

Responses from the Frontline

How Organisations and Street-level Bureaucrats Deal with Economic Sanctions

Caswell, Dorte; Høybye-Mortensen, Matilde

Published in:
European Journal of Social Security

Publication date:
2015

Document Version
Publisher's PDF, also known as Version of record

[Link to publication from Aalborg University](#)

Citation for published version (APA):

Caswell, D., & Høybye-Mortensen, M. (2015). Responses from the Frontline: How Organisations and Street-level Bureaucrats Deal with Economic Sanctions. *European Journal of Social Security*, (1), 489-503.
http://ejss.eu/table_of_content.aspx?sy=2015&pn=1

General rights

Copyright and moral rights for the publications made accessible in the public portal are retained by the authors and/or other copyright owners and it is a condition of accessing publications that users recognise and abide by the legal requirements associated with these rights.

- Users may download and print one copy of any publication from the public portal for the purpose of private study or research.
- You may not further distribute the material or use it for any profit-making activity or commercial gain
- You may freely distribute the URL identifying the publication in the public portal -

Take down policy

If you believe that this document breaches copyright please contact us at vbn@aub.aau.dk providing details, and we will remove access to the work immediately and investigate your claim.

RESPONSES FROM THE FRONTLINE: HOW ORGANISATIONS AND STREET- LEVEL BUREAUCRATS DEAL WITH ECONOMIC SANCTIONS

DORTE CASWELL and MATILDE HØYBYE-MORTENSEN*

Abstract

Economic sanctions have gained more political legitimacy and are being more widely used as a tool to improve the willingness of unemployed welfare recipients to participate in activities within the framework of active labour market policy (ALMP). The focus of this article is the use of economic sanctions on cash benefit recipients in Denmark. Quantitative analyses show a substantial increase in the use of economic sanctions in Denmark, including sanctions on those who are categorised as having problems in addition to unemployment. In this article we will direct our attention to responses from both the organisational and individual level regarding the implementation of sanctions. Empirical material consists of interviews with managers and frontline social workers in municipalities with a high number of sanctions. We argue that organisations matter in shaping street-level behaviour, resulting in substantial differences in the use of sanctions from one municipality to another.

Keywords: economic sanctions; organisational practices; social work; street-level organisation; unemployed

1. INTRODUCTION

Economic sanctions have gained more political legitimacy and are being more widely used as a tool to improve the willingness of unemployed clients to participate in activities within the framework of active labour market policy (ALMP) in Denmark

* Dorte Caswell is an Associate Professor in the Department of Sociology and Social Work, Faculty of Social Sciences, Aalborg University. Address: Frederikskaj 10, 2450 Copenhagen SV, Denmark; phone: +45 9940 2614; e-mail: caswell@socsci.aau.dk. Matilde Høybye-Mortensen is a researcher at KORA, Danish Institute for Regional and Local Government Research. Address: Købmagergade 22, 1250 Copenhagen K, Denmark; phone: +45 21937015; e-mail: maho@kora.dk. The study was financed by The Council for Socially Marginalized People.

(Caswell *et al.* 2011). Reforms in many countries have shifted the way in which welfare states treat citizens who are unable to participate in the labour market (Soldatic and Pini 2012). In Denmark the reforms have gradually widened the target group for the active programmes, increased the requirements placed on the unemployed, introduced harsher penalties for their failure to meet these requirements, and placed greater emphasis on compliance (Bigby and Files 2003). The use of economic sanctions on cash benefit recipients is central to this development. Quantitative analyses show a substantial increase in the use of economic sanctions in Denmark, including sanctions on those who are categorised as having problems in addition to unemployment (Caswell *et al.* 2011). In 2006, 6.8 per cent of clients categorised as not ready for the labour market were sanctioned. In 2013, 13.5 per cent of clients in this category received a sanction (jobindsats.dk). The focus of this article is on the use of economic sanctions on cash benefit recipients with multiple barriers to work. These clients are sometimes referred to in the literature as the ‘hard-to-serve’ or the ‘hard-to-employ’ (Butler *et al.* 2012; Soss *et al.* 2011a).

Sanctions are administered by street-level bureaucrats working in welfare organisations; a group of employees who are considered to have a major impact on policy, since they are delivering the services to the citizens (Lipsky 1980). The street-level bureaucrats’ room for manoeuvre is, however, like the hole in the doughnut, surrounded by a belt of restrictions (Dworkin 1978: 31). The restrictions are imposed from national, local and operational levels, giving rise to the organisational perspective on street-level bureaucracy (Brodkin 2008). In Denmark there are substantial differences in the use of sanctions from one municipality to another, a difference which is not immediately explicable by differences in the characteristics of the unemployed (Caswell and Høybye-Mortensen 2011). Thus, the municipal organisations seem to have an impact on shaping street-level behaviour in imposing sanctions. This argument is in line with the findings of Soss, Fording and Schram (2011a; 2011b), who see sanctions as organised practice, which means that sanctions are reflecting organisational characteristics and not merely client characteristics. The ambition of this article is to explore the point made by Soss *et al.* (2011b) that few studies have paid attention to the different aspects of organisational structure, process and culture in relation to the use of sanctions. They argue that: ‘The omission is striking because it ignores the obvious fact that sanction decisions are made in the context of organizational routines, by actors who occupy specific organizational positions (...) scholars have failed to address one of the most distinctive and critical features of contemporary poverty governance: the interplay of systems for disciplining clients (e.g., sanctions) and systems for disciplining service providers (e.g., performance management)’ (Soss *et al.* 2011b: 205).

The performance measures in the Danish case are somewhat different from and less harsh than in the North American case, and we therefore want to investigate how this works in a different setting, namely the Danish setting. A substantial part of literature on the use of economic sanctions has focused on welfare recipients and the effects of

these sanctions in terms of welfare exit (Rosholm and Svarer 2008; Svarer 2011; Van der Klaauw and Van Ours 2013). In this article we contribute to the research on economic sanctions in three different ways. First, we contribute to the limited literature on the interplay between sanctioning systems aimed at clients and systems for disciplining service providers (in Jobcentres and Cash Benefit Offices) as pointed out above by Soss *et al.* Secondly, we explore economic sanctions in a rather different setting, that is, in a universalistic welfare state, where benefits are considered generous and in a country with a long tradition of ALMP. Thirdly, but related to the first two ways, we explore economic sanctions in a different governance setting. Whereas the employment service in the US is primarily run by private providers who are at risk of going out of business if they lose customers, the employment services in Denmark are run by municipalities as essential organisational units within the Danish welfare state. However, municipalities are potentially at risk of losing the task of managing the employment services if they are perceived, at a national level, to be performing poorly (Thuesen *et al.* 2009).

Previous research has shown that the implementation of ALMP policies in the Danish municipalities has tended to be more in line with a human capital and social integration approach than with a disciplining and harsher work-first approach (Larsen 2001; Larsen and Bredgaard 2009). In a recent Danish study only 13 per cent of the caseworkers across the Danish municipalities gave highest priority to ‘using economic sanctions when clients fail to appear at meetings in the jobcentre’ (Jørgensen *et al.* 2014). Our expectations would be that, given the long tradition of ALMP in Denmark (Larsen 2013), the implementation of sanctions will co-exist with a focus on social integration and human capital, making the sanction practices less paternalistic in Denmark than elsewhere, especially for the hard-to-employ.

Our two research questions are, first, how does the implementation of a sanctioning regime reshape the conditions of work in the municipal employment services? And, second, how do workers and managers respond to these conditions in practice?

2. THE ORGANISATIONAL PERSPECTIVE ON STREET-LEVEL BUREAUCRACIES

In this section we outline the literature on street-level bureaucrats – and the organisations they inhibit – in order to develop a theoretical framework for the analysis. A central point in the literature on street-level bureaucracy is that policy is not created by politicians but rather translated and realised at the very frontline of the welfare state (Lipsky 1980). If the actions of street-level bureaucrats diverge from national policies, it is arguable that this poses a problem for democracy. Numerous studies have followed this line of thought and have attempted to explain why and how this seems to be the case (Hupe and Hill 2007; Sandfort 2000 and many others). Street-level bureaucrats, by definition, have room for discretion. Their discretionary role is central to the study of street-level bureaucracies. However, previous research

shows differing approaches as to how to view the application of discretion in a welfare benefit context. While initially the literature focused on the shared dilemmas of street-level bureaucrats across several areas of welfare provision (Lipsky 1980), later works have focused on other ways of understanding or explaining the divergence between national policy and welfare provision at the frontline. Some studies have focused on individual differences between street-level bureaucrats in relation to political preferences or disagreement with national policy (May and Winter 2007; Winter 2002). A more recent stream of research on street-level bureaucracy focuses on the role of organisations in analysing street-level behaviour (Brodtkin 2011; Soss *et al.* 2011b). The organisational approach ‘begins, not at the policy level, but at the organizational-level, examining what they do in street-level practice, why, and what these practices produce’ (Brodtkin 2008: 322). A central argument in this line of research is that new public management strategies, such as performance measures and other forms of accountability, shape the coping strategies of the street-level bureaucrats in diverse and complex ways. Studying welfare sanctions in the US, Soss *et al.* (2011a; 2011b) point out that a traditional street-level perspective on the use of sanctions may lead to misinterpretation. Perceiving the street-level bureaucrat as a policy-maker may lead to criticism from several sides. At one end of the spectrum, the critics may say that frontline workers play a crucial role when they fail to implement the economic sanctions properly. Critics from a different part of the spectrum may argue that tough punitive tools in the hands of frontline workers may lead these workers to use them in unjust and arbitrary ways. Soss *et al.* argue that when it comes to analysing sanctions, it is problematic to omit the organisational level in relation to street-level behaviour. They claim that ‘...organisational forces can shape worker autonomy and channel behaviour at the frontline’ and further, that ‘...organisational routines, tools, norms, incentives, information systems and categories of understanding function as mechanisms of social control that shape the use of discretion in predictable ways’ (Soss *et al.* 2011b: 225). In other words, the frontline worker inevitably has room for discretion, but the organisations influence the use of discretion at the frontline. For instance, Soss *et al.* (2011a; 2011b) found that, in the case of TANF (Temporary Assistance for Needy Families), the use of sanctions could be explained by different mechanisms. One such mechanism was that due to the lack of other offers social workers turned to the threat of sanctions in order to achieve compliance from the client. Rather than believing in the actual effect of the sanction, it was seen as a result of A leading to B; the threat of a sanction, in the hope of compliance, resulted in actual sanctions when compliance did not occur. Discretion plays an important part when economic sanctions are imposed on those who have substantial problems in addition to unemployment. Thus, discretion is not only defined by street-level bureaucrats, but also by street-level organisations. Soss *et al.* (2011b) argue that caseworkers are ‘ambivalent actors caught in the cross-pressure of competing values, identities and organizational forces (...) most express a strong commitment to social service ideals and value their identities as providers who are responsive to clients’

needs' (Soss *et al.* 2011b: 291). They conclude: '...sanctioning is more than a response to client behaviours and characteristics and more than an individual action taken by a case manager. Sanctioning is an organized practice, and as a result, the frequency and incidence of sanctions depend on organizational forces' (Soss *et al.* 2011b: 227). Taking a closer look at the organisational side of sanctioning, practice seems relevant. In a brilliant study of encounters in French welfare offices, Dubois (2010) presents a similar argument: 'Through the institutions, collective norms are reproduced; the individual's rights and duties towards society are distributed' (Dubois 2010: 183). Thus, the argument here is that not only that norms and tools play a role at an institutional level, but they must also be analysed with an awareness of the role of organisations.

In this article, we direct our attention to responses from both the organisational and individual level regarding the implementation of sanctions. First, we focus our attention on how the use of sanctions is influenced by external pressures, such as performance measurement systems and bench-marking. The organisational infrastructure must first be outlined. By organisational infrastructure, we mean the formalised division of work and the physical layout of offices and tasks. Secondly, the internal conditions for imposing sanctions and the ways in which front line workers and managers respond to this are analysed. We focus here on the way in which managers and caseworkers explain and justify the active use of economic sanctions.

3. SETTING: THE DANISH UNEMPLOYMENT SYSTEM

Denmark maintains a high level of social security in the form of generous and universal access to welfare benefits combined with a flexible labour market. For this reason the country has received international attention and has been viewed as a positive example of active labour market policies (ALMP) (Kvist and Pedersen 2007; Svarer 2011). In European countries welfare benefits are frequently used to support the long-term unemployed. This is also the case in Denmark. The most important welfare benefit for marginalised people is a cash benefit. This is a temporary, monthly benefit, which is conditional on a set of eligibility criteria and is means-tested. In Denmark clients stay on this cash benefit for a long time, sometimes for many years. According to a recent policy document published by the Ministry of Employment, 15 per cent of cash benefit recipients have been receiving the benefit for more than five years, while 6 per cent have been cash benefit recipients for ten years or more (Ministry of Employment 2013).

3.1. POLICY DEVELOPMENT IN REGARDS TO ECONOMIC SANCTIONS

Through political reform, Denmark has seen a gradual but substantial widening of the target group for economic sanctions. Partly based on research (such as Rosholm and Svarer 2008; Svarer 2011), the Danish authorities have widened the use of economic

sanctions with the assumption that these are an effective tool for motivating unemployed people to get back into employment.

The use of sanctions has been promoted at a national policy level since the mid-1990s through numerous reforms, legislation and political rhetoric. The beginning of 2013 saw yet another reform of the cash benefit system (Ministry of Employment 2013) which reflects political confidence in the positive effects of economic sanctions. It introduces harsher economic sanctions and focuses on enhancing the clients' transition into work. Sanctions are identified as the solution for a certain hypothetical group of clients, that is, those who 'systematically avoid the demands placed upon them' (Ministry of Employment 2013). The many ALMP reforms in Denmark have not only reformed the substance of policy, but equally importantly, the reforms have been technical and focused on the operational level of how policy is translated into practice in street level organisations (Larsen 2011). Specific performance measures have been implemented alongside these reforms and are now important tools for politicians and managers (Hammerschmid *et al.* 2013). For instance, the frequency of interaction between frontline workers in the Jobcentre and cash benefit recipients has been prescribed in legislation and the categories used to define the type of measures have been defined by the National Labour Market Authority (Caswell 2013). These categories are closely intertwined with the type and likelihood of economic sanctions aimed at the client.

According to a study from 2011 (Caswell *et al.* 2011), 11 per cent of all cash benefit recipients are sanctioned (around 15,000 individuals) and around 40 per cent of them are subject to two or more separate sanctions. The study also showed that, compared to cash benefit recipients as a whole, those who receive an economic sanction are more likely to be younger and male, with little or no education. According to the website jobindsats.dk, which contains information from the National Labour Market Authority, 21 per cent of all cash benefit recipients were subject to one or more sanctions in 2013 (jobindsats.dk). The vast majority of these sanctions are 'periodical sanctions' (Caswell *et al.* 2011 and jobindsats.dk). This means that the cash benefit is stopped from the moment a client refuses an offer, fails to attend a meeting or in other ways fails to live up to demands placed on them by the welfare system. Thus, in effect, the social security safety net is removed from the client until they change their behaviour to meet the requirements imposed by the Jobcentre. In next section we illustrate how different sanctions are related to different types of non-compliance with the requirements of the Jobcentre.

3.2. THE MUNICIPALITIES ROLE IN IMPLEMENTING SANCTIONS

Danish municipalities play a very important part in delivering welfare services as they are in charge of implementing national legislation. Danish municipalities have wide spread autonomy and can collect taxes. Local differences are thus to be expected. The employment services, however, are one of the most heavily regulated

areas. National legislation contains rules guiding the application of discretion as well as the organisation of the municipal employment services. We return to this later in the article. The use of economic sanctions cannot be separated from discretionary practices at the municipal level. The legislation states that, when it comes to clients with problems in addition to unemployment, the municipality has to make an individual assessment as to whether sanctions should be used. In the legislative documents the 'municipality' is always named as the implementing actor, and not, for instance, the caseworker. The 98 Danish municipalities show significant differences in their use of economic sanctions, even when background factors such as the unemployment rate, the population's age profile and educational level are taken into account, indicating that discretion either at organisational or individual level, is being applied differently across municipalities. If the frontline workers at the municipal Jobcentre find a client to be ready to participate in a specific activation project, then the client is required to participate. Consequently, active labour market measures and the target group for them must be defined and developed at the municipal level. Sanctions are directed at non-compliance. For clients categorised as ready for the labour market, compliance entails accepting job offers and job seeking activities. Compliance is, however, also required of clients who have problems in addition to unemployment. In these cases the focus is not on the client applying for jobs, but rather on the client's willingness to participate in meetings with frontline workers at the Jobcentre or in activation projects aimed at dealing with any problems that might prevent them from being available for work. After January 2014, cash benefit recipients are, by definition, either ready for the labour market, ready for education or ready for active measures to overcome barriers for labour market participation. This means that it is now impossible for the Jobcentre to define clients as 'temporarily passive', which previously existed as a category for those unemployed clients whom any kind of activation was believed counterproductive. The implication of this is that all clients, including those with substantial problems other than unemployment can be sanctioned, if they have been given an active offer deemed to be appropriate for them.

4. METHODOLOGY

This paper is based on interviews with managers and caseworkers working with cash benefit recipients in municipal Jobcentres. The data stems from a qualitative study of two municipalities which both have a high level of sanctions compared to other Danish municipalities.

The qualitative study included 18 interviews: five interviews with management and staff in both municipalities and eight interviews with cash benefit recipients who had repeatedly experienced economic sanctions. We approached management in the selected Jobcentres to ask for their participation. The municipalities were

informed that we had chosen them because of their high level of sanctions. Both of the selected municipalities agreed to participate.¹ In both municipalities all relevant managers were interviewed. A number of caseworkers were also selected for interview. This selection was done in cooperation with the management at the municipality. The caseworkers selected were selected on the basis of their work experience in dealing with the particular group of cash benefit recipients we were interested in (cash benefit recipients with problems beside unemployment). The interviews were conducted in the offices of the interviewee. They were semi-structured and focused on factors in the municipal landscape that we expected would play a role regarding the use of economic sanctions. These factors were local political priorities, municipal organisation, the logic of practice in the municipalities including attitudes of the street-level bureaucrats towards clients, ALMP and economic sanctions. In the different interviews we focused, in particular, on how economic sanctions were perceived and used in everyday practice by both managers and caseworkers in the two municipalities. The data also included observation at an activation project aimed at this particular group of benefit recipients. During the observation (one day in each project) informal conversations were conducted with the professionals at the activation projects regarding attitudes towards and the use of economic sanctions in the municipality. The interviews conducted in Municipalities A and B were systematically coded for phrases where the use of economic sanctions was described, and in particular for how the different actors explained what organisational trademarks made the use of economic sanctions possible. All accounts of how economic sanctions were used, including justifications and explanations, have been included. By analysing the interviews we identified the organisational infrastructure and the procedures used when using sanctions. In the findings section below, we present this data using quotes that represent patterns found across the interviews.

4.1. THE TWO MUNICIPALITIES

The two chosen municipalities (A and B) are not significantly different from other municipalities on any observable variables other than their high level of sanctions. They are located in two opposite corners of Denmark. In terms of population both are slightly smaller than the average Danish municipality. One is located in a more rural part of Denmark, while the other is closer to the capital and thus defined as a non-rural municipality. Both municipalities have a lower number of cash benefit recipients per 100 citizens than the national average. In addition, they both have a substantially higher than average level of sanctions.

¹ One manager even said in the initial contact that ‘obviously you want to see how we do, as we are doing so well when it comes to sanctions.’

Table 1. Municipalities A and B in relation to the rest of Denmark

	A	B	Country average
Population	40,400	52,500	55,000
Rural/non-rural	rural	non-rural	
Number of cash benefit recipients per 100 citizens	1.7	1.2	2.3
Level of sanctions	34%	24%	11%

Sources: Data from www.noegletal.dk/ provided by the Ministry of Economic Affairs and the Interior and www.jobindsats.dk/ provided by the National Labour Market Authority.

It is not possible to generalise from this analysis to the use of economic sanctions in Denmark as a whole. However, it does enable us to identify some of the internal organisational structures and responses from managers and workers regarding the frequent use of economic sanctions. Due to the qualitative nature of the study as well as the chosen perspective on the use of sanctions, this analysis is mainly explorative. The two municipal organisations that were selected are not representative of the entirety of Danish municipalities, but rather represent types of organisations in which the use of economic sanctions is relatively high. Looking at comparative cases of municipalities with low rates of sanctions would undoubtedly have strengthened our empirical design. However, this was unfortunately not possible in the study and it limits the extent to which we can make general conclusions.

5. FINDINGS

The structure of the findings section of the article is as follows. First, we analyse how the use of sanctions is influenced by external pressures by looking at information systems and performance measures that support the use of economic sanctions towards cash benefit recipients in the municipalities. Secondly, we analyse the internal conditions for imposing sanctions and the ways in which front line workers and managers respond in the two municipalities.

5.1. EXTERNAL PRESSURE: INFORMATION SYSTEMS AND PERFORMANCE MEASURES

There is external pressure from the regional and the national level on municipalities when it comes to the use of sanctions. In this part of the analysis we take a closer look at the information systems and performance measures that support the use of economic sanctions on the cash benefit recipients in the municipalities. This external

pressure is applied on all municipalities, but it is outside the bounds of this analysis to go beyond the two selected municipalities.

The regional authorities in Denmark monitor the municipalities and publish the ranking of municipalities in terms of number of sanctions. The interviewees refer to these rankings. One caseworker said: ‘The attendance register goes directly to the administrative group who sanction. I don’t even get told. It is incredibly efficient and clever (...) it is way more systematised here, so that is why we are placed so well in the statistics [that is, we have a high sanction rate]’ (Caseworker, Jobcentre B). To be ‘placed well’ in the statistics means that they are ‘at the top of the list’ (see Table 1) when comparing how many sanctions the municipalities impose on their cash benefit recipients. Both municipalities (A and B) are at the top of the list in their respective regions because they sanction more frequently than other municipalities in the region. This is considered good and desirable in municipalities A and B.

According to regulations, an assessment must be made by the municipality prior to any sanctions, assessing whether the sanctions are likely to promote the client’s availability for work or attendance. The legislation does not specifically state that sanctions should be imposed whenever a cash benefit recipient fails to attend an activation project, an interview at the Jobcentre or even if the cash benefit recipient rejects a job offer. Discretion is inherent in these decisions. This is, however, not how the Head of Department in Municipality A sees it: ‘...all of them [the different types of sanctions] (...) those sanctions are not discretionary. It says “HAVE TO” in the legislation (...) we do not use discretion in that way, unless of course there is a legitimate reason for the client not turning up.’

The interpretation of the legislation applied in this municipality only allows for the caseworkers’ right to exercise discretion in the assessment of legitimate reasons for not doing something. It excludes the element of discretion from the assessment of whether sanctioning promotes availability for work or active measures. The municipal interpretation of the legislation thus becomes decisive for the cash benefit recipient’s risk of sanctioning.

The legislation states the obligation to use discretion in each case where sanctioning is considered, while at the regional level efforts are made to promote the municipal use of economic sanctions. The records from the municipalities are transferred to a national database and used for analyses. This data is published on the website jobindsats.dk. The website enables the comparison of individual municipalities with a few mouse clicks. As an example, one of the municipalities in this study has been compared to the neighbouring municipality (see Table 2, below). The comparison clearly shows a substantial difference between the levels of sanctions in the two municipalities. In our case, Municipality A, almost 40 per cent of the unemployed clients (Match 1) who were considered to be ready for the labour market were subject to a sanction in 2011, compared to 13 per cent of a similar group of unemployed clients in the municipality right next to them.

Table 2. Level of sanctions in Municipality A in relation to the neighbour municipality, 2011

		Proportion of unemployed subject to a sanction (percentage)
Municipality A	Match 1	39.8
	Match 2	22.6
	Match 3	5.7
Municipality in the same region, situated right next to A	Match 1	13.0
	Match 2	18.8
	Match 3	3.6

Note: Match Category 1 (ready to work), Match Category 2 (ready for active measures), and Match Category 3 (temporarily passive).

The regional authority uses this data when they communicate with the municipalities about their implementation of ALMP, including the use of economic sanctions. The data enables the municipal level of sanctioning to be used as a performance measure, although without set targets to be met. The regional authority monitors and advises the municipalities within the region on their implementation of ALMP. The strong signals from both the regional and national levels on sanctioning as a desired practice may cause some municipalities to play it safe. In cases where the municipality is uncertain about the rules, they might choose to use a sanction whenever a client is absent. The database can be seen as a form of ‘naming and shaming’ (Hammerschmid *et al.* 2013) to make public the number of sanctions used by the municipal organisations.

The use of economic sanctions can be seen to have a double effect: not only is the client sanctioned financially for non-compliance, but the street-level organisation is also sanctioned through a public ranking system and varying degrees of pressure from regional and national authorities. The two municipalities in this study did, however, comply with the intentions from central government. A caseworker from Municipality A said: ‘It [state regulation and reimbursement] affects the management extremely. That is the only thing on their mind and obviously it influences the caseworkers. There are many things you wouldn’t do if you didn’t have to. The system has become so much more dynamic. The money comes from “above” and the attitudes are transferred downwards. It is tremendously important’ (Caseworker, Municipality A).

Different kinds of performance measures are used to promote the implementation of ALMP. One of these is the use of financial reimbursement linked to specific activities in the organisation. The legislative demand to have meetings with clients every three months (timeliness) is one, and the degree to which clients are given activation offers (degree of activation), is another. The level of compliance with this also differs across municipalities. In these highly sanctioning municipalities their approach seems to

mirror the intentions from central government. A caseworker says: ‘Our municipality has benefited financially on reimbursement from the state because the demands for activity has matched our municipal vision that you must “give to get something”’ (Caseworker, Municipality A). Another caseworker refers to the performance measure of timeliness as a reason for the increase in the use of sanctions: ‘Timeliness. There has to be an explanation as to why we have not had that meeting with the client or given an activation offer to him or her. There are more demands and thus more ways of not complying. That is why there are more situations in which you can sanction’ (Caseworker, Municipality B).

5.2. INTERNAL CONDITIONS AND PROFESSIONAL RESPONSE

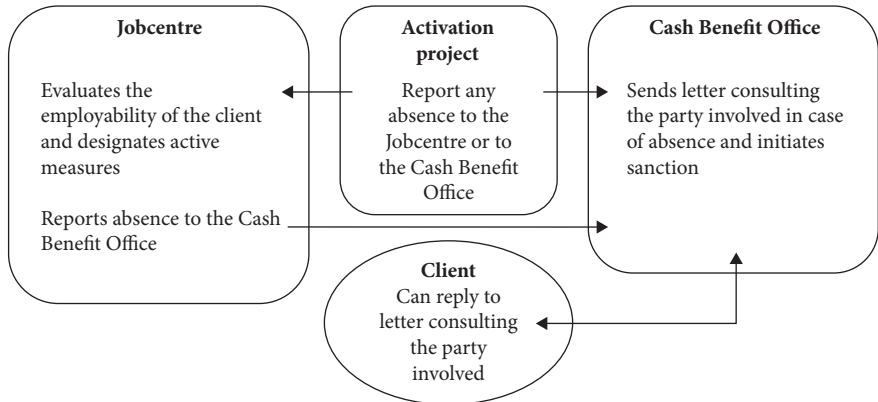
In this second part of the analysis we focus on the internal conditions for imposing sanctions and ways in which front line workers and managers respond to this in the two municipalities. Again, we initially take a look at the overall structure in all Danish municipalities before taking a closer look at the two highly sanctioning municipalities in this study.

Three organisational units are important: the Jobcentres, the Cash Benefit Offices and the different activation projects. It was decided by law in 2007 that the Jobcentres and the Cash Benefit Offices should be physically separated. As a consequence, the Jobcentres carry out the assessment of the client and the Cash Benefit Offices handle benefit payments and impose the economic sanctions (withholding benefit payments). However, there is room for discretion at municipal level as to how the competences and tasks are divided between the Jobcentres and the Cash Benefit Offices. The typical organisation of the work in the 98 Danish Jobcentres means that caseworkers in the Jobcentres make the initial assessment of the client’s potential in the employment market. The assessment ranks from Match Category 1 (ready to work), Match Category 2 (ready for active measures), and Match Category 3 (temporarily passive).² The caseworkers at the Jobcentre are also in charge of follow-up interviews and transferring clients to different types of activation.

Figure 1 illustrates the typical organisation of work when a sanction is imposed. Once a client is appointed to an activation project, the professionals responsible will monitor the client’s attendance and report any absence to the Jobcentre or the Cash Benefit Office.

² With the implementation of the recent cash benefit reform in 2014, the match categorisation tool has been discontinued. There is now a different way of categorising the cash benefit recipient as either ready for work, ready for education, or ready for active measures. This may enhance the opportunities for sanctions, as no cash benefit recipient can avoid activity of some kind (even if it is just a weekly 30-minute phone call with a mentor). At least in theory, refusing this will provide an opportunity to sanction.

Figure 1. Organisational structure of the sanction process in the municipalities



The two municipalities (A and B) are both organised along the lines described above. However, they have made local adjustments, which we consider to be likely contributors to their high level of economic sanctions. In both municipalities there is a high degree of specialisation and separation of competences between the Jobcentres, Cash Benefit Offices and activation projects. The separation divides the responsibility for imposing sanctions between the individual units. First, the Jobcentre caseworker carries out an assessment of whether or not the client can participate in an activation project. Second, the professional at the particular activation project reports the client's absence, and, finally, the Cash Benefit Office withholds the benefit payment, but has no direct contact with the client.

This separation between an assessment of the client and the withholding of benefit constitutes an example of how the responsibility for economic sanctions is distributed between units. In Municipality B, the Head of Department describes the organisational structure as follows: 'Officially we cannot make rules for how to apply the discretion, so obviously we are not doing that. On the other hand, we do have some rules about who can do what. What we have done in relation to the economic sanctions is not to involve the caseworker in the issue of non-attendance and absence from an activity. This means that once a caseworker has assigned somebody to an activity, the actual monitoring and report on absence is between the activity and the Cash Benefit Office' (Head of Department, Municipality B).

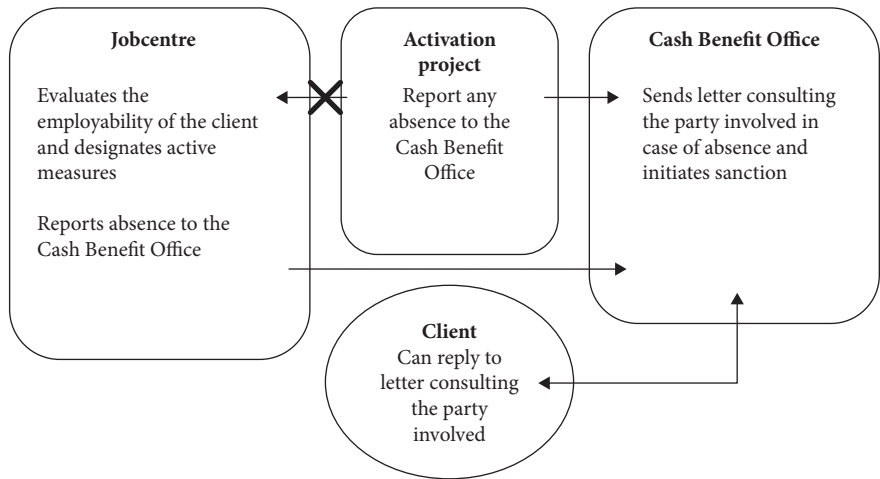
So the administration of economic sanctions in Municipality B relies on the distance between the authority imposing the sanctions (the Cash Benefit Office) and the client and, at the same time, on automatic procedures. Each time a municipality intends to impose an economic sanction the client will be sent a letter so that he or she has a chance to respond. If the client does not respond to the letter, the authority imposes the sanction. When the client does respond and provides an explanation for the absence, the municipality has to assess whether the explanation is satisfactory.

The separation of tasks in relation to the economic sanctions is considered pivotal in the municipalities. A supervising caseworker from Municipality B explains: ‘We have a sharp division of labour. Of course we do the casework, but it is in the Cash Benefit Office that the final decision about sanctioning is made. We believe that by separating the two it becomes more straightforward. The citizen cannot just call and say: “Well, I just couldn’t make it”. No, if you are not ill, you are not on leave, or your child is not ill, then there is no [valid] explanation as to why you are not attending your activity. They have firmer boundaries on this in the Cash Benefit Office, where they do not know the citizen. The citizen that we assign to activities needs to live up to the demands and call in sick and things like that. So we believe there is a benefit in separating the two things, to stand firm on the sanctioning. We want to use the sanctions, because we believe it creates trustworthiness. Once you have agreed to attend an activity, well, then one of the demands is to become responsible, to attend or at least to call in sick.’ (Supervising caseworker, Municipality B).

The quotation above illustrates how the caseworker plays no direct part in the sanctioning process. Once the client is attending an activity programme, any absence is reported directly to the Cash Benefit Office. The Cash Benefit Office then proceeds to withhold the benefit payment. One of the caseworkers interviewed suggests that the caseworkers’ separation from the sanctioning process can lead to a higher number of sanctions: ‘The employees in the Cash Benefit Office are clerical staff, and they just think: “Well, if someone has been absent then I shall withhold the money”. Where I believe that when a citizen calls his caseworker, who knows the life story of the citizen, the caseworker might be more likely to just say: “Well alright, never mind this time”. I believe the Cash Benefit Office is applying more consequences because they don’t know the citizen – what their problems are – they have just received a note which says “absence” and then they withhold the money.’ (Caseworker, Municipality B).

This caseworker’s perception is mirrored in the following statement by an employee at the Cash Benefit Office in Municipality A: ‘I don’t really go into whether it is good or bad or whether it [sanctioning] has an effect. If it’s been decided that it’s something we should do, then we do it. We are not supposed to feel or think – that’s the way it is in the cash benefit area – it’s a bit stricter and we apply the legislation without compromising.’ (Employee at Cash Benefit office, Municipality A). According to our mapping of the infrastructure and the informants’ perception the organisational division of labour facilitates the high use of sanctions. This is shown in Figure 2, below. Note that the difference with Figure 1 is the lack of connection/communication between the Jobcentre and the activation project.

Figure 2. Organisational structure of sanctions in Municipality A and B



The managers and Caseworkers in the two municipalities explained and justified the active use of economic sanctions in the municipalities in a number of different ways. One explanation was contradictory with reference to different bureaucratic and professional norms. At the local level the management praised the caseworkers' professional values and highlighted them as a safeguard against unjustified decisions. Other responses either justified sanctions, displayed pride with sanctions or excused sanctions. Below we illustrate these patterns in the data using quotes from interviewees.

5.3. CONTRADICTIONARY JUSTIFICATIONS

One manager stated: 'I have never experienced a situation where we have been too strict [made a citizen attend an activity he was not fit for]. The social workers make the assessments, and they are really good at making a correct professional welfare assessment. We have high ethical standards in our work and high professional standards.' (Team Leader, Municipality A). This manager used the social workers' professional values (as opposed to the professional values of clerical staff) to substantiate her argument about how they were never too strict with clients and did not impose unjust sanctions. However, the same manager repeatedly stressed how the employees should not be allowed to exercise discretion when deciding whether or not to apply economic sanctions. She argued that, in their organisation, it is considered an offence if they did not use the economic sanctions available. She said: 'As a general rule I don't think you should be allowed to use discretion because it simply makes it too hard for the caseworkers. I mean, illegal absence is illegal absence [if the client is not attending their activities and does not have a medical certificate it is illegal absence and they can be subjected to economic sanctions]. Based on their match category, we have assigned activities to them

that they are able to attend, even though they might have very few resources' (Team Leader, Municipality A). This manager regarded compliance with organisational rules as the main priority for her staff. Such a view runs counter to what would normally be considered professionalism, which can be defined by the professional's right to exercise discretion in a particular area (Molander and Terum 2010). Bearing in mind our preceding analysis, it also appears that the organisational infrastructure facilitates a bureaucratic approach to the client, that is, an approach primarily concerned with procedures and regulations. One could argue that the manager expressed contradictory justifications: on the one hand, the caseworker's correct and professional assessment served as a legitimate basis for the use of sanctions, which implies the positive recognition of the caseworker's professionalism. However, in the case of sanctions she made assumptions about the very same professional's ability to exercise discretion ('It is too hard on the caseworkers'), thus promoting their predominantly bureaucratic approach. The responses of the caseworkers illustrate similar contradictions, this time between the overall aim of sanctions (to promote clients' exit from welfare benefits, preferably to work) and a professional social work norm of helping people cope with undesirable life situations. A caseworker says: 'No, they [the sanctioned cash benefit recipients] do not necessarily become more self-supporting. It may make them more responsible. They have to understand that cash benefit is a temporary benefit. If a person feels responsible for the duties they have, it can help them to move on' (Caseworker, Municipality B).

5.4. JUSTIFYING SANCTIONS WITH SOCIAL WORK NORMS

When a caseworker was asked what an economic sanction was, she explained it as a means to establish contact with the clients. A caseworker in municipality A said: 'It's not like they will sober up from one day to the next just because we cut their benefits, but it might make them pop in so we can get them to start alcohol treatment, activation or something else'. In addition, she used consideration for the client as the justification for sanctions. In Municipality B the picture appears to be very similar. Caseworkers saw the use of sanctions as a way to get in contact with the client if all else failed: 'an economic sanction is our tool to get in contact with the citizen, if we can't otherwise get in contact with them' (Caseworker, Municipality B). The caseworker in this example argued that sanctions provide a tool for helping clients, since clients cannot receive the help they need if they choose not to communicate with the caseworkers. The sanction, or perhaps rather the threat of a sanction, appears to be seen by some of the caseworkers as a possible wake-up call for clients. The use of sanctions is also justified by the caseworkers by referring to respect for the client. 'I have this one addict (...) I believe he is able to come to meetings and he does show up. They just need to have the respect. They have to know that this is a job that I do – otherwise I might as well be a robot – it is because I mean well. I have to know if they need help, if they have an addiction, so yes, they do get deducted [i.e. their cash benefit is removed]. The same rules apply to them.' (Caseworker, Municipality A). The use of sanctions is justified

by caseworkers with reference to getting into contact with clients, helping them, as a wake-up call or as showing them respect. All of these justifications are based on the assumption that the sanction makes the client interact with the caseworker, but do not address the cases in which a sanction makes the client leave welfare altogether or may lead to unintentional consequences (such as crime, borrowing money, building debt, etc.). One caseworker implicitly addresses this by saying: 'I really wonder how people can live without benefits for months. They must be doing something else. People with drug problems – I really wonder how they get by' (Caseworker, Municipality A).

5.5. PROUD OF SANCTIONS

Another caseworker described why he believes this particular Jobcentre has one of the highest levels of economic sanctions: 'It is better organised. It runs administratively. It is not random whether the caseworkers use the sanctions or not' (Caseworker, Municipality A). The same caseworker explained how the management affected his attitude to using the sanctions: 'Clients have to be sanctioned. It is communicated at the meetings. Obviously, it has an impact on my work. I have to understand what the norm is here. For instance, I wouldn't sanction everybody, if the general attitude was against sanctions.' However, later in the interview when asked about his scope for discretion in regards to whether a client should be sanctioned or not, he stated that: 'I feel I have a lot of possibilities. I can write my way through it. Normally I can decide if they shouldn't be sanctioned. It's not like you have to use the sanctions' (Caseworker, Municipality A). The quote illustrates that, even though the caseworker perceived his room for discretion as large, the management affected the way he used it ('I have to understand what the norm is here'). According to the caseworker, the organisational infrastructure supported a bureaucratic approach. This allowed them to be at 'the top' of the ranking in the Jobcentre. At the same time he stated that there was considerable scope for the exercise of discretion.

5.6. EXCUSING OR DISAGREEING WITH SANCTIONS

The development in ALMP reforms have moved towards a stronger element of governance and now focus on the operational aspects of policy implementation (Larsen 2013). One of the arguments for this in Denmark has been the resistance of street level bureaucracies towards a work-first oriented practice. Although this resistance is far from pervasive in the interview data, some signs of resistance towards the use of economic sanctions can be identified data (from caseworkers in Municipalities A and B).

6. DISCUSSION AND CONCLUSION

When analysing the data from the two municipalities in which sanctions were used frequently, it appears that external pressure in the form of different possibilities for

performance measurement and bench-marking has impacted on the municipalities' way of organising the work – the sanctioning regime is both visible in the rhetoric and on the practical level (the organisational infrastructure) in the two municipalities. The reshaping of the conditions of work resulted not only from the sanctions directed at the clients, but also from the sanctions directed at the municipal organisational level. These sanctions were more subtle and included, for instance, the process of 'naming and shaming'. Both can be seen as aspects of accountability, and thus of holding both the citizens and the street-level caseworkers to account. This argument is similar to that of van Berkel (2013), who argued that activation policies can be seen to work in three ways: they activate the client, they activate the organisation and they activate the frontline workers.

Workers and managers responded to these conditions by giving different forms of explanation and justification. The organisational routines and infrastructure mainly served to justify sanctions from a bureaucratic perspective, one primarily concerned with procedures and regulations, while organisational practice was simultaneously justified by references to professional norms and values. One contradictory explanation refers to both bureaucratic and professional norms. This can be seen in the way in which management praised the caseworkers as the safeguards of ethical considerations where no client with substantial social problems is unjustly sanctioned. At the same time, the organisation trumped the caseworker for more efficient implementation of economic sanctions. Other responses either justified sanctions, displayed pride with sanctions or excused sanctions. We argue in line with Soss *et al.* (2011b) that the caseworkers might have a hard time as they are seen as guarantors of high ethical standards, and, at the same time, their room for discretion is 'under attack' from their own management. Their professional norms might be contested by the organisational infrastructure, or possibly transformed by it. The dilemma present in these conflicting norms around the use of economic sanctions on cash benefit recipients mirrors a dilemma found by Soss *et al.* in their study of case managers' use of discretion and sanctions: while identifying positively with the labour market orientation and performance measures inherent in the policy towards the unemployed, they resist the '...dehumanizing force that threatens their commitment to a more caring and responsive vision of social service' (Soss *et al.*, 2011b: 222). A similar point is made by Schram and Silverman (2012) that, within the political framework of welfare to work, human service providers are required to 'not only discipline their clients but also staff in ways that call into question their ability to act consistently with the most altruistic ideals of the helping professions' (Schram and Silverman 2012: 129). We wish to nuance this point as we, in our material, see arguments from the helping professions that are used to justify and explain sanctions, so, at least on a symbolic level, the professionalism of social work still enjoys respect. This can, however, be an expression of hypocrisy, as pointed out by Nils Brunsson (1989).

Møller and Stone (2012) have analysed caseworkers' perspectives on the active labour policy paradigm in Denmark. They argue that norms are changing and that sanctions have played a part in that change. They claim that '...sanctions pressure

caseworkers to accept new norms of active labour policy' (Møller and Stone 2012: 16). The legitimisation of the use of sanctions represents a new organisational norm which is reflected in our study; one in which management applies a different – and stricter – interpretation of the legislation. This supports Brodtkin's point: '...what street-level organizations do in the name of policy is not limited to what formal policy would seem to require' (Brodtkin 2011: 200). Traditionally research on street-level bureaucracy has mainly focused on the ways in which street-level bureaucracies fall short in implementing policy. One might pose the question: to what extent do street-level organisations go beyond the legislation such as the case seems to be when it comes to the use of economic sanctions in Denmark?

REFERENCES

- ABBRING, J.C. and VAN OURS, J.H. (2005) 'The Effect of Unemployed Insurance Sanctions on the Transition Rate from Unemployment to Employment' *Economic Journal*, 115, 602–630.
- BIGBY, C. and FILES, W. (2003) 'Street-Level Leniency or Unjust Inconsistency? An Examination of Brach Recommendation Decision Making in a for profit Job Network Agency' *Australian Journal of Labour Economics*, 6(2), 277–291.
- BRODKIN, E.Z. (2008) 'Accountability in Street-Level Organizations' *International Journal of Public Administration*, 31, 317–336.
- BRODKIN, E.Z. (2011) 'Policy Work: Street-Level Organizations Under New Managerialism' *Journal of Public Administration Research and Theory*, 21, 253–277.
- BUTLER, D., ALSON, J., BLOOM, D., DEITCH, V., HILL, A., HSUEH, J. and REDCROSS, C. (2012) *What Strategies Work for the Hard-to-Employ? Final Results of the Hard-to-Employ Demonstration and Evaluation Project and Selected Sites from the Employment Retention and Advancement Project*. Office of Planning, Research and Evaluation (OPRE) Report, 8.
- CASWELL, D., ANDERSEN, H.L., HØYBYE-MORTENSEN, M. MARKUSSEN, A.M. and THUESEN, S.L. (2011) *Når kassen smækkes i: Analyser af økonomiske sanktioner over for kontanthjælpsmodtagere*. [Economic Sanctions Towards Cash Benefit Recipients – Analysing the Danish Case], København: AKF.
- CASWELL, D. and HØYBYE-MORTENSEN (2011) 'Så smækker vi kassen i!: Sanktion som redskab i kommunernes håndtering af kontanthjælpsmodtagere' [No more money coming your way! Punitive Sanctions as a tool in Municipal Frontline Bureaucracies]. *Tidsskrift for Arbejdsliv*, 4, 21–38.
- CASWELL, D. (2013) 'Socialt arbejde på beskæftigelsesområdet: – arbejdsløse, aktive tilbud og sanktioner' in GULDAGER, J. and SKYTTE, M. (eds), *Socialt arbejde*, København: Akademisk Forlag, 222–249.
- DUBOIS, V. (2010) *The Bureaucrat and the Poor. Encounters in French Welfare Offices*. Burlington, VT: Ashgate.

- DWORKIN, R. (1978) *Taking Rights Seriously*. London: Duckworth.
- FLYVBJERG, B. (2006) 'Five Misunderstandings About Case-Study Research' *Qualitative Inquiry*, 12(2), 219–245.
- HAMMERSCHMID, G., VAN DE WALLE, S. and STIMAC, V. (2013) 'Internal and external use of performance information in public organizations: results from an international survey', *Public Money and Management*, 33(4), 261–268.
- HUPE, P. and HILL, M. (2007) 'Street-level Bureaucracy and Public Accountability' *Public Administration*, 85(2) pp. 279–299.
- JENSEN, P., ROSHOLM, M. and SVARER, M. (2003) 'The response of youth unemployment to benefits, incentives, and sanctions' *European Journal of Political Economy*, 19(2), 301–316.
- JØRGENSEN, H., BAADSGAARD, K., NØRUP, I. and OLESEN, S.P. (2014) *Den faglige praksis i jobcentrene*. Aalborg: Aalborg Universitetsforlag.
- KVIST, J. and PEDERSEN, L. (2007) 'Danish labour market activation policies' *National Institute Economic Review*, 202(1), 99–112.
- LALIVE, R., VAN OURS, J.C. and ZWEIMÜLLER, J. (2005) 'The Effect of Benefit Sanctions on the Duration of Unemployment' *Journal of the European Economic Association*, 3, 1386–1417.
- LARSEN, F. (2011) 'Ny beskæftigelsespolitik via administrative reformer?' *Tidsskrift for Arbejdsliv*, 4, 40–55.
- LARSEN, F. (2013) 'Active labour market reform in Denmark: The role of governance in policy change', in BRODKIN, E.Z. and MARSTON, G. (eds.) *Work and the Welfare State: The Politics and Management of Policy Change*, Washington, DC: Georgetown University Press and Copenhagen: DJØF Publishing, 103–123.
- LARSEN, F. and BREDGAARD, T. (2009) 'Redesigning the governance of employment policies: decentralised centralisation in municipal jobcentres', in VAN BERKEL, R. and F. LARSEN, F. (eds.) *The New Governance and Implementation of Labour Market Policies*. Copenhagen: Djøf / Jurist- og Økonomforbundet, 45–69.
- LIPSKY, M. (1980) *Street-Level Bureaucracy: The Dilemmas of Individuals in Public Service*, New York: Russel Sage Foundation.
- MAY, P. and WINTER, S. (2007) 'Politicians, Managers, and Street-Level Bureaucrats: Influences on Policy Implementation', *Journal of Public Administration, Research and Theory*, 19(3), 453–476.
- MEAD, L.M. (1998) 'Telling the Poor What to Do' *The Public Interest*, 132, pp. 97–112.
- MESO, P. and SMITH, R. (2000) 'A resource-based view of organizational knowledgemanagement systems' *Journal of Knowledge Management*, 4(3), 224–234.
- MINISTRY OF EMPLOYMENT [BESKÆFTIGELSESMINISTERIET] (2013) Everybody can be of use. [Alle kan øre nytte] Reform of the cash benefit system, available at: http://bm.dk/~media/BEM/Files/Dokumenter/Pressemeddelelser/2013/Kontant_hjaelp_april/Aftaletekst_kontanthjaelpsreform%20pdf.ashx.
- MOLANDER, A. and TERUM, L.I. (eds) (2010) *Profesjonsstudier*, Oslo: Universitetsforlaget.

- MØLLER, M.Ø. and STONE, D. (2012) 'Disciplining Disability under Danish Active Labour Market Policy', *Social Policy and Administration*, 47(5), 586–604.
- ROSDAHL, A. and PETERSEN, K.N. (2006) *Modtagere af kontanthjælp. En litteraturoversigt om kontanthjælpsmodtagere og den offentlige indsats for at hjælpe dem*, København: SFI.
- ROSHOLM, M. and SVARER, M. (2008) 'The Threat Effect of Active Labour Market Programmes', *The Scandinavian Journal of Economics*, 110(2), 385–401.
- SANDEFORT, J. (2000) 'Moving Beyond Discretion and Outcomes: Examining Public Management from the Front Lines of the Welfare System', *Journal of Public Administration, Research and Theory*, 10(4), 729–756.
- SCHRAM, S. and SILVERMAN, B. (2012) 'The End of Social Work: Neoliberalizing Social Policy Implementation', *Critical Policy Studies*, 6(2) 128–145.
- SKIPPER, L. (2010) *En mikroøkonometrisk evaluering af den aktive beskæftigelsesindsats*. København: AKF Forlaget.
- THUESEN F., KLØFT, H., SCHADEMAN, S.J., HOLT, H. and HØST, A. (2009) *A-kasserne og den aktive beskæftigelsespolitik*, København: SFI-Det nationale forskningscenter for velfærd.
- SOLDATIC, K. and PINI, B. (2012) 'Continuity or Change? Disability Policy and the Rudd, Government', *Social Policy and Society*, 11, 183–196.
- SOSS, J., FORDING, R. and SCHRAM, S.F. (2011a) *Disciplining the Poor. Neoliberal paternalism and the persistent power of race*, Chicago and London: The University of Chicago Press.
- SOSS, J., FORDING, R. and SCHRAM, S.F. (2011b) 'The Organization of Discipline: From Performance Management to Perversity and Punishment' *Journal of Public Administration, Research and Theory*, 21, 203–232.
- SVARER, M. (2011) 'The Effect of Sanctions on Exit from Unemployment: Evidence from Denmark' *Economica*, 78, 751–778.
- VAN BERKEL, R. (2013) 'Triple Activation: Introducing Welfare-to-Work into Dutch Social Assistance', in BRODKIN, E.Z. and MARSTON, G. (eds.) *Work and the Welfare State. Street Level Organizations and Workfare Politics*, Washington, DC: Georgetown University Press and Copenhagen; DJØF Publishing, 87–102.
- VAN DER KLAUW, B. and VAN OURS, J.C. (2013) 'Carrot and Stick: How re-employment bonuses and benefit sanctions affect exit rates from welfare', *Journal of Applied Econometrics*, 28(2), 275–296.
- VEJ (2010) *Vejledning om ændrede rådigheds- og sanktionsregler for kontanthjælpsmodtagere*, available at: www.retsinformation.dk/Forms/R0710.aspx?id=19282
- WINTER, S. (2002) 'Explaining street-level bureaucratic behavior in social and regulatory policies', *Annual meeting of the American Political Science Association in Boston*, 29.