter: KJA) as the competent authority of the Directorate for Internal Affairs and Justice. The aim of this interview was to understand the regulator's view and attitude towards the concept of social space orientation as well as the office's assessment of the existing scope for action. For the main part of the empirical study, in accordance with the focus on SLM, leaders of the four SSO were interviewed. Two interviews were conducted per organisation, each with persons involved in the process of implementing the new policy at the operational or strategic management level. By interviewing two persons per organisation and thereby combining different sources, data triangulation and thus a higher validity of the results should be achieved (Döring & Bortz, 2016, p. 600). For the evaluation of the interview material, a data analysis according to the methodology of qualitative content analysis according to Kuckartz (2018, p. 97 f.) was carried out. We first formed categories deductively based on a pre-existing content-related systematisation derived from the research question. We then developed the categories inductively as part of the data analysis. The starting point was the interview guideline developed from theory. We used inductive reasoning to process the categories and analyse the data to answer the research question. Kuckartz's (2018) procedure in this respect resembles thematic analysis, a method used for capturing patterns ('themes') across qualitative datasets (Braun & Clarke, 2022). MAXQDA software supported the data analysis.

In the following, we first present our data on the four SSO before we discuss the cases along our theory-driven conjectures.

## 5 | DATA: COMPARATIVE OVERVIEW OF THE FOUR IMPLEMENTING SSO

The case studies reveal many similarities between the four SSO. In particular, there are strong similarities in their members' attitude to continue the concept of social space orientation under the new legal framework, in their assessment of existing discretion, in their sense of accountability towards clients and professional values as well as in their favoured coping strategy of 'moving towards the clients'. However, there are also considerable differences regarding the perceived need for change and the approach derived from this. These variances are outlined in Table 2.

Table 2 shows a noteworthy difference notably between Institution C, which sees networking in social space primarily as a management task and also as part of a volunteering culture, and the other organisations, which see it as the social space-oriented work of their staff. This is particularly pronounced in Institution A which has institutionalised networking through social space teams. Differences can also be seen regarding the relation of networking to specific casework: while for Institution C and Institution B, case-related work is in the foreground, Institution A and Institution D also see case-unrelated work as an important part of their range of services, if necessary, outside the KFSG. Both approaches are compatible with the KJA's position of considering case-related networking to be central and referring the organisations to KFSG-external funding for preventive case-unrelated services. Potentially, there is a need for discussion between the SSO

TABLE 2 Comparison of the social space-oriented organisations (differences).

	<b>Institution A (urban/suburban; focus on ambulatory services)</b>	<b>Institution B (urban; stationary and ambulatory services; school)</b>	<b>Institution C (rural; stationary and ambulatory services)</b>	<b>Institution D (urban/suburban; focus on ambulatory services; school)</b>
Concern, need for change	High	Medium	Moderate	Rather high
Approach to regulator	Bringing in concerns Adapt vocabulary	Find a common path Adapt vocabulary	Mutual understanding	Present needs Negotiate tariffs
Relation to the service orderer	Common service definition; social space teams	Cooperative; service definition of orderer accepted	Service-oriented, permanent availability	Common service definition and attitude
Networking in social space	Comprehensive, also case-unrelated Institutionalised (social space teams)	Primarily case-related Use existing preventive services	Primarily case-related Management task Volunteering	Comprehensive, also case-unrelated Institutionalised (special school)
Market-based strategy	Cooperation with partner communities Reduction of services	Moderate expansion of the area Alternative financing	Maintain status quo	Expansion, further branches (school, school social work)

Note: Authors' own elaboration.

and the KJA regarding appropriate compensation for case-related networking work within the framework of the standardised tariffs.

In the following, we analyse these (simplified) differences contextually. Together with the commonalities mentioned and in relation to the views of the KJA, these results serve as a basis for presenting the empirical evidence for or against the conjectures derived from the theoretical–conceptual foundations.

## **6 | HOW DO SLO RESPOND TO A CHANGE IN THE REGULATORY FRAMEWORK OF THE POLICY THEY IMPLEMENT? COMPARATIVE CASE ANALYSIS ALONG THE THEORY-DRIVEN CONJECTURES**

In the following, we discuss the findings from our cases along with our four theory-driven conjectures.

### **6.1 | Conjecture 1: Balance adaptation with mission**

Based on the empirical data, no clear conclusions can be drawn about the conjecture that the SSO follow the regulator's requirements even if they seem inadequate to replicate the quality of flexible and networked educational support. At the time of the study, some of the organisations have not yet dealt in detail with questions of performance controlling. However, they have jointly set indicators for the performance targets and defined how they methodically want to achieve the targets and measure the achievement of the targets. Regarding performance recording, though, the SSO fear a generally high bureaucratic burden as illustrated by the following interview quote.

‘We have an insane amount of work for time recording, for paperwork... People are already panicking that they have to work with a stopwatch’. (Organisation A, Interview 1, translated by the authors)

The four SSO differ considerably in their approach to preventing a reduction in services. Institution D, for example, pursues an innovative and expansive strategy with a new conception of services and cooperation with new contractual partners: a special school is being established, integrating case-unrelated services, and school social work is offered as a service to municipalities. While Institution D, together with the ambulatory and stationary services according to the KFSG, can thus stabilise itself on several pillars, Institution A finds itself in the precarious position of having to reduce its services facing the new funding requirements: Although an attempt is being made to continue the previous successful cooperation with two municipalities, a severe restriction is looming specifically regarding case-unrelated services. Meanwhile, Institution B is strategically considering a moderate spatial expansion as well as alternative sources of funding for preventive services. Institution C, on the other hand, assumes it can maintain the status quo.

### **6.2 | Conjecture 2: Extensive use of legal discretion**

The empirical evidence obtained from the interview data supports the conjecture that the SSO attempted to make extensive use of legal discretion to maintain their previous scope of services

as far as possible within the new policy framework. This is particularly evident in flexible educational support, where the organisations want to integrate their services as far as possible into the standardised categories. The corresponding search for possibilities for action is found in all four organisations: Against the common background of their assessment that the KFSG leads to a restriction of their scope of action, they plead for ‘creativity’, ‘imagination’, and a ‘generous interpretation’. Two interview quotes substantiate this point.

‘I don’t think the new law would render our concept completely impossible. I think we simply have to be innovative and creative now and use the room for manoeuvre within these constraints in favour of our concept’. (Organisation D, Interview 2, translated by the authors)

‘With a bit of imagination, you can fit a lot of things into some performance category’. (Organisation C, Interview 1, translated by the authors)

Regarding the conjecture that the SSO would offer flexible and networked educational support even without an explicit legal basis, a distinction must be made. In the area of flexible educational support, the organisations have in common that they are looking for a room for manoeuvre within the legal framework; this implies that they perceive the framework as binding in principle. In the area of networking, on the other hand, some organisations try to offer case-unspecific services on a different institutional basis, since funding is not provided by the KFSG as the following quote illustrates.

‘What the KFSG cuts off, namely the case-unspecific services, we will now simply provide via the school’. (Organisation D, Interview 1, translated by the authors)

The study also supports the expectation that the SSO—in line with their professional premise of being needs-oriented—see themselves as primarily committed to their clients, that is in terms of accountability, they orient themselves towards their clients and their professional values.

### **6.3 | Conjecture 3: Promoting client-related needs towards the regulator**

Empirical evidence supports the conjecture that the SSO generally aim to promote the needs of clients on service negotiations with the KJA as a regulator to legitimise flexible and networked educational support. Against the background of their client- and profession-oriented accountability, this is not surprising; it corresponds to the willingness, declared by the operational managers, to adhere to the concept of social space orientation under the new policy framework. The following quote is illustrative:

‘We are trying not to give up the concept and the guiding idea (...). We must try to save some of our achievements’. (Organisation B, Interview 2, translated by the authors)

The four organisations differ in the way they promote the needs of the KJA. In Institution A, the operational management wants to continuously present professional concerns, while the strategic management warns of the risk of the acceptance of the organisation being impaired by this and,

in contrast, suggests a ‘change of vocabulary’ (cf. Table 2, line ‘approach to regulator’) in order not to trigger resistance from the KJA. The management of Institution B therefore also avoids the term ‘social space orientation’ vis-à-vis the KJA; instead, they look for a common understanding and ways to bring together the official requirements and the professional concerns of the SSO. The head of Institution C assumes—based on a relationship with the KJA that is perceived as positive—that the regulator will be open to future feedback. In contrast, the head of Institution D expressed consternation that in previous discussions they had experienced a high demand for control on the part of the authority while showing little interest in the successful models of practice. Two respective quotes are the following:

‘I no longer use the term “social space orientation” in meetings with the KJA. I rather use their vocabulary, such as “best interest of the child”’. (Organisation B, Interview 1, translated by the authors)

‘I had to realise that the demand for control is huge, and the genuine interest in what we experience in practice and in what we consider to be successful is very modest’. (Organisation D, Interview 1, translated by the authors)

The different perceptions of the interviewed leaders can be explained by the unequal impact of the new legal–political framework on their organisations. As will be shown in the following, the discrepancy between the practice (supported by a strong professional commitment) and the new legal requirements appears to be greatest at Institution A and Institution D, while this is less pronounced at Institution B and Institution C, also due to their structural conditions. Despite these different starting points and positioning vis-à-vis the new framework, the four organisations agree that it is important to maintain a professional exchange with the regulator with a view to longer term development.

#### **6.4 | Conjecture 4: Prioritise adaptation over client orientation**

Empirical evidence from the interviews partially supports the conjecture that the SSO aim to arrange their services specifically for the service commissioners in a way that sets an indication for flexible and networked educational support. All four organisations seek cooperation with the service commissioners and keep understanding service provision as a basically common process. This approach is a compromise between client-based accountability (oriented towards their clients’ needs) and market-related (financial) interests. This conflicts with the conception of the KFSG and the attitude of the KJA to establish a clear separation between the service commissioners and the service provider to prevent conflicts of interest. The following quote illustrates this point:

‘In practice, the service commissioners call us and describe the case and then we check together what the package of services could look like’. (Organisation B, Interview 1, translated by the authors)

For the four SSO, close cooperation with the service commissioners and mutual support is essential regarding the changes brought about by the new policy framework, to keep achieving a successful service design. However, there are also differences between the organisations, for

example, regarding their orientation towards the needs of the service commissioners. The child protection authorities, for example, need quickly available emergency places. Institution C, with its permanent availability, is characterised by such a service orientation towards the referring authorities. The strategic management of Institution A also considers such a service to be worth imitating; furthermore, it advocates accepting the decision-making power of the service commissioners. The management of Institution B does not claim either to always determine service design together with the commissioners and attests to the latter's competence to determine an adequate indication. This contrasts with the view of the strategic management of Institution D: For them, the execution of a fixed, unsuitable demand of a service commissioner would be a worst-case scenario from a professional point of view and would only be accepted out of economic necessity. The two following quotes illustrate the different positions.

'The child protection authority is very grateful that they can always call us and that we always offer a hand when they need something'. (Organisation C, Interview 1, translated by the authors)

'That you just get specific orders and then have to live with them, even if it doesn't fit, that would be the worst-case scenario. But from an economic point of view (...) at the end of the day, we have to survive as an institution'. (Organisation D, Interview 2, translated by the authors)

The differences mentioned again find explanations in the organisation-specific context. For example, the higher proportion of stationary services at Institution B and Institution C—and the resulting dependence on the utilisation of these places—favours a service-oriented and pragmatic approach to the ordering authorities' queries in this regard. Conversely, the structure of Institution A and Institution D, which is more strongly oriented towards ambulatory services, suggests a more intensive process of negotiation regarding their specific design.

## 7 | DISCUSSION

The findings from the comparison of four SLO in the Swiss canton of Bern who are confronted with a new legal setup for their work allow for three main insights: first, the key role the institutional features and resources of the four SLO play for their response; second, the SLO's attempts to seek legitimacy for their work beyond the commissioning authorities; and third, the striking pragmatism with which the SLO face the challenge of the new legal framework.

First, all the different approaches on how to react to the changing framework can be largely explained contextually. An important element here is the economic context in which the SSO operate as mainly privately run organisations. For example, the market context forces the SSO in urban and suburban areas to be more innovative, especially since 'big players' could appear as competitors, whereas in the rural area there is less reason for concern in this respect. The need for adaptation also depends on the previous service profile of the organisations: Where—as primarily in Institution C—longer term stationary services make up a large part, there is a higher degree of financial security, but also a problematic pressure to fill the capacity. The situation is different at Institution A and Institution D, which rely heavily on ambulatory services and for which case-unrelated work is a central conceptual component. Where—as in the case of Institutions B and

D—an additional special school exists or has been created, the SSO can base their range of services on additional pillars.

Second, the four SLO display strategies of legitimacy seeking that are similar to those of hybrid organisations (Rosser & Pfaff, 2022). Hybrid organisations are characterised by the fact that they need the support and recognition of their differently oriented sponsors for their existence. Based on Suchman's (1995) typology of organisational legitimacy, Rosser et al. (2022) examine how newly emerging hybrid organisations build legitimacy. On the one hand, the authors show that it is possible to build legitimacy. The process requires a strong focus on stakeholder involvement at the beginning. On the other hand, hybrid organisations are much more concerned with the political aspects of building legitimacy than private organisations. The results show that pragmatic legitimacy (i.e. the creation of instrumental value of the hybrid organisation) should be achieved before moral legitimacy (i.e. the promotion of positive perception and evaluation) and before cognitive legitimacy (i.e. the creation of traceability). Only when the hybrid organisation has demonstrated its benefits, an iterative process of mutual influence between the forms of legitimacy can begin. Interestingly enough, even though the studied SLO are not hybrids, their strategies of legitimacy seeking are comparable to those ascribed to hybrids. The aim to show instrumental value and hence to build pragmatic legitimacy may be a function of the SLO's urge to defend their approach to the commissioned policy delivery (cf. Zollo et al., 2023). We argue that outsourced SLO may act as politically as hybrid organisations if the regulatory change challenges their work.

Third, the SLO display a large amount of pragmatism in their response to the new situation. One example is the decision to reduce the range of services if the cantonal regulator excludes certain forms of flexible and networked educational support from funding. While some SLO do so, other refrain. Regarding the use of discretion, the organisations perceive the legal requirements as obligatory. Their concern that certain services can no longer be provided in the future is thus an expression of a normative-state-oriented as well as a market-oriented accountability. Contrary to their professional convictions, the SSO also consider a restriction of services—as 'moving away from the clients'—where they see themselves forced to do so by the corresponding requirements of the new legal framework. However, some organisations are strongly striving to find new ways outside the KFSG or within a different legal framework to ensure the continuation of their services.

## 8 | CONCLUSIONS

How do organisations implementing policy respond to changes in the legal–political framework that affect their previous model of success? Literature suggests that this question can only be answered by considering the areas of tension in which they operate. Our empirical study shows that SLO that provide outsourced policy services cannot simply adapt to the new rules and adopt a different model of success, as they are too strongly committed to their professional concept and—along with it—to their clientele. On the other hand, they cannot simply continue their previous practice and ignore the new framework, as they are administratively and financially too dependent on the regulator and the service commissioners. Between these poles, however, a field opens with a range of possibilities for adaptation and room for manoeuvre.

This study shows how four concrete organisations position themselves in this field of diverging concerns and obligations, what attitudes they adopt, and what solutions they pursue. The SSO under scrutiny coincide in being considerably affected by the new legal requirements and in being restricted in their services which they have practised with conviction until now. The cases

suggest that professional conviction of SLO apparently encourages them to explore options for the continuation of their client-oriented services and to exercise their discretion as far as possible. The empirical evidence of this study thus supports the assumption that SLO personnel, in accordance with their accountability towards their professional approach and their clientele, strive for creative solutions to maintain their previous practice and try to cope with the existing dilemmas with a coping strategy of 'moving towards the clients' as far as possible.

Yet, the results of this study also support, at least partly, the conjecture that SLO cannot maintain certain services due to their dependence on funding, and thus have to 'move away from the clients' and from their professional ideals. However, there are important differences between the organisations in the way they deal with this challenge: how they behave towards the regulator, how they cooperate with the service commissioners, and how they want to open up new 'markets'. This again can be explained by various contextual factors, namely the service profile of the studied organisations (in the studied case, the ratio of stationary and ambulatory services, social space teams, emergency places, and school) as well as their respective environment (existing networks and expected competition).

The explanatory power of this study is limited by its prospective nature: At the time the interviews were conducted, the new legal framework had not yet entered into force. The views of the interviewees are based on the—albeit intensive—preparatory work, not on their actual experience in implementing the new regulations. Since the SSO as well as the cantonal authority expect a phase of clarification and then further development of practice regarding the new regulations, this opens up a field for further research relevant beyond the cases studied in this article. The SLO under investigation are cases of outsourcing to private entities, specifically for socio-political tasks. This is common practice, and there is rich literature on how privatisation impacts implementation (e.g. Brodtkin, 2011). The present results add to this literature with regard to the specific question of how SLO respond to new regulation. In the same vein, future research may follow two trajectories: one, the SLO uttered their concerns about the new regulation during policy-making without success. It will therefore be of interest to study SLO's policy entrepreneurship during their members' coping with the new rules and whether and how they seek influence to induce regulatory adjustment (Cohen & Aviram, 2021). Second, the new regulation inflicts organisational change in the four studied SLO. Organisations draw resilience not least from their institutional feature of path dependency (Stauffer et al., 2023). It is of interest to study whether and how an exogenous impetus results in the adaptation of organisations reluctant to change and how this organisational adaptation impacts implementation.

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## CONFLICT OF INTEREST STATEMENT

The authors declare no conflicts of interest.

## DATA AVAILABILITY STATEMENT

The data that support the findings of this study are available on request from the corresponding author. The data are not publicly available due to privacy or ethical restrictions.

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## APPENDIX: LIST OF INTERVIEWS

### **Cantonal Youth Welfare Office**

Deputy Head of Office (22 June 2021, 72 min)

### **Family Support Bern West**

Co-Managing Director (7 July 2021, 89 min)

Member of the Board of Trustees (16 July 2021, 80 min)

### **SORA**

Co-Managing Director (6 July 2021, 80 min)

Vice President of the SORA Commission (6 July 2021, 68 min)

### **Family Cooperation Oberland**

Head of Organisation (8 July 2021, 62 min)

Chairman of the Board (8 July 2021, 52 min)

### **Schoio AG**

Managing Director (27 July 2021, 93 min)

Member of the Board of Directors (13 August 2021, 51 min)