

# Challenging Organizational Issues When Municipal Contact Centers are Implemented in Sweden

Irene Bernhard and Kerstin Grundén

School of Business, Economics and IT University West SE-461 86 Trollhättan Sweden

[irene.bernhard@hv.se](mailto:irene.bernhard@hv.se)

[kerstin.grunden@hv.se](mailto:kerstin.grunden@hv.se)

**Abstract:** Two case studies of the implementation of Contact Centers (CCs) in Swedish municipalities are compared and discussed from an organizational perspective. The research method was semi-structured qualitative interviews with different personnel categories in both municipalities. Several challenging organizational issues for management and employees were identified. The implementation strategies varied between the cases and affected the pace of implementation, attitudes and motivation, the mental constructs and understanding of the implementation. The financing of the CCs and recruitment strategies created problems, but in somewhat different ways and different phases of the process in each case. The potential of using registered information as a source for planning and decision-making was not fully utilized in the municipal organizations, although some statistics were produced. In both cases there was a combination of formal and informal learning strategies and flexible co-operation among the employees in the CCs which contributed to continuous learning processes and a good, co-operative working climate. There was a need for continuous updating of skills in both cases, but with slightly different focus, related to the organization of the work. The organization in response groups required more specialist competence, compared with the organization without response groups, which required more general competence. Two challenges for the case administrators in the back offices were to adapt to a more process-oriented organization of their work and to co-operate more with their colleagues both in the back office and at the CC. They now had the possibility to plan their administrative work in a better way than before, but some administrators missed the previous spontaneous contacts with citizens. Initially, many case administrators were afraid of losing their jobs and work tasks to CCs, contributing to negative attitudes towards CC and hampering the learning process in taking part in the implementation process.

**Keywords:** Contact Centers, New Public Management, implementation, e-government, municipalities, MOA model

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## 1 Introduction

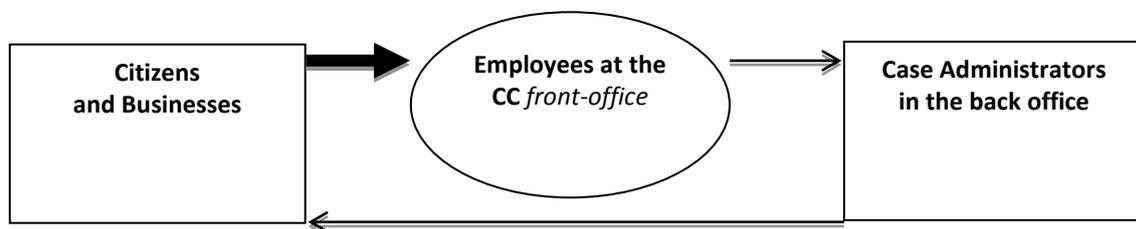
Progress in e-government implementation and e-government reforms continue in most countries (United Nations, 2012). The main characteristic of e-government has been the ambition to use information and communication technology (ICT) as a tool to achieve more efficient government and increased citizen availability to public e-services. Several research studies claim that adoption of e-government has followed private sector experiences and the e-government implementation can be seen as one type of realization of New Public Management (NPM)-type reforms in public administration (Andrews, 2008; Homburg, 2008; Cordella & Bonina, 2012). The dominant approaches to e-government research so far have been to stress technology as an enabler to increase public sector efficiency and improve internal management capabilities and administration (Cordella and Bonina, 2012) in terms of productivity of government performance (Andersen et al. , 2010). Introduction of e-government also means a fundamental organizational change in public organizations requiring new competencies (Grönlund, 2001; Worrall et al. , 2010). Accenture (2007) found many governments at an important crossroad. The main focus for public service organizations was on improvements of front-end services to citizens, neglecting the importance of also aligning back-end aspects. Implementation of Contact Centres (CCs) is an example of recent local e-government initiatives in Sweden. CCs are not only for local e-government front-line service delivery, but also involve organizational settings, developing practices and management in municipal public administration. These processes involve both front-line and back-office practices and need to be further addressed by research to interpret practices (Lindblad-Gidlund et al. , 2010; Meijer and Bannister, 2011).

During the years 2009 – 2011 the authors were responsible for evaluating the implementation processes of participating CCs. The evaluation studies have already been published in detail (Bernhard 2009, 2010, 2011; Bernhard & Grundén 2010; 2013; Grundén 2010, 2011). In this article we will analyze some aspects of the studies with a focus on two of the studied municipalities and consider the challenging issues for municipalities when CCs are implemented. The aim of this article is to identify, describe and analyse challenging organizational issues when Contact Centres (CCs) are implemented in Swedish municipalities. The research question is therefore:

What are the challenging issues for municipality organizations when contact centres are implemented?

The concept and meaning of a CC derives from the concept of a commercial call centre which have been increasingly used in the private sector since the beginning of the twenty-first century (Norman, 2005). A call centre is a place which responds to phone calls from people and is typically completely dependent on the use of IT. It can be an internal function of an organization or an outsourced, detached function. The use of the Contact Centre concept in Sweden is an extension of this function, focussing not only on phone calls, but also other contiguous work tasks (Andersson Bäck, 2008). The traditional model of a call centre is thus transformed when CCs are established in Swedish municipalities (Czarniawska and Sevón, 1996). Every citizen is supposed to receive the same level of service regardless of economic status. The development of call centres in the public sector is especially influenced by aspects such as increased service and availability from a citizen perspective as well as internal efficiency. The CC is a front office for citizens and businesses, and the main communication mode is by phone. But the CC also requires developed work processes for the back office in order to contribute to increased quality and efficiency for the organization. Usually the CC has extended opening hours compared with the normal opening hours for the municipal offices. Some CCs also have an office open for visits. The employees of the CC answer simple questions and guide citizens in using the municipal website and other e-services. Some CCs use touch-tone options for incoming calls, and the CCs are then usually organized in different response groups. A response group refers here to an organizational unit where incoming telephone calls are connected via voicemail to a group of specialist employees, depending on what field of activity they concern. All incoming phone calls are registered in electronic information systems, and initiated matters are transferred by the systems to the case administrators at the back office. Detailed statistics can often be produced by the system, which facilitates planning processes and decision-making by management in the municipalities.

There is a need for reorganization of back-office routines in order to optimize the efficiency and quality aspects resulting from the implementation of CC. Figure 1 below shows the intermediary function of a CC as a front office, answering questions from citizens and transferring citizen matters to the handling officers in the back office. The arrows in the figure show the main communication patterns, and indicate which group mainly initiates contact. The figure also indicates that the employees at CC answer most of the questions from citizens and transfer matters once initiated to the back office.



**Figure 1:** A conceptual model of the intermediary function of a contact centre focussing on the main communication patterns. (The model is adapted from Bernhard, 2011).

The phone calls from citizens and businesses to the CC replace their earlier communication patterns, when they used to call the handling officers in the back office directly to resolve their issues. Now the handling officers call citizens only once they have started to deal with a matter. Usually the e-services are handled, communicated and supported by the employees at the CC (front office), but some e-services may also be directly connected to the case administrators at the back office.

## 2 New Public management in the digital age

The theories of NPM have inspired some changes in organization and administration when e-government is implemented (Hood, 1991; Homburg, 2008; Persson and Goldkuhl, 2010; Cordella and Bonina, 2012). According to NPM the use of lean and highly decentralized structures is stressed in public service, resulting in the breakdown of former unitary bureaucracies (Homburg, 2008). NPM-related ideas and practices have influenced the public sector in Sweden for over twenty years (Girtli Nygren and Wiklund, 2010). NPM is frequently described "as an umbrella term of management ideas from the business sector implemented in a public sector context" (Persson and Goldkuhl, 2010:52) or as an organizational theory (Peters and Pierre, 1998). According to Barzelay (2001), NPM is both a practice and a theoretical conceptualization rooted in different research fields with diverse directions. Some of the key features of NPM in practice are improved responsibility to address client needs, focus on cost-efficiency and productivity, and introducing market

mechanisms (Persson and Goldkuhl, 2010). There is also emphasis on contract-like relationships and attention to management strategies, performance indicators and the service produced. The use of ICT is essential for this organizational transformation. In a virtual organization ICT mediates the communication among different units at different geographical locations.

Implementation of e-government does not simply mean implementation of new technology solutions. Implementation challenges are also changes in work practices, work cultures, behaviours, power structures and learning processes (Grundén 2009; Worrall et al. 2011). Implementation of local e-government such as CCs is characterized by huge and complex change processes that require new competencies both for employees and management in the municipal organization, as well as for citizens and businesses. The extended use of ICT support for municipal service production and re-organization efforts could contribute to more efficient procedures, but will also put demands on continuous learning processes in order to meet the new requirements.

As more and more CCs are implemented in municipalities, the possibilities to learn from such experiences will increase. But it seems important not simply to try to imitate examples from other organizations, according to a global study of e-government (Accenture, 2007), but instead to use such examples as inspiration whilst being aware of the importance of the local context when CCs are implemented.

### **3 The development of e-government in Sweden**

From an international perspective the usage of Internet and computers is high in Sweden and e-government in Sweden generally ranks among the top countries according to international evaluation studies (United Nations, 2012, Accenture, 2007). The big state organizations are forerunners in this development, but e-government has also been successfully implemented in local government. Implementation of CCs in municipalities is an example of local e-government implementation.

Information technology has been used in Swedish governments since the early 1950s. In this initial development phase of electronic government, the role of citizens was mainly limited to being taxpayers. A second development phase, the development of actual 'e-government', started in the late 1990s, in a similar way to that many other countries. The national government in Sweden formulated a bill focusing on "*An information society for everyone*" (Regeringskansliet, 1999/2000) and instructed the Swedish Agency for Public Management [Statskontoret] to develop a strategy for 24-hour government with the aim of promoting the development of open, interactive e-services to citizens. In 2003 the last report related to the mission was published (Statskontoret 2003:18), focusing on co-operative 24-hour government and coherent electronic government.

A Swedish action plan for e-government was formulated by the national government in 2008 (Regeringskansliet, 2008). Some catchwords in the plan were that e-government should be "*as simple as possible for as many as possible*". E-government was defined as "*public business development that takes advantage of information and communication technology combined with organizational changes and new competences*" (ibid. 2008:4). An e-government delegation was established in 2009 to further promote development and use of e-government. The delegation formulated an e-strategy for the development of this third generation of e-government in which the earlier goal from the action plan was extended, and the importance of the contribution of e-government to the innovative capacity of society as a whole was also stressed. The keywords of a recent national policy are "*simple, open, accessible, efficient and secure e-government*" (SOU, 2010:9). The role of e-government was expected to be more flexible and adaptive to changes and needs from citizens, businesses, and national and international regulations in the third generation of e-government. The roles for citizens and business were more focused on participation, instead of the earlier customer and taxpayer roles. The total benefit of e-government from a society perspective was stressed. The role of e-government was expected to be more flexible and adaptive to changes and needs from citizens, businesses, and national and international regulations in the third generation of e-government. The roles for citizens and business were more focused on participation, instead of the earlier customer and taxpayer roles. The total benefit of e-government from a society perspective was stressed.

The Swedish multi-level government system is based on three levels: national, regional and local. This approach is meant to strengthen the local autonomy of Swedish municipalities. On the local level, there are

290 municipalities in Sweden responsible for providing services such as building permits, environmental permissions, matters regarding social services and schools, healthcare, day-care and welfare (SOU 2008:97, SKL, 2009). They are governed by elected local officials and have a high degree of autonomy, so their internal work can be differently structured due, for example, to variations in geographic location, population and social structures of the inhabitants and economic conditions. The municipalities in Sweden account for 70% of total public administration and they are considered to be the closest to citizens' needs in terms of public service (Regeringskansliet, 2008; SKL, 2011).

Swedish municipalities do not have a statutory obligation to set up offices like CCs or similar service locations for their inhabitants. However, it is mandated by Swedish law that all Swedish municipalities should provide individual service, for example to meet visitors and to answer telephone calls from citizens. The service should be of as high a quality as possible from a financial resource perspective (SFS, 1986:223). The municipalities interpret their responsibility to provide services in very different ways however. The implementation of e-government in municipalities also varies greatly.

About 80 of the municipalities are members of Sambruk. The aim of Sambruk is to create a foundation for effective development programs, comprising both the technical and functional aspects of e-services, as well as the re-engineering of internal business processes. Through co-operation within Sambruk, the municipalities will have access to intellectual capital vastly greater compared to that which a single municipality could develop.

#### 4 Research methods

The method used was a case study methodology - a methodology that is preferred when you want to study an actual phenomenon in its real context, used as a research method in social science disciplines such as public administration and evaluation (Yin, 2009). Our case studies are built on interviews with people who have experiences in the actual case and the research methods used in these case studies were mainly qualitative. In case A, 16 semi-structured interviews were done and in case B, 17 semi-structured interviews were done. The interviewed personnel categories in both cases were 10 employees from CCs and 12 employees from the back office of the municipalities as well as 11 employees from the top management of the municipalities. Among those interviewed two interviewees were employed representatives from the unions. The main interviews in municipality A were done in 2010. The interviews in municipality B were done in 2010 and spring 2011. Each interview took about an hour and was tape-recorded and transcribed. A report based on the transcripts of the interviews from each case was written and the reports were sent back to the municipalities in order to give a chance to correct the documentation. Content analysis was used for the analysis of the interviews.

As mentioned above, the evaluation model (the MOA model) was used in the analysis as a frame of reference (Figure 2).

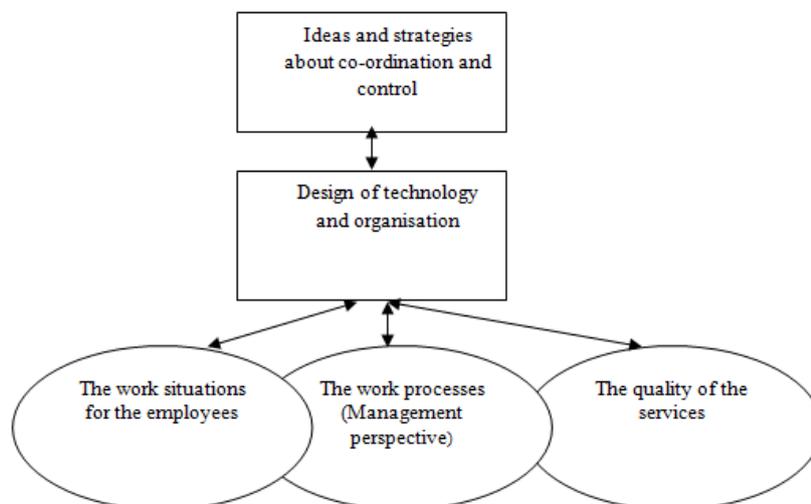


Figure 2: The MOA model

The MOA model focuses on different interest perspectives: the perspectives of employees, management and citizens. Our empirical data from the previous studies in the project are based mainly on interviews with employees and managers within the municipalities although a minor pilot study with citizens was made. Thus we focus on the organizational perspectives in this article.

## **5 The case studies**

### **5.1 Some characteristics of the cases**

Municipality A ranks among Sweden's ten largest municipalities and is organized in nine operative administrations. Most of these organizational units are led by boards or committees of political representatives. The departments and administrations carry out a wide range of operations such as child and youth care, education, social issues, culture and recreation, building and environment.

Municipality B is a medium-sized municipality by Swedish standards, and is rapidly expanding. The municipality is organized in five operative administrations and departments and like in case A they carry out a wide range of operations. Also similar to case A, most of these organizational units are led by boards or committees of political representatives. Municipality B was described as a "very typical Swedish municipality" by one respondent.

The start of the CC in case A was in December 2009. At that time the CC was not yet open for personal visits, but it was planned to open for physical visits after the move to the centre of the city in late 2010. The directives in case A were formulated in a local policy which stated for example that the use of IT should contribute to service production improvements. The start of CC in case B took place in three stages: stage 1, spring 2010; stage 2, autumn 2010; and stage 3, December 2010. A small reception area for citizen visits was opened in stage 3 in the entrance hall of the building. There was also a small reception counter dealing with applications for building permits. Two service administrators from the CC worked in this office.

Some common background aspects of the implementation of the CCs were access problems with very long waiting times for citizens and businesses that needed to get in contact with the case administrators at the back office in order to resolve their issues. The traditional bureaucratic structure of the municipal organization hampered the citizens' understanding of the relationship between their needs and the organizational functions, a fact that complicated contacts even more.

The main function of the implemented CCs was to answer simple questions from citizens or businesses and to transfer initiated matters to the handling systems in the back offices using electronic information systems for handling of matters. Usually the employees at the CCs sit in an open office arrangement. All incoming contacts were documented in information systems at the CCs. The employees at the CCs generally also supported the use of the municipal website and e-services. The implementation of CCs in the municipalities thus affected the whole municipal organization including the different municipal authorities (back office). Most case administrators at the municipal departments were relieved of the spontaneous phone calls from citizens and businesses as a consequence of the implementation of the CC. Instead they could spend more time and effort on handling the different matters. As one person put it:

*"Yes, it makes the work much more effective... as I will not be interrupted all the time".*

There was however an opinion that the management had not foreseen discussed or planned for the uneven distribution of the increase in incoming issues within the organization, which was viewed as a work problem. This is explained by one of the employees:

*"The disadvantage of the change is that we have not adapted the organization to the increased amount of incoming matters and they are very unevenly distributed among the case administrators. Some case administrators have received a heavy increase of matters, while others are just relieved. This seems to be a work environment problem that was not foreseen, discussed and solved, in my opinion".*

A main difference between the cases was the fact that the work at the CC was organized in response groups in case B, while there were no response groups in case A. In case B, the different response groups were: building and environment, education, and child care. In late 2010 a response group for social services was established. There was one operations manager for each response group. Each response group has contact persons at

their authority (or authorities) and usually hold regular meetings together. An employee responsible for the coaching and training of the employees at the CC was recruited externally, and generated work descriptions and competence profiles that were used as a basis for the competence development programs. How to communicate with and act towards citizens during the telephone calls were important subjects of the training. There were efforts to develop e-learning education for this training, using video and a learning management system. In case A there were also efforts to develop e-learning education.

**Table 1:** Some characteristics of the cases

Characteristics	A	B
Start of CC	Late 2009	Spring 2010
CC open for personal visits	Not initially but was opened in 2011	Not initially but was opened in late 2010
Name of the CC	Contact centre	Customer centre
Name of the employees at the CC	Municipal Guides	Service administrators
Number of employees at the CC	Initially: 9 municipal guides and 6 switchboard operators	25 (stage 3)
Work organization of the CC	No response groups	Response groups
Main competence profiles of the employees at the CC	Generalists (combination of formal and informal competence strategies)	Specialists (combination of formal and informal competence strategies)
Implementation strategy of the CC	Mainly Top-down	Mainly Top-down

## 6 Challenging issues when contact centres are implemented

In the following sections the implementation strategies, financing of the CC and recruitment policies, information systems for handling of matters, registered information as a source for planning and decision-making, and formal or informal learning strategies mainly refer to analysis from a management perspective using the MOA model. The last sections focus on learning challenges from the perspectives of employees (the employees at the CCs and in the back office). The boundaries between the analyses of these different internal organizational perspectives are somewhat fluid, however, as pointed out in Grundén (2009).

### 6.1 Challenging issues from a management perspective

The implementation strategies In both cases the strategies were mainly top-down, but the ambition to implement the CC very quickly in municipality B seems to have contributed to a lack of anchoring among the employees in the municipal departments, affecting their understanding of and attitudes towards the new CC. The implementation process went more slowly in municipality A, probably as a consequence of the local culture in this part of Sweden *“to use few resources but with good co-operation considering the available resources”* as one of the respondents put it. The implementation strategy could have consequences for the learning processes in the organization. The adaption of the working culture, behaviours, changes of communication patterns, and creation of a common mental image of the change requires development-oriented learning processes that usually take time (Svensson and Åberg, 2001). The complex change process could reinforce changes in the power structure of the organization and result in power struggles among different ‘communities of practice’ and professional groups, leading to negative attitudes towards the CC and hampering a learning process towards common mental images and goals (Parding and Abrahamsson, 2009).

There are documented common risks with work in call centres as being monotonous, stressful and lacking variation (Tengblad et al. 2002). This can also be relevant in part for work at CCs. According to Grossberg (2000), workers who receive formal training are likely to remain longer in their jobs. Trained workers also believe that their employers see them as important and valuable members of an organization, further developing loyalty (Sieben, 2007). Participation in project groups could stimulate motivation and the learning of new competencies for the employees (Angelöw 1991; Grundén 2004). But it is certainly a challenge to engage all employees in big organizations and find relevant participation and learning forms in complex change processes.

The financing of the CC and recruitment policies The financing of the activities of the CCs and the recruitment policies seemed to have been somewhat related in both cases. In both cases the financing of the CC caused problems and negative attitudes towards CC, but in different phases of the implementation process.

In case B some employees from the back office were recruited to the CC against their will, due to a need for the participating departments to reduce their costs, as they had to contribute to the activities of the CC. There were some problems with negative attitudes towards the CC and problems with co-operation related to this initial recruitment strategy. The project management team seemed to have learned lessons from the problems of initial implementation and recruitment strategy and the recruitment and implementation of the response group for social services were more successful. The employees for the response group were voluntarily recruited and the activities of CC were much more anchored among the employees at the department for social services.

In case A the municipal guides were handpicked by the manager. The economic model between the CC and the first participating departments (the different division within the Technical Office departments) was agreed upon at an early stage of the implementation process, and there was not much in the way of negative attitudes towards the CC from these departments. In a later phase of the implementation there were major problems however related to the fact that the department of social services was supposed to contribute financially to the activities of the CC, but had difficulties finding relevant work tasks to transfer to the CC. There was for example no special response group for social services at the CC, and the demands of integrity, security and competence were not easy to deal with. There were very negative attitudes towards the CC from the social services due to this situation. This way of funding the CC was made in line with the New Public Management idea of taking the costs where the benefits appear in the CC. Thus the respective department within the municipality had to 'pay' for the e-government reorganization and CC implementation. It thus seems to be important to anchor the applied financing models regulating the contribution of financing from the back offices at an early stage of the implementation process and also to specify what work processes should be transferred to CC related to the financing models.

The information systems for handling of matters The electronic information systems for handling of matters were not fully developed in either of the municipalities initially when the CC was implemented, causing some problems in using them. Management seemed to underestimate the inconvenience of such problems. As more CCs are implemented in the municipalities, however, there will be more experience to learn from in how to handle such dilemmas.

In case A the information system for handling of matters was developed using open-source software. In case B, there were initial efforts to implement a similar open source-based system, but due to compatibility problems with other systems, it was not possible to use that system. A consequence of this situation was that there was no functioning electronic system for handling of matters in the initial work at the CC, which was problematic. Instead e-mails were sent from the service administrators to the case administrators at the departments, when a citizen matter was initiated. An information system for handling of matters (Flexite) was fully implemented however in phase three. In this system all incoming calls were documented and categorised and the progress of handling matters could also be followed, which facilitated the production of statistics.

In case B the system was to be further developed with implementation of time limits for the processing of each matter. If the time for handling a matter exceeds the time limit, a message will be sent to the responsible manager of the department by the service administrators at the CC.

The implementation of the CC contributed to some increase in incoming matters from citizens and businesses, a fact that was not foreseen by project management. However, no extra money was budgeted for the costs of

handling more matters. As the work processes became more efficient as a consequence of implementing the CCs, this does not seem to have been a major problem.

Registered information as a source for planning and decision-making The potential of using registered information as a source for planning and decision-making was not fully utilized in the municipal organizations, although some statistics were produced. Both municipalities were interested in further developing possibilities for analyzing the registered information using business intelligence tools. The use of the information could be extended if new categories are used when the data is registered, for example. To use, develop and integrate business intelligence IT-based tools includes components that support follow-up on different levels of an organization (Borking et al. 2011). Poor decision-making is usually related to not knowing how to use available information or whether the information is sufficient (Borking et al. 2011). The use of the registered information from the contacts with citizens and businesses could help management to improve the understanding of their needs and make conscious decisions based on statistics, affecting the information published on the municipal website and changing work procedures for example. The use of the information could also contribute to quality control and benchmarking, for example, to compare snow removal (and complaints) in different geographical areas. New electronic sources of information could also be the use of real-time information from sensors in the infrastructure such as roads and electricity networks, which can be compiled and used as sources for quick decision-making, contributing to solve infrastructure problems as soon as possible.

#### Formal or informal learning strategies?

In our pre-studies we found examples both of highly formalized and rule-based learning and more informal strategies for the employees at the CCs (Bernhard & Grundén 2010). According to the formalized strategy, checklists and other documented information should be used when questions from citizens are answered by the employees at the CC. According to the informal strategy there are few checklists and little formal, documented information. Instead the employees at the CC search for relevant information on the web, or use their own knowledge stored "*in their brains*" There may be pros and cons to each approach. In our case studies described in this article we have found combinations of both strategies at the CCs. They could use information databases where they simply had to type the beginning of a question in order to receive an answer, or use their personal knowledge in order to answer the questions from the citizens.

#### Challenging issues from the employees' perspective

There was internal training and education to a varying extent in both cases before the CCs started. In case A the municipal guides attended a five-week internal "municipal education" compared to the employees at the CC in case B who had about a one-month internal "municipal education". There was need however to have continuous updating of skills as the context of the municipalities was continuously changing in both cases.

In case A there was a certain lack of time during working hours when the CC was implemented for continuous competence possibilities. In case B they started by setting aside one hour a week for competence development and training during working hours. Soon they found that it became difficult to set aside this time, because of the increasing number of incoming calls.

Instead they started to work with development of skills every Friday morning. The switchboard, then took their calls, and calls that required feedback could be addressed by service managers in the afternoon. This solution was perceived to provide better service to the citizens and also reduced the amount of previous work in the weeks immediately following.

There were partly different needs for competence development related to the different organization of the CCs. In case A where the municipal guides were organized in a single group (no response groups) more generalist than specialist competence was required. The municipal guides were mainly supposed to guide the citizens to help them to find the answers to their questions. They needed continuous competence development about the different issues each department dealt with in the municipality, for example. Because of the slow pace of the implementation process only one work process regarding report of technical errors from the citizens was transferred from the Technical department at the time of the interviews.

In contrast to the organization of the CC in case A, all service administrators in case B were specialists in specific areas as a consequence of the organization into different response groups. The telephone calls were

connected via voicemail to these response groups depending on what field of activity they concerned. The aim of the service administrators in case B, in addition to answering simple questions from citizens, was to handle more qualified issues without passing them to case administrators at the back office. For example, those working within the response group for social services had mandate and competence to handle issues regarding income support, as they were educated social workers and specialists within this area.

In case B an information database ("Come Around") was implemented in stage 3 which could be voluntarily used by the service administrators as support for information related to the questions from citizens and businesses. The system started to search for relevant information, as soon as a few syllables of the question were entered into the system.

An employee responsible for the coaching and training of service administrators was recruited externally in case B. The manager generated work descriptions and competence profiles for the service administrators, which were used as a basis for the competence development programs. Development of interaction etiquette towards citizens during telephone calls was an important focus of training for the service administrators. The educational manager regularly listened to the telephone calls together with a service administrator, in order to support increased competence development in telephone etiquette. Many work processes had been transferred from the different administrations within the municipalities to the CCs in case B, for example, issues regarding citizens' different needs within the division of Water and Waste. Another example was income support, which also required more and updated specialized knowledge and competence development within the field of their response group.

One dilemma for the employees in both cases was the fact that some employees had specialist knowledge that they were not allowed to use at the work in the CCs. In case A there was one municipal guide for example who had worked as a specialist within the area of some municipality fields, before being recruited to the CC. The municipal guide was not allowed to handle issues of a more complicated nature. In case B all service administrators in the response group for social services should have a background as a social worker in order to be recruited to the CC. Some respondents questioned the need to have highly educated social workers in the CC, and thought that lower degrees of competence were sufficient. The social workers at the response group were not allowed to use all of their specialist competence either.

It is thus a general challenge for management to recruit employees to the CC with relevant background competence, and to offer relevant continuous competence possibilities, in order to counter the monotony and routine aspects of the job and meet competence needs. Such competence development needs could for example be related to the transfer of more work procedures from the back office to CC, and/or to have work rotation among different work tasks. The establishment of career paths for the employees at the CCs could be a first step to highlight the individual needs for competence in order to find relevant competence development possibilities.

The working climate was very social and employees learned from each other in both cases. The open plan offices facilitated communication among employees in the CCs. A municipal guide in case A commented that, both because the work is not strictly governed by checklists (less formal) and the working climate was very social, i.e. you learned from each other within the working group, she felt more competent now compared to when she worked earlier as a specialist at the back office, because she is now both a specialist within a certain area and a generalist in a broader area. This adheres to findings by both Lave and Wenger (1991) and Parding and Abrahamsson (2009), who argued that learning at work usually takes place in "*communities of practice*".

Our results indicate that there is a need for increased focus on the back office when CCs are implemented. This is also stressed as a general need when e-government is implemented (Accenture, 2007). For many case administrators in the back office their work was changed due to the implementation and thus they had to learn and adjust to new work situations. Most case administrators received more time to work with the handling of matters, since they were no longer disturbed by incoming telephone calls from the citizens and businesses. They also had to handle somewhat more matters compared with before, due to increased number of incoming matters. Several case administrators at the departments in case A commented that they wanted to have more time for competence development within their specific area of competence.

Some case administrators missed the earlier spontaneous contacts with citizens, while others were satisfied with contacting the citizens themselves instead. The initiation of the work with handling of a matter had changed compared with before. Now the matters were transferred to groups of case administrators rather than being initiated by telephone contacts from citizens or private organizations. This change led to more co-operations among the case administrators, and the organization became more process-oriented. Some case administrators who liked to work individually could have problems adapting to the more process-oriented co-operative work.

## **7 Conclusions**

According to our research question we have identified, analysed and discussed several challenging issues for municipal organizations when contact centres – a local e-government initiative – are implemented

A main challenge from a management perspective is to choose a relevant implementation strategy. The implementation strategies varied in each case, and affected the pace of implementation, attitudes and motivation aspects, the mental view and understanding of the implementation. The implementation could initially be carried out quickly using a top-down strategy, but could lead to problems of negative attitudes and lack of motivation due to lack of participation. There could also be problems with understanding the implementation due to lack of relevant information and involvement. A more bottom-up strategy with greater participation by the affected employees will take more time to carry out, but could contribute to a better understanding, more positive attitudes and greater motivation.

The financing strategy of the CC is another challenging issue for management. The financing of the CC caused troubles for the contributing back-office departments in both cases, but in somewhat different ways and in different phases of the process. It is important to anchor the applied financing models regulating the contribution of financing from the back offices at an early stage of the implementation process and also to specify early on what work processes should be transferred to CC. The recruitment strategies were related to the economic model for financing of the CC in both cases. The recruitment of municipal guides to the CC in case A, where they were handpicked by the manager, was successful while there were some negative reactions in case B with the initial recruitment process due to the fact that employees from the back office were recruited to CC against their will.

As all incoming matters were registered in information systems for handling of matters, managements received a new source of information regarding the needs of citizens or businesses. The potential of using registered information as a source for planning and decision-making was not yet fully utilized in the municipal organizations, although some statistics were produced. It is a management challenge to develop further systems and procedures in order to utilize the full potential of the registered information

It is also a management challenge to organize the work in the CC in order to meet efficiency aspects as well as quality aspects from citizen and employee perspectives. In both cases there were combinations of formal and informal learning strategies in the CCs which seemed to contribute to continuous learning processes. The flexible and close co-operation among the employees at the CC contributed to a good co-operative working climate facilitating the learning processes. In both cases there was a need to have continuous updating of skills, although there were somewhat different competence needs in the cases related to the organization of the work. The organization of the CC in case A with organization of the work in one single group required more generalist than specialist competence compared with case B. The organization of the CC in case B in response groups required more specialist competence.

Competence development related to the implementation of CCs is a challenging aspect both for the employees at the CC and the case administrators at the back office. Some learning challenges for the case administrators were to adapt to a more process-oriented organization of their work, and more co-operation with their colleagues both in the back office and at the CC. They now had the possibility to plan their work with handling of matters in a better way than before, but some case administrators missed the earlier spontaneous contacts with the clients. Initially, many case administrators were afraid of losing their jobs and work tasks to CC, contributing to negative attitudes towards CC, and hampering the learning process of taking part in the implementation process.

Finally, based on a theoretical discussion of e-government and NPM in the digital age, this study indicates that the implementation of CCs may be viewed as a result of the theories of NPM in the keywords of efficient public services and introducing market mechanisms. Further, the results indicate that it is important to be familiar with some common success factors although some of the effectiveness of solutions is contingent upon the specifics of local contexts. However, although this research concerns Swedish municipal CCs, the contributions of the findings in this study may be relevant to contact centres in other settings like public authorities or to reorganization not only within municipalities but also in similar organisations.

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