



**DEPARTMENT OF  
APPLIED IT**

# **SUCCESSFUL IMPLEMENTATION OF INTERNAL CONTRACTS**

A case study in the Public Sector

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# Abstract

The implementation of internal contracts in three elderly care facilities in the southwest coast of Sweden has been proven to achieve multiple benefits over the past years. Previous research about the success of different facilities have focused on internal contracts and its benefits, however, there was a lack of research addressing the multiple factors that could be influencing those results. This research proposes a definition of an organizational structure that explains the success of the facilities, and how that success is conceptualized. For that purpose the authors interviewed a total of ten employees in different positions from the three elderly care facilities that applied internal contracts and analyzed their answers focusing on their perception of the communication, leadership, and organization of their workplace. The results indicated that internal contracts were not the only factor involved in the success and engagement achieved, but that the responsible components was a combination of internal contracts, an organizational model based on division of labor and a leadership style focused on delegating leaders with knowledge of group development processes. Furthermore, the authors found that this combination of factors together, explained better the positive effects in the employees than every factor by itself. The research finally resulted in the development of the Colombo-Izquierdo Organizational Model, useful for the future implementation and replication of the success and achievements of the elderly care facilities studied in other environments.

## Keywords

Adaptive Leadership, Colombo-Izquierdo Organizational Model, Internal Contract, Internal Communication, Intrapreneurship, Leadership, Public sector, Organizational Change, Organizational Model, Organizational Structure.

# Titel

Ett framgångsrikt genomförande av intraprenad

En fallstudie i den offentliga sektorn

## Sammanfattning

Implementeringen av driftsformen intraprenad på tre olika äldreboenden i sydvästra Sverige har visat sig uppnå flera fördelar under de senaste åren. Tidigare forskning om boendenas framgångar har inriktas mot intraprenad och dess fördelar, men det saknades forskning om vilka faktorer som skulle kunna påverka dessa resultat. I det här masteruppsatsen föreslås en definition av en organisationsstruktur som förklarar boendenas framgång, och hur den framgången gått tillväga. För detta ändamål intervjuades totalt tio anställda från de tre äldreboendena och svaren analyserades med inriktning mot deras uppfattning om kommunikation, ledarskap och organisation av deras arbetsplats. Resultaten visade att intraprenad inte var den enda framgångsfaktorn. En kombination av intraprenad och en organisationsmodell baserad på arbetsfördelning med en ledarstil utformad av ledare som delegerar och har kunskap om grupputvecklingsprocessen utgjorde grunden för ett framgångsrikt genomförande. Vidare fann författarna att denna kombination av faktorer tillsammans förklarade bättre de positiva effekterna hos de anställda än varje faktor var för sig. Forskningen resulterade slutligen i utvecklingen av Colombo-Izquierdo organisationsmodell, som är användbar för framtida implementering och replikering av framgången och resultaten av de äldreboendena som studerats i andra miljöer.

## Nyckelord

Anpassningsbart ledarskap, Colombo-Izquierdo Organisationsmodell, Intern Kommunikation, Intraprenad, Ledarskap, Offentlig sektor, Organisationsförändring, Organisationsmodell, Organisationsstruktur

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# 1 Introduction

Organizations in the public sector are often subjected to organizational planned change that is implemented by political decisions. Change is an inevitable part of the lifecycle of organizations in the public sector and the role of communication can be seen as intertwined in this process (Miller 2012). The public sector in Sweden experienced a shift with the entrance of New Public Management and an increase of privatized services in elderly care (Bergman, 2016; Svanberg-Sjövall, 2014). Over a ten-year period, the implementation of internal contracts (Intraprenad in Swedish) in municipalities of Sweden's public sector has resulted in a favorable outcome in terms of increased employee satisfaction, motivation, engagement, and professional pride for the nursing assistants, as well as economically for the elderly care homes, with increased revenues and autonomy (Johansson & Andersson, 2013; Tjörns Kommun Medarbetarenkät, 2017; Westerberg, Nilsson, Fältholm, 2011). Through the use of internal contracts, the municipalities are still in control and maintain ownership over the organization, providing the staff members with a high degree of autonomy, thus promoting entrepreneurial behavior within the organization. In order to implement internal contracts and make the intrapreneurial model successful the organization must provide the employees with autonomy and empowerment in order for the members to become innovative and take risks (Csorba & Termuende, 2015). At these municipal organizational environments, change and innovation is crucial to meet external and internal demands and to cope with challenges, such as, legal requirements, national quality measurements, attracting future employees, dealing with high employee turnover, allocating financial resources, along with the public's demand on service and individual needs shall be met. In this sense, the implementation of alternative organizational models such as internal contracts at municipal organizations has been proved to be more successful than traditional models (Ekström 2014; Lindahl, 2016; Nilsson & Andersson, 2015). Based on previous research and secondary data collection of employee satisfaction questionnaires, the authors conclude that the evidence demonstrate an increase in employee engagement in the organizations that have implemented internal contracts. Thus, the following research focus and questions will be addressed to analyze how the engagement has developed in three different municipal elderly care units that have implemented internal contracts.

The aim of this research is: a) analyze the organizational structure and the communication processes that takes place, which have made internal contracts successful, and b) demonstrate the structure for its future implementation in other domains.

Hence, the following two questions will be addressed:

RQ 1: Which organizational structure has been perceived to enhance the communication between leadership and coworkers in the operating model of internal contracts in the public sector?

RQ 2: How does the operating model of internal contracts increase employee engagement?

Hence, the importance of this research comes from analyzing a documented case of successful implementation of internal contracts in municipal organizations.

The authors intend to analyze how the organizational structure in the implementation process of internal contracts has affected or shaped the communicative aspects of leadership and group development at these municipal elderly care homes. Furthermore, the authors will investigate how the internal contracts may increase employee engagement. Hence, the importance of this research comes from analyzing a documented case of successful implementation of internal contracts in municipal organizations and the factors behind the success that can be used in other areas of the public sector, replicating the positive effects it has on the employee's engagement and autonomy.

## **1.1 Background**

On April 1st, 2010, Tubberöds Äldreboende, an elderly care facility located at the municipality of Tjörn, underwent a change in their operating model by shifting from traditional management to internal contracts (Socialnämndens budgetdokument, 2010; Tjörns Kommun, 2010). The shift was implemented after a political decision to evaluate an alternative operating model. In the implementation of internal contracts within the public sector, the organization still remains under the supervision of the municipality and the staff are still employed by the municipality. The difference compared to other types of entities within the public sector on a municipal level is that the internal contracts are managed independently and has provided the employees with a larger responsibility and mandate in terms of organizational matters, such as managing finance and hiring staff. With the entrance of internal contracts as operating model, the management of the nursing facilities introduced an organizational model called Tubbemodellen. The organizational model attempts to provide the staff members with a greater authority to be part of the process of decision-making within the organization. The budget of the elderly care homes using the operating model of internal contracts is based on the same premises as any elderly care facility. However, any economical surplus that is generated can be allocated within the organization for future activities dependent on organizational needs. The three elderly care facilities that are part of this

research are all structured into five different areas of responsibility; activities, budget, purchasing, schedule, and pedagogical. The staff members are divided into the different groups depending on their interest and skill. Members from each group then become part of the management team together with the head of unit. There is also a board of directors for the organization that consists of the head of unit, the municipal head of operations, the head of the municipal social service office, the municipal chief executive, and the steering committee (Lilldals äldreboende Verksamhetsdokument, 2018; Tjörns Kommun, 2010).

The goal of changing the operational model was to adapt to present standards and challenges, and implement a structure that would allow residents and employees in the nursing facilities to have a voice on how every aspect of their lives and work would be handled (Bohlin, 2015).

The initiative for the implementation of internal contracts came from the municipal Social Welfare Committee and not from the employees, and it was in fact received with skepticism and concern from the employees (Göteborgs Posten, 2009). Several employees decided to change their workplace to another within the municipality, due to the bad expectations that they had about internal contracts, but the majority of them remained in their position. Nonetheless, the management of the institution proceeded with the process with the goal of improving the satisfaction and work conditions of their employees. Years later, the organizational model of Tubbemodellen has been shown to be successful, and it was in fact implemented in two more elderly care facilities of the municipality, in 2014, at Lilldals Äldreboende, and 2016 at Valåsens Äldreboende. The desired improvement of the satisfaction of the employees at these facilities has been documented in internal and external evaluations at individual and municipality levels (Tjörns Kommun Medarbetarenkät, 2017).

The relationships between leaders and employees have changed significantly in the new structure of internal contracts. Along with the implementation of internal contracts, a new organizational model was applied at the different units. Leaders became progressively more coworkers than bosses. The structure of the three municipal elderly care homes changed from a centralized model, where the decisions and responsibility came from the managers, to a decentralized one, where the employees have the capacity and responsibility to decide over extensive areas of their work. Due to this increment of their tasks and growth of their responsibilities, the employees had access to budget and scheduling, among others. The decentralized organization found to increase insight and knowledge over the employees workplace and the coworkers roles. Along with the members new role descriptions and the shift in the dynamic of the work has resulted in improved engagement, motivation and feeling of meaningfulness at their job, as well as greater competence and capacities (Johansson & Andersson, 2013).



The municipality of Tjörn is not the only one in Sweden to achieve these results through the implementation of internal contracts as their operating model. From Luleå to Gothenburg, different public institutions that have implemented internal contracts has demonstrated successful results not only in elderly care facilities, but in libraries (Westlund, 2006), and elementary schools (Dahlén & Thorvaldson Choudhury, 2017).

At the elderly care facility Tubberödhus, which has been implementing internal contracts the longest of the three elderly care homes researched. A relational model - Tubbemodellen was developed together by management, employees, and clients. The model was based on the work of the elderly care facility OK-Hjemmet Lotte, located in Denmark. The basis of the model is that the residents should be able to live in a homelike environment, and not at a workplace. Thus, the employees have removed the staffroom and nametags, and wear casual attire. The development of the organization is based on the resident's needs and terms. Individual preferences in terms of food, routines and activities run the organization. Continuing elements in the organization are animals, nature, food and culture in daily life (Tjörns Kommun, 2010). The relationship model is described as a developmental work in order to provide the residents with a higher degree of influence and power. The relationship model also provides the staff members with a higher degree of responsibility and with increased levels of knowledge. The model serves to organize the geriatric care to highlight the relationships between staff members and residents. As a result, the relations between the employees and residents has improved and unified (Bohlin, 2015).

The reasons to implement alternative forms of operation within the social welfare system in terms of nursing homes can be traced to the difficulties with recruiting employees with the right competence and economic incentives. Hence, a shift in focus where the employees are given more responsibilities and authority to decision making is a key aspect to not lose engaged employees and make use of the competences that exist within the organization. Today, the nursing homes residents values their environment and have individual requests that the geriatric care must meet within the national fundamental values in elderly care and the Social Services Act, which states that "the aim of elderly care is to ensure that elderly people are able to live a dignified and comfortable life" and that "...elderly persons should, to the extent possible, be able to choose how and when they receive support. This support can be provided either in the elderly person's home or at another easily accessible organization" (Socialstyrelsen, 2012). As a result, the geriatric care requires an organization with different inputs where the residents as well as the employees are assigned with influence and autonomy (Bohlin, 2015).

According to the manuals of Lilldal and Tubberödhus (Bohlin, 2015; Lilldals Verksamhetsdokument, 2018), the organizational model applied at the elderly care facilities,

is referred to as Tubbemodellen, which is structured around working groups. The division of labour is developed to highlight all the aspects within the nursing assistant profession. In the organization, certain working groups are in charge and responsible for the development and implementation of different tasks and activities. The work groups encompasses the following functions:

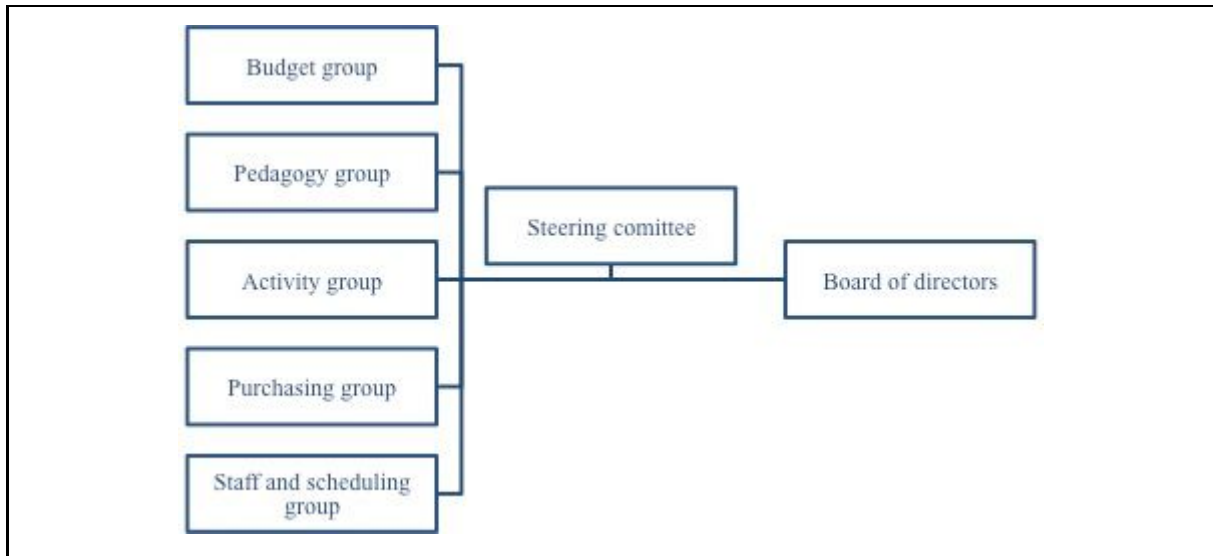


Figure 1. Tubbemodellen.

The pedagogy group works with guidance of the colleagues to ensure that members are aligned in their approach and is in charge of areas such as the development of strategic implementation plan. The strategic implementation plan is a tool to develop strategies, which provides an individual care that enables all residents' support depending on the individual needs. In addition, the pedagogy group works actively with total quality management to create routines and safety measures for the residents, and sends out annual questionnaires to the residents to measure the quality of work at the nursing home.

The activity group is responsible for the social context and the different activities that the residents can take part of. The activities can consist of trips, gymnastics, walks, bingo etc. and the residents may come up with suggestions. The purchasing group handles all the purchases to the nursing home and is in charge of their own budget. The purchases extend from purchasing interior and exterior material such as aid tools and furniture etc. to accounting and contracting external services. The staff and scheduling group deal with the staff members working schedules and hires employees. During employment of new staff members, residents may be advised, which contributes to sense of coherence and engagement at the nursing home. Lastly, the budget group has the overall responsibility of the economy of the unit.

The management model that is applied by the head of unit and head of operations at the nursing homes operating internal contracts is aligned towards a process-oriented leadership, which can be compared to a co-leadership model together with the integrated model of group development. As the knowledge and maturity of the group increases, the leader attempts to heighten the roles of the coworkers (Bohlin, 2015; Wheelan, 2015).

From each group, one member from each working group is assigned to be part of the board of directors and steering committee. Within the steering committee, members from the different working groups are present together with the head of unit. In the board of directors, the head of unit, the municipal head of operations, the head of the municipal social service office, the municipal chief executive, and the steering committee are part as active members. The board of directors and steering committee has the mandate to direct and lead the elderly home facilities. The residents at some of the elderly care homes are active in most of the organizational groups.

One of the cornerstones of organizing the organizations and companies that has social welfare as their mission, is to implement a bottom-up perspective to meet the social values of the residents that will receive care. In this type of applied organizational model, the employees are provided with more influence and knowledge, which contribute to higher work satisfaction and efficiency. The implementation of change should not only be communicated downwards, instead, change processes are incorporated at all levels of the organization. The change process at all levels contributes to increased quality at different areas within the organization. In order to initiate this change process, each employee that works out of this model must experience engagement and motivation to work from a salutogenic perspective, and feel a “sense of coherence” (Antonovsky, 1987; Bohlin, 2015; Lilldals Verksamhetsdokument 2018). The above-mentioned organizational model is implemented in the application of internal contracts at the three nursing homes part of the conducted research. The employees at these elderly care facilities are subject to increased levels of responsibility, independent work, flexibility and solution focused, and a economic mindset.

The municipality of Tjörn is currently managing three elderly care homes with the operating model of internal contracts, and the three facilities are currently in different stages, having undergone different processes to become intrapreneurship. At these three facilities, the organizational success has been associated with, increased employee satisfaction, decreased sick leave, and economic growth.

## 2 Theory

In this section, the authors will present the theoretical framework that is used for this research as an analytical lens in order to process the data collected from participants and internal documents. The authors have chosen to apply the adaptive leadership approach by Northouse (2016) that describes how the leadership style that takes place in the workplaces subject of this study are used by the management and characterized by the employees. In addition, several relevant concepts based on a literature review that cover the main areas of interest treated in this research, such as organizational change processes, incentives for introducing intrapreneurship, and concepts that describes the current image of how the units are working will be introduced in this section. The following concepts will be addressed and described, the integrated model of group development by Susan Wheelan (2015), the concept of intrapreneurship (Antoncic & Hisrich, 2003; Pinchot, 1985, 2017) and internal contracts, organizational dimensions of centralized vs decentralized and hierarchical vs flat, organizational planned change (Covin & Kilmann 2018, 1990; Miller, 2012), and the theory sense of coherence (Antonovsky, 1987; Eriksson & Mittlemark, 2017).

### 2.1 Adaptive Leadership Approach (Northouse, 2016)

The main theory used as analytical lens is the *adaptive leadership approach* developed by Northouse (2016). The reason why this approach was chosen is because it focuses on the importance of the activities of the leader and its relationship with the work of the followers within changing environments. This theory, as first published by Heifetz (Leadership Without Easy Answers 1994) and further explained by Northouse (2016) has been used to explain the way leaders promote change in different levels, including self, organizational, community, and societal. In this approach, the leader is not seen as the savior who provides solutions to every problem, but as the one who plays the role of mobilizing people to confront and solve said problems. Briefly described, adaptive leadership: is *follower centered*, focusing on how the leader helps its followers to achieve what they aim to, in order to adapt to the challenges they encounter; is concerned with the *behaviors* of leaders, and the activities they engage in, *to mobilize, motivate, organize, orient, and focus the attention of others* (as cited in Northouse/Heifetz, 1994); and it incorporates ideas from four different perspectives: systems, biological, service orientation and psychotherapy (as cited in Northouse/Heifetz, 1994).

The main components of adaptive leadership are *situational challenges*, *leader behaviors* and *adaptive work*.

Situational challenges are problems arising in the workplace. Depending on their clarity or if they have a straightforward solution or not, can be: technical (clear and with a known solution); adaptive (not clear and complex solution); or both technical and adaptive (clear, identifiable, but without an easily defined and straightforward solution).

Leader behaviors are six different behaviors explained by Heifetz and colleagues (Heifetz, 1994; Heifetz & Laurie, 1997), that conform a sort of general prescription for how a leader should behave in order to help their coworkers react effectively to difficult challenges and the change that often comes with them. Briefly described, these behaviors are: *get on the balcony* (stepping out of the action in the midst of a challenging situation to get a better perspective); *identify adaptive challenges* (analyzing and evaluation the situation to better diagnose the challenge); *regulate distress* (monitor, help to understand, and reduce if necessary, the distress that often comes with the change associated to adaptive challenges); *maintain disciplined attention* (help coworkers to focus on the hard task of confronting change); *give the work back to the people* (empower coworkers to take their own decisions when confronting situations with high uncertainty, expressing belief in their potential and autonomy); and *protect leadership voices from below* (be open and listen to the ideas of coworkers no matter which is their status or position, fostering their initiative to share their ideas).

Adaptive work represents the focus and goal toward which adaptive leaders direct its efforts. It is developed from the communication and interaction between leader and coworkers, but it is mainly the work of these last ones.

## **2.2 Literature Review**

### **2.2.1 Concepts**

#### **Integrated Model of Group Development**

The management model that is applied at the units that implement internal contracts as operating model derives from the integrated model of group development (IMGD) by Susan Wheelan (2015). IMDG discuss how groups mature in different stages. The process of maturity takes place within the group as the members work actively together, rather than passing through the stages of activity. The model consists of four different stages of group life

and can be divided into early and mature stages of group development, the following stages are addressed by Wheelan (2015):

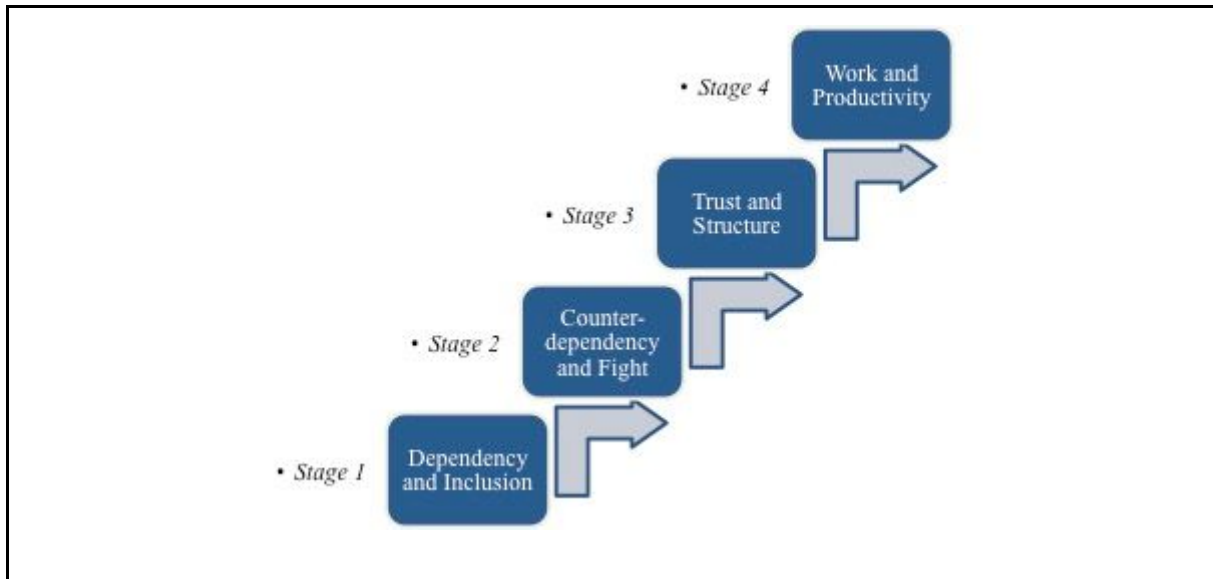


Figure 2. Wheelan's Integrated Model of Group Development.

In the first stage of the model *Dependency and Inclusion*, members of the group are dependent on the designated leader and demonstrate concerns about safety and inclusion in the group. The group adheres to plans that are suggested by influential members and/or leader, and participate in what Wheelan (2015) describes as “pseudo work” (pg. 25), or flight. The concept of pseudo work can be exemplified by group members engaging in activities, such as the exchange of stories about their families or customers that are not relevant to the current task. Another notion that can be seen during this stage is that members tend to wait for the leaders to make decisions, or even encourage the leader to take the command. At this stage, the acceptance by others is the primary objective rather than the imminent task. Thus, the members tend not to express differentiating points of view and fear rejection. The communication at this phase is characterized by going through the chain of command (2015).

The second stage of *Counterdependency and Fight* is displayed by members strive to be independent from the leader and internal conflicts about groups goals and procedures. The task of the group at this stage is to identify and develop a set of procedures, values, and goals that the group agrees upon, which tend to create tensions in the group. The process of developing unified norms is crucial to establish trust and a culture where members can openly express disagreement with one another. At this second stage, groups might get stuck in interpersonal conflicts, and sometimes become overwhelmed by the amount of stress and

conform to leader dependence to avoid potential disagreements. However, frictions between members are necessary in order for teams to become effective, productive and cohesive.

In the event that the group matures to the next stage of *Trust and Structure*, the members may establish an increase in commitment, willingness, and cooperation. As a result, the communication become task oriented and is characterized by openness and flexibility. The territoriality of the members is decreased as the focus is on the task ahead rather than status, influence, or power. The group is engaged in mature negotiations concerning the organizational roles and procedures. The leader's role in the group become consultative and less directed than in earlier stages.

In the stage of *Work*, the group is engaged in an intense period of productivity and effectiveness, and developed to a team with large capacity. As the group has resolved and undergone the previous stages, the groups now focus on the achievement of the groups goals and the accomplishment of group tasks. A stage four group is distinguished by clarity, agreement, and acceptance of the group's goals and roles. The communicative aspects are seen in the open structure that enables all members to participate, and through the use of feedback where the teams effectiveness and productivity is discussed. A key aspect is that the group's communication structure is equal to the requirements of the task at hand.

### **Intrapreneurship and Internal Contracts**

The term intrapreneur originated from the article, Intra-Corporate Entrepreneurship (1978) written by Gifford and Elizabeth Pinchot. The concept of intrapreneurship has been a subject of interest for scholars and practitioners for the past three decades (Antoncic & Hisrich, 2003). The concept is based on the notion of an entrepreneurial practice and behavior in an existing organization. An intrapreneurship promotes employee participation in the process of decision-making, acting as entrepreneurs, creating innovation and engagement by involving members in a decentralized organization (Antoncic & Hisrich, 2003; Pinchot, 1985). Pinchot (2017) describes intrapreneurs as employees that drive corporate innovation in the same way as an entrepreneur does for their own start-up company. Intrapreneurs are not only innovators, they also serve as implementers, turning ideas into reality. An important task for organizations is the process of selection and management of the environment for intrapreneurs in order for them to succeed (Pinchot 2017). Intrapreneurship has been viewed as useful in the process of innovation, revitalization, and performance for corporations, as well as small to medium sized enterprises (Antoncic & Hisrich, 2003). According to Antoncic and Hisrich (2003), intrapreneurship has four different dimensions that regards innovativeness, self-renewal, proactiveness, and new-business-venturing. First, the dimension of innovativeness regards the creation of new services, products and technologies. The second dimension of self-renewal

views the organizational change and reorganization that takes place. Third, the dimension of proactiveness regards the orientation of management in the pursuit of increased competitiveness, which includes risk-taking, initiatives, competitive aggressiveness and courageousness. Lastly, the dimension of new-business-venturing looks at the involvement of entering new businesses that are related to the organization's products or markets.

Relatively high levels of autonomy where the responsibility and decision making in the organization is provided to the employees can characterize intrapreneurship as an alternative mode of operation in municipal organizations. The main responsibilities concern the organization, economy, and staff. In this research, the main premises for introducing this alternative form of operation into the organization has been due to the political decisions made within the municipality. The introduction of intrapreneurship can be seen as a response to political pressures to switch from a monopolized market, to a market that is privatized and driven by competition (Westerberg, Nilsson, Fältholm, 2011). As a result, parts of the public organizations are delegated to private enterprises through the use of contracts. The activities are then carried out by private actors, and funded by taxes (Sundin & Tillmar, 2008). Other municipal organizations have introduced internal contracts that are an intrapreneurial mode of operation. Internal contracts within municipal organizations have proven to create a higher degree of autonomy for the employees, increased satisfaction and employee engagement. The economic incentives of managing the organization's own budget has proven to produce an economic surplus for the units. The surplus is then kept at each unit for their own dispend. Other incentives for introducing intrapreneurship as an alternative form of operation is to create an entrepreneurial culture within a municipal organizational unit without the risk of privatizing the welfare (Westerberg, Nilsson, Fältholm, 2011). Today, the use of internal contracts can be seen in different areas of the public sector, such as in nursing homes, schools, and libraries.

### **Organizational dimensions: centralized vs decentralized, hierarchical vs flat**

Organizations can be described using several terms that help understand how they are structured and in which way they carry on their activities. Some of the terms are the opposing pairs of centralized vs. decentralized, and hierarchical vs. flat. In the public sector, centralized and decentralized describe the amount of power and responsibility focused on one specific person or hierarchical position. Traditionally, it is understood that in a centralized organization, a manager or leader has the sole responsibility and capacity for decision-making, while in a decentralized organization, some aspects of that decision-making are divided and given to other members of the organization. But the decentralization of an organization does not necessarily mean that the organization becomes structurally more democratic and flat. While it is possible that the decentralization involves the involvement of



more people in the decision-making processes, according to Montin (as cited in Fridolf & Rydberg, 1995), in a decentralized organization the power and responsibility moves from a higher position in the hierarchical structure to a lower one, but even if the responsibility for decision-making might have moved from one position to another, the final capacity might only be shared between a few members of the organization.

The dimension of hierarchical vs. flat (or tall vs. flat) makes reference to the extent to which organizations may have many different levels of management, each level with direct control over a small number of persons, or the opposite, few levels of management with easier and broader control and interaction between coworkers. Hierarchical organizations are characterized by a strict chain of command where decisions are taken on the top and transmitted to the bottom through the different levels of management conforming the organization. The managers responsible of each level, have contact with only their direct subordinates, and so forth. And on the contrary, in flat organizations the managers of each of the few existing levels of management, supervise a larger number of people and have more capacity for decision-making (Guiselli et al., 1972).

### **Organizational Planned Change**

The concept of organizational change can take many forms depending on the processes that are involved. In this research, the organizational change is related to planned change, in which the process of change is planned due to environmental and internal affairs connected to inefficiency. A key aspect in the transition and implementation of planned change concerns the communicative aspects to convince internal and external stakeholders in the processes of work arrangements, procedures, beliefs and values (Wheelan, 2005). The process may concern the exploration of organizational needs and possible solutions, along with a strategy about how to initiate and implement the change. Thus, communicative aspects are needed to disseminate the information about the change in order to integrate it effectively into the daily operations of the organization. The aspect of change might be affected by previous experiences that regard, organizational culture, existing ways of working, internal and external pressure, and communicative aspects (Miller, 2012). Previous research denotes three key issues to consider in the process of organizational change, *management support*, *ownership tension*, and *resistance*. An important aspect concerns management support, which can be exemplified by management's degree of support for the proposed change when external change agents are involved or due to political decisions. If management is not in favor, this may become problematic in the initial stages of process. The ownership tensions can derive from the degree to which members in critical positions of the organization feel ownership of the problem and the new proposed solution. Lastly, the reaction of resistance in the process of change efforts can be seen in employees that have nothing to gain with the proposed

implementation. As a consequence to the planned change the employees experience uncertainty. Uncertainty is one of the most common responses by organizational members and is best dealt through communicative instances, by providing information. Even negative information has been researched to have a better outcome than no information at all to employees on organizational change.

The success of the implementation of change is dependent to a great extent on support from management and to the effective sharing of organizational management's vision to members. Thus, leadership communication serves a key aspect in order to reach organizational success in the process of change (Miller, 2012). Covin and Kilmann (1990) noted that the inclusion of employees in the planning process is of importance to create a shared perspective of the organization, which may have a positive correlation on organizational success. The communicative aspects of creating shared expectations, increased employee engagement and recognition of employee contributions serves as methods to promote change. Negative effects of planned change can be drawn to not considering the practical issues of resources, which needs to be met in terms of time, financial resources and employees. A key aspect to consider in the initial phase of planned change is to enable an open discussion for the stakeholders to discuss concerns in order to increase the likeliness of success (Covin & Kilmann 1990). As stated by Covin and Kilmann (2018) organizational influence is a two-way process in which organizations are not able to meet their goals if the members are not influenced by the organization. And vice-versa, members may not fulfill their needs if they cannot influence their workplace. The positive outcomes are reached when organizations and organizational member influence one another.

### **Sense of coherence**

The term sense of coherence was coined by Antonovsky (1987) and consists of three dimensions, *comprehensibility*, *manageability*, and *meaningfulness*. Comprehensibility regards the perception of internal and external stimuli as rational and understandable. Information is supposed to be orderly, clear, structured, and coherent as opposed to disordered, unexpected, random, unexplained and chaotic (Eriksson & Mittelmark, 2017). In order to be capable of creating a structure in a chaotic environment enables individuals to comprehend the context and one's part of it, for example, in a workplace. In order to handle stressful situations that might occur, one has to be able to understand the situation. The more an individual understands the easier it is to manage stressful circumstances (2017).

The second dimensions concerns manageability, which regards the amount of resources that are available for individuals to meet the demands of the amount of internal and external stimuli that one, is overwhelmed with (As cited in Eriksson & Mittlemark, 2017). Formal

resources can be seen as nursing staff or social services in the private or public sector, and next of kin, friends, family, and colleagues can exemplify informal resources. Individuals have to be motivated to solve the issues that cause the stressful situations, invest energy in order to solve the issue, and create meaning to cope with the situation.

Once manageability is established within the individual, the third dimension of meaningfulness is reached. The dimension of meaningfulness regards the amount of emotional meaning one attaches to one's life and concerns motivational factors. If an individual regards that some issues that have been experienced previously in life have been worth both dedication and commitment, and are portrayed as challenges instead of only difficulties. Individuals requires to have a clear goal to solve issues and have the willingness and energy to solve issues that might cause further distress within the individual (2017).

### 3 Previous research

In this section, the authors will focus on previous research about intrapreneurship and internal contracts within the public sector. The authors will present several studies, which share in many cases methodology and object of the study, which has built a solid base of academic knowledge to help future research on the field. The scope of research is limited to papers published from 2005 to 2017, where the majority of the research was conducted in Sweden. The selection of previous research was retrieved from Digitala Vetenskapliga Arkivet (DiVA portal), Google Scholar, and Göteborgs universitetets publikationer (Gupea).

Lejfalk and Norling (2013) presented a comparative study on intrapreneurship and traditional forms of organizations in two municipal nursing homes. It was conducted based on quantitative and qualitative data from the perspective of the employees. The result demonstrated that there were small differences in job satisfaction and the quality of the elderly care. The main differences found were the increased awareness of the staff members about the economic aspects of running a nursing home. In addition, the authors found that willingness and leadership are two key factors in the process of changing from a traditional form of operation to intrapreneurship.

Johansson and Andersson (2013) stated different factors for success when delegating the responsibility from municipality to the nursing home by implementing internal contracts. The authors found the following factors to be of importance for the increase of the motivation between the employees: *economic incentives* - the staff become more aware of the economics; *leadership* - leaders that delegate responsibilities and make staff members feel more involved; and *structure and division of responsibilities* - different groups, clear responsibility and mandate to make decisions increased employee engagement and satisfaction.

Ekström (2014) investigated if there was any correlation between the well being of the employees and employee influence at the workplace, on different forms of organization. The study demonstrated that the staff members at a workplace using internal contracts scored higher on the Satisfaction With Life Scale and the Basic Psychological Need scale than employees at an organization operating under traditional forms.

In research conducted by Nilsson & Andersson (2015), three areas were positively identified with intrapreneurship within the public sector: changed economic conditions, increased

responsibility and employee engagement, and a leadership that has transformed to become more independent. Also, the municipality has increased their reputation as a employer. On the other hand, the negative aspects identified were a higher workload in other parts of the organization, personal freedom and management successively decreased, and an “us vs. them” mentality evolved between the management and employees.

Moriano, Molero, Topa, and Mangin (2014) examined the relation between leadership styles and employee behavior in an intrapreneurship, and the role of organizational identification. The authors found that transformational leadership is the most advantageous in an intrapreneurial organization. In comparison, transactional leadership was seen as the least favorable when dealing with employees in an intrapreneurship.

Lindahl (2016) concluded that the main obstacles for implementing intrapreneurship in the public sector concerns attitudes and will, along with accessibility to leaders willing to be part of leading the intrapreneurship. Lindahl stated that internal contracts as operating model promotes an organizational culture, which provides management, staff members and clients with increased influence and comradery. The intrapreneurship builds upon a high degree of individual autonomy and innovation, which has increased the efficiency and enabled the employees to affect their workplace. This notion has contributed to a higher sensitivity towards the needs of the clientele.

In research conducted by Westerberg, Nilsson and Fältholm (2011), the impacts of internal contracts within different areas were examined at a public school over the course of three years. The research found that the use of internal contracts transformed the school, where intrapreneurial behaviors and attitudes were enhanced and the staff members perceived a higher degree of flexibility within the organization. The work satisfaction and employee engagement increased, where the employees felt more engaged in decision-making practices and the school increased their annual turnover with 10 percent.

In the past research presented above in the field of intrapreneurship and the implementation of internal contracts in public sector (Ekström, 2014; Johansson & Andersson, 2013; Lejfalk & Norling, 2013; Lindahl, 2016; Moriano, Molero, Topa, & Mangin, 2014, Nilsson & Andersson, 2015; Westerberg, Nilsson & Fältholm, 2011), the researchers do not give full account of the overall organizational structure affecting the functioning of the studied workplaces. Instead, previous research focuses on internal contracts and its multiple positive effects on the employees and their workplaces. Several research articles address the existence of several factors producing those positive effects, but do not provide further explanations explaining the origin of those factors. Another area that is neglected in these research articles is how the communication is affected with the implementation of internal contracts.

Consequently, this research will attempt to explore the notion of internal contracts in the public sector from a communicative standpoint of internal communication and leadership. The authors will analyze how the internal communication has evolved under these new circumstances of internal contracts from the standpoint of the organizational members - heads of unit, head of operation and assistant nurses. This research will also focus on how the operating model of internal contracts increases the engagement of the coworkers and to what extent, as the organizations has previously been indicated to be successful (Johansson & Andersson, 2013; Tjörns Kommun Medarbetarenkät, 2017). Thus, the authors of this paper intend to fill the gap left by previous researches by defining the organizational structure describing the different elements that conform it, and exploring the impact of said structure in the communication taken place in the studied workplaces.

## 4 Methodology

In this section the authors will define the different steps and processes involved in the methodological approach used in the creation of this paper. The section is divided into several subsections that outline the methodology used for the data gathering, data analysis, and the definitions of reliability and validity that the authors have used to set the boundaries of their paper. A list of the interviewees is provided, which respects the participants anonymity but provides information about age, work experience, and position in the workplace. In addition, the ethical considerations that the authors have respected in order to ensure that the rights of the participants were not violated are presented. The outline of the methodology is constructed through the use of literature in regards to conducting communication research.

### 4.1 Data Gathering

For the creation of this paper, the authors used methods of qualitative research, with interviews as the technique for the primary data collection. This methodology was chosen because the goal of the research was to gain insight and gather information about the structure and functioning of the organization, and with qualitative methods it was possible to acquire that information directly from the personal perspective and experiences of the participants (Bryman, 2012).

In order to have participants that can serve as respondents and informants, different participants were selected for this research in accordance with the representative of the municipality (Treadwell, 2011). The interviewees were chosen based on their position in the organization along with their previous experience in working in organizations that apply traditional operating model and alternative operating models, such as, internal contracts. The interview setting was chosen based on the preferences of the interviewees. All interviews were held individually and took place at the workplace of each participant during working hours.

The authors conducted semi structured interviews and the questions followed a “funnel format” (Treadwell, 2011, pg.165) where the sequence of the questions moved from broad to narrow. This sequence was used to extract information in the beginning of the interview that was not of sensitive nature for the respondents. The type of questions asked concerned both descriptive and structural questions (Treadwell, 2011).

Through secondary data analysis the authors gathered material and the necessary background about the concepts that were going to be explored, and used it to develop the questions for the interviews. The interviews were semi-structured, and two different versions were developed, a first one for the participants that did not hold a position for leadership, and a second one for those who did. The first version consisted on five sections: background of the participant, questions about internal contracts, questions about leadership, questions about communication competence of the participants leader, and question about communication in the workplace. The second version consisted on four sections, having all the same as the first one, without the questions about communication competence of the leader.

Nine out of ten interviews were conducted face-to-face, and one through telephone. The first two interviews conducted were part of a pilot study in order to indicate if the method used was suitable for the research. The authors perceived that the first two conducted interviews part of the pilot study were successful in terms of the use of semi-structured questions and the funnel format that was presented to the participants. The interview questions provided answers and information for which they were designed, and as a result, the authors did not modify them nor the strategy for the following interviewees. The duration of the interviews ranged from 40-80 minutes, with a total span of over 8-hours of audio recording. The interviews were conducted between February 15, 2018 and March 22, 2018 in southwest of Sweden.

## **4.2 Data Analysis**

The data gathered from the interviews was then analyzed through two different frameworks: firstly through the use of the proposed theoretical framework and concepts presented in the Theory section of this paper. The goal of this framework was to compare the leadership and organizational model that was perceived to be taking place in the workplace of the participants, with the one the authors proposed, identifying the differences or similarities between them, and establishing if possible that they matched; secondly, through a thematic network analysis (Attride-Stirling, 2001) based in the information gathered in the secondary data analysis phase. The authors narrowed down the most important concepts related to engagement that could explain the positive results obtained in previous research on the field, and used them to filter the information resulted from the interviews.



## 4.3 Reliability and Validity

In order to ensure the reliability and validity of the research, the authors followed the definition of these concepts written by LeCompte and Goetz (1982).

Reliability is divided in external and internal reliability. External reliability refers to the degree to which a study can be replicated by other authors. In qualitative research, due to the difficulties of repeating the same circumstances of a given social setting, it is hard to replicate exactly the same study. With the intention of facilitating that, this research provides with precise information of the design and conditions of this research, including all the information included in this section of Methodology. For the internal reliability, LeCompte and Goetz (1982) describe it as the extent to which the different authors of a research agree in their observations. To ensure that, in the writing of this paper the authors discussed every aspect of the results, and put in common how they interpreted them. By having more than one researcher responsible for the paper, the study is continuously evaluated and all the observations and their interpretations must be agreed on.

Regarding validity, LeCompte and Goetz (1982) divide it as well in external and internal. The internal validity of a research refers to the ability of the instruments used in that research, to measure exactly what they are designed to measure. And more specifically, in qualitative research internal validity makes reference to the existence of good concordance between the researchers' observations and the interpretations they draw out of them. To take this aspect in consideration, the authors used the two first interviews as a pilot, and confirmed that the answers of the participants were consistent with the information that the research wanted to gather. The authors proceeded then with the rest of the participants, and due to the congruence between the information they provided and the one obtained in previous research in the field, the authors were able to develop with confidence the theoretical ideas that the interpretation of the results suggested. As for the external validity, it refers to the extent to which the findings of a research "can be generalized across social settings" (Bryman, 2012), and it is the hardest aspect to ensure when using qualitative research methods. The authors tried to obtain the most representative sample possible, but due to the size of it, in order to be able to make generalizations it would be desirable to replicate the research and confirm that the results are consistent.

## 4.4 Participants

The research was conducted at three municipal elderly care homes in South West Sweden. Ten participants were interviewed, with each participant serving different roles within the municipal organizations and deriving from different units. The sample selection of the

participants was based on individuals that had been part of the process of planned change in terms of the implementation of internal contracts. The sample consisted of six assistant nurses, three head of unit, and one head of operations, all of them had been part of the organizations in prior to the implementation of internal contracts and the organizational model of Tubbemodellen. All the participants were women, with ages comprised between 45 and 60 years old. The participants were provided with a copy of the interview questions beforehand in order to reflect over the questions.

A key aspect in this research is that the participants have all been part of the units prior to the shift to internal contracts, which provides the research with greater depth as the participants have been part of the organization in during the whole process of implementation.

The following table presents the list of participants, including the relevant information about their age, position and experience. A letter is assigned to each participant that the authors will use to refer to them in the quotations presented in the Results and Discussion sections:

	Age	Position	Experience
A	45-60	Head of Operations	18 years
B	45-60	Head of Unit 1	21 years
C	45-60	Head of Unit 2	10 years
D	45-60	Head of Unit 3	22 years
E	45-60	Assistant Nurse (Unit 1)	12 years
F	45-60	Assistant Nurse (Unit 1)	27 years
G	45-60	Assistant Nurse (Unit 2)	39 years
H	45-60	Assistant Nurse (Unit 2)	37 years
I	45-60	Assistant Nurse (Unit 3)	9 years
J	45-60	Assistant Nurse (Unit 3)	10 years

## 4.5 Ethical Considerations

In order to ensure that the rights and confidentiality of the participants were not violated, the authors adopted some precautions when designing and conducting the research. The authors chose to follow the four principles presented by Diener and Crandall (1978) concerning: harm to participants, informed consent, invasion of privacy and deception.

In order to cause no harm to the participants, whether this was physical or psychological, the interviews were conducted in an environment chosen by the participants themselves, where they could feel comfortable and safe. Consequently, nine out of ten interviews were conducted at the interviewees' workplace. In order to obtain an informed consent, the authors wrote an explanatory letter, where the authors explained the purpose of the research and informed the participants about their anonymity in case the respondents consented to participate. This letter was sent to all the participants together with a copy of the questions featured in the interview, so that the selected participants could choose if they were willing to participate or not. The anonymity was an important aspect of consideration for both ensuring the rights of the participants and for the research itself. In order to ensure that the answers provided would be given without any constraints or pressure, it was decided that all respondents would be anonymous and would be able to stop the interview at any moment. Besides from in the letter of informed consent, the authors informed again about the status of anonymity to the participants in the beginning of each interview, and asked them whether recording the interview was accepted or not. In order to avoid any invasion of privacy, the questions were designed to gather general information of the participant's workplace and the interactions having place there, and not private information; in order to avoid deception, the participants were informed about what the research was about and what was going to be done with the information they were going to provide, first, through the letter of informed consent, as stated above, and after, at the beginning of the interview itself.

# 5 Results

In this section, the results obtained from the primary data collection of interviews with the participants of the research are presented. In regards to the first research question, “*Which organizational structure has been perceived to enhance the communication between leadership and coworkers in the operating model of internal contracts in the public sector?*” the authors will present the findings through the information provided by the interviewees on their perspective and explanations about their organizational structure. For the second question, “*how do the operating model of internal contracts increase employee engagement?*” the authors gathered all the answers given by the participants and divided them into the factors and concepts that the interviewees had reported as the most important or relevant findings in increasing their engagement and improving their overall work satisfaction. This section is divided in four subsections with the following structure: the first one concerns the results addressing the consequences of the change in organizational structure in the workplace; the second one presents the different factor that the participants attribute to the increase in engagement with their work; the third one deals with the kind of leadership influencing the participant’s workplace, as well as the changes and improvements that the leaders and their style has experimented; and the fourth one gives an account of the internal communication taking place at the participant’s workplace.

## 5.1 Organizational Structure

Through the implementation of the operational model of internal contracts, the authors found that several of the participants stated that they became encouraged to think about the elder care home as a private company that could become more successful if they invested their time and effort in the right way.

- Participant E: “*Big changes, we got our own budget, which is the base for intraprenad. Economical thinking together with own responsibility for the budget. To keep the money in the facility.*”

The possibility of controlling the budget and retaining potential profits motivated the employees to save money and spend it more wisely. The participants became aware of the benefits of using their resources more carefully, and the possibilities that managing the

economy and ending the fiscal year with profit could grant to the residents of the elder care facilities:

- Participant G: *“Before we had no idea about the budget, and if you don't know about the budget then you don't think about the money, because it would be irrelevant if my section saved money that would have gone to another facility or institution of Tjörn. Then there is no point of saving money, and you don't feel motivated to do it.”*

However, internal contracts as an operational model per se, do not grant the employees the possibility to influence and control their workplace, or provides with more responsibility. The fact that the institution is allowed to control its own budget does not directly affect how the workplace is structured. As explained by participant A:

- *“Intraprenad is just a contract, that we write in order to have an own budget for three years. We follow staff and procurement rules. But outside of that lays an organization in groups where every employee gets a particular role.”*

The organization in groups mentioned by several of the participants is what has been previously presented in this paper as Tubbemodellen. This working organization by division of labor is clearly differentiated by the participants as a different element to intraprenad. As expressed by participant C:

- *“I think like this: intraprenad, together with our organizational model, where we work with self-governing groups, so an organization around groups, has made that my role during this time allows me to take a step back in my charges so the assistant nurses can take a bigger charge. So I think that intraprenad is a part, but then I think that intraprenad does not become as man thinks just through intraprenad, but you must think about which operational model we had before, or about how you organised the organization.”*

### 5.1.1 Summary of findings: Organizational Structure

**Table 1**

*Summary of findings of section 5.1 Organizational Structure*

	Findings
5.1 Organizational structure	<ul style="list-style-type: none"><li>• Perception of the elder care home as private company.</li><li>• Possibility to control budget translates into more insight, profit and benefit for the residents.</li><li>• Operational model by itself does not explain increased influence nor responsibility.</li><li>• Organizational model (Tubbemodellen) lifted by participants as possible reason for increased influence and responsibility.</li></ul>

Concerning the organizational structure, the findings indicate that the employees of the elder care homes studied have changed their perception from understanding their workplace as an institution of the public sector where the employees had less mandate, to perceive it as a private company where an increased level of control over its functioning was developed. The findings also indicate that the operational model of internal contracts can not explain by itself the increase in influence and responsibility that previous research had attributed to it, and that there were other factors relevant that had not been properly outlined before. The participants of the research believed that one of these factors, was the organizational model employed by the elderly care homes, which consisted in a structure in working groups with different areas of responsibility assigned to them.

## 5.2 Factors of Engagement

Since the changes brought to the workplace by the implementation of the aforementioned organizational structure, composed of operational model of internal contracts and the organizational model of Tubbemodellen, the participants report an increase of their overall satisfaction with their job in several areas. In order to present their findings in a more concise way, the authors separated the factors that the participants explained affected their engagement to their workplace, by using the concepts they reported the most, and the concepts that previous research in the field had also mentioned (Nilsson & Andersson, 2015; Lindahl, 2016; Westerberg, Nilsson and Fältholm, 2011). The four concepts chosen were: responsibility, influence, competence and insight.

## **Responsibility**

The responsibility and capacity to make decisions was perceived to have increased by all respondents. The participants performed tasks and had mandate over areas that previously only were accessible by employees in a position of leadership. This increase of their responsibilities has been pointed at by many of the participants as one of the main reasons why they feel more engaged with their workplace now:

- Participant I: *“The biggest change is that everybody in the staff has become more engaged. Everybody belongs to different groups and has got areas of responsibility and everybody is a part of something. So some have a lot, depending on what they are interested in. That we are more participative I think is the biggest change.”*

## **Influence**

Defined as the possibility and personal capacity to affect and change the organization, the influence of the participants of the studied workplaces was increased. The majority of the participants is of the opinion that this is one of the most important changes in the workplace since the implementation of the internal contracts:

- Interviewee F: *“A lot of influence, personal influence. You become participative in the whole process. You get an insight about how it is to drive the whole facility. You get to participate in every decision, and that was never the case before, everything was controlled from the top, top-down directives, this is the way you will work, this is the schedule you will have, you are going to do this. And now the difference is that it is us as assistant nurses who sit (in that position), and if we some decision from the top, then it is up to us to take a look at it and decide how we are going to do it.”*

## **Competence**

The participants had the perception that their competences were better understood, and that their workplace had become a place where they could develop them further. This made the participants feel more engaged and able to put their skills where they could help the most.

- Participant I: *“This areas of responsibility we have now, we have been able to choose them out of interest, or what we is funny and engaging. But it can also be out of competence, somebody is really good at something, and then they belong to a certain group.”*

## **Insight**

The insight of the participants, defined as the knowledge about their workplace and about what their coworkers do, was increased in many aspects. Many participants reported to have

learnt much more about their jobs and about the different tasks that needed to be carried out since the implementation of internal contracts as operational model.

- Participant A: *“One learns how to run an elder care facility. We break it down so everybody knows it. For example, now its 15 millions what Tubberöd cost. Now those who work here know it. When it comes to the staff if we set the shifts in this way then we have this much left to do. Purchases and so...”*

## 5.2.1 Summary of findings: Factors of Engagement

**Table 2**

*Summary of findings of section 5.2 Factors of Engagement*

	Findings
5.2 Factors of engagement	<ul style="list-style-type: none"> <li>● Increase of the overall satisfaction and engagement with their job.</li> <li>● Responsibility and capacity to make decisions increased.</li> <li>● Capacity to affect and change the organization increased.</li> <li>● Competences and own interests integrated with their work tasks.</li> <li>● Increased knowledge about their workplace and coworkers.</li> </ul>

The summary of findings indicates four different factors that has contributed to the increased level of engagement, responsibility, influence, competence and insight. The factor of responsibility is demonstrated by the employees increased capacity to make decisions, perform tasks and responsibility of different areas that previously was performed by the management. The increased level of influence was defined as the possibility and personal capacity to affect and change the organization to a higher degree than previously. The introduction of influence to the workplace made the competences of the employees more visible and better understood, which added to the assumption that the organization is now a place where the employees can develop. The factors of responsibility and influence can be connected to the perception of insight. As the knowledge about the workplace was increased in many aspects the employees perceived to have more knowledge about their jobs and the different tasks that revolves around running a nursing facility.



## 5.3 Leadership

The participants in a position of leadership stated that their role in the workplace had changed in several ways since the implementation of the internal contracts model and the organizational model of Tubbemodellen. As explained, the responsibility and capacity to make decisions is now divided between the different functional groups that conform the organization. The leaders have attempted to progressively give the employees more responsibility and challenge them to make decisions without guidance from the leadership. According to the leadership understanding, delegating is seen as an important aspect for the success of the implementation of a new organizational structure. Concurrently, the implementation has to be handled carefully to allow the employees to grow within their roles.

- Interviewee B: *“To be able to delegate, to feel when it’s the time to delegate. Sometimes I have made mistakes and gave too much responsibility to certain people and the work has not been done, but you have to give your coworkers space to learn. Can she? Are we satisfied? We get feedback. But to delegate is important.”*

It was also stated by one of the participants that the decision to implement internal contracts should be handled with caution. If the idea was presented too early, in an incomplete manner and lacking information, there was a big risk of creating uncertainty among the participants, which resulted in resistance and opposition to change. This resistance has the potential to create frictions and problems in the workplace. During the implementation, some employees were especially resistant to accept change and adapt to the new structure. As participant H recounted:

- *“Sometimes when one makes changes there are some persons that do not follow the rhythm...” “... Some people can have problems with the new working style. They do not accept so easily that decisions can be made by their coworkers, instead of the boss.”*

One of the employees believed that the initiative of implementing intraprenad or internal contracts in the workplace should come from them, instead from an external source, and to achieve that, they had the opinion that the leaders should start first by presenting the idea, explaining what can become better and improve in the workplace.

- Participant J: *“It must come from the employees. You can begin by selling the idea and explain what can become better.”*

Clarity was mentioned several times as a key element for a successful leadership. According to several participants, the attitude and behavior of the leaders can be mirrored in the behavior of their coworkers, so it is important to transmit confidence through their attitude and show

clarity in their communication. This attitude and its capacity to influence their coworkers is also reportedly a skill that needs to be trained.

- Interviewee B: *“At the same time you have to be clear. To have a normal relation, it’s no problem, we need to create relationships with each other. But it is important to have mutual communication. I’m talking about feedback. It is also an advantage to have good relationships, when you are friends or have been friends, how are you going to work with feedback that is decisive to go further. There are several challenges, but I have adapted my leadership to the situation.”*

Another important aspect related to leadership behavior reported by the participants, was the ability to step out and observe the situation with perspective, and step in and act when there was not a straightforward solution to a particular problem and the employees need an external mediation:

- Interviewee B: *“And obviously, as leader here I don’t go directly into situations, I take a feel first. It is enough that I walk around in the mornings. And get that feeling, when it is time to step in...” “The staff should not ask me questions about how to solve things, it is them who should do it. If more think about thinking about solutions to a problem, more coworkers become participative. Sometimes is not a good idea to step in.”*

Participants reported as well that the distance with leaders is low. While there is respect and appreciation of their work, employees reported that they communicate with them using the same language they use with each other, with an informal rather than formal language:

- Interviewee E: *“I have respect because she is in fact my work leader. I say exactly the same things to her that I would say to anybody. I don't choose words because I talk with her.”*

### 5.3.1 Summary of findings: Leadership

**Table 3**  
*Summary of findings of section 5.3 Leadership*

	Findings
5.3 Leadership	<ul style="list-style-type: none"> <li>● Leaders delegate extensive areas of work to employees.</li> <li>● Leaders encourage employees to take decisions.</li> <li>● Initiative for change must come from employees and not leaders.</li> <li>● Lack of information and clarity creates uncertainty and resistance to change among the employees.</li> <li>● Clarity regarded as crucial for relationship between leader and employees.</li> <li>● Leaders are reported to observe the workplace with perspective and give employees space to grow.</li> <li>● Distance between leaders and coworkers is low.</li> </ul>

Regarding the leadership style taking place in the studied workplaces and the effects it has in the employees, the results show that leaders in the three elderly care facilities studied are delegating more tasks and responsibilities to their employees than before the implementation of internal contracts, and are encouraging them to use that responsibility and take their own decisions according to it. Both the leaders and the employees believe that the initiative to implement a new organizational structure should come from the first ones, following a real will to develop and change, so the leaders should aim to motivate their coworkers to ask for that change. In situations where there is not enough and clear information, uncertainty makes the employees reluctant to accept change, out of fear of a negative outcome for them. Clarity is key in order to avoid that uncertainty, and most of the participants regard it as one of the most important aspects for maintaining a good relationship between leaders and employees. Leaders in these elderly care homes are also taking a position with a broader perspective of their workplace, taking a step back to allow their employees to take space and develop their own skills and initiatives. And that trust in their coworkers skills and responsibility, makes leaders and employees closer in terms of their power distance.

## 5.4 Internal Communication

In terms of the communicative aspects that have been found in the primary data collection, most of the participants mentioned that there has been a general change in the organization since the new organizational structure was implemented. The change is characterized by an organization that is decentralized and participatory. The communication has become dynamic and shifted from a top-down to a bottom-up approach. Whereas, the employees and to some extent the residents are involved in the processes of decision-making and contribute to the flow of information. The interviewees acknowledged that they communicate more often between themselves and are also responsible to share information that previously only employees in leadership position would do. Also, the residents of the nursing facilities are stated to have a larger influence in the organizations with resident representatives that participate in the different working groups. When asked if they communicated more in their workplace now, interviewee I stated:

- *“Yes we do, we collaborate more, talk more, solve things. We have got new routines, for example, to meet every morning and see that nobody is missing anywhere. And usually we solve things there, with them who we meet in the morning, and they spread the information among the rest of the staff.”*

The exchange of information takes place on different occasions during a working day and can be both formal and informal. The interviewees mentioned a formal structure of report that is applied daily. During report, the working nursing assistants meet once in the morning and once in the afternoon to discuss and plan the day. There are also informal exchanges of corridor conversations where the employees discuss different aspects of their work. The elderly care units also have monthly workplace meetings where all members of the organization meet and discuss different subjects that concern the units. The different working groups have meetings and discuss their appointed area, for example, pedagogy groups, board of directives, steering group etc. At these working group meetings, the residents through resident representatives at the units are involved and part of the process.

The structure of the organization is described as an environment where the exchange of information and ideas happens often and unhindered. The division of employees in working groups is mentioned to have resulted in an increase of interactions, active participation and promoted the communication between the group members. Currently, there is a need for the employees to discuss and promote dialogue in order to make decisions that traditionally would have been made by the leadership. The shift has created a group dynamic where lifting opinions, issues and new ideas is promoted.

- Interviewee F: *“We have our working groups, our workplace meetings, and there you can bring up things, and it is wonderful, because there is no stupid thought or point. You don't feel dumb for saying anything, instead, you feel free. And if there is something that many think is a good idea, then we do it.”*

The employees mentioned that the decentralized structure has enabled the organization to enhance the openness and trust both between the employees and between leadership and employees. Through the delegation of responsibility in the working groups, the employees mentioned that members now listen more carefully to what everyone has to say and offer. When asked which were the most important means to create participation, many of the nursing assistants stated that trust, increased responsibility and insight is of importance. When the employees were asked if the communication had changed with the new structure, some of the interviewees stated that the engagement and cooperation between the workers has improved. Other important features regarded, openness, increased communication and comradery. As interviewee B stated:

- *“I cannot say anything negative about the new structure, I don't miss anything from the old ways. If someone had said that we would return to the previous structure, I would have quitted. Now we have a totally different relation between one another. People come with suggestions and give feedback. Before there was resistance straight away. Now there is a different spirit. The new structure has provided energy and power, and made us creative. Before we just waited for the clock to turn four so we could go home. Everything was so troublesome and heavy. And all of sudden, with the change, we do so much and there's even time over.*

In terms of feedback from employees, there are formal employee satisfaction questionnaires that are handed out each year to all organizations nursing facilities. The questionnaires concern, employee engagement, competence, working environment & health, employeeship, efficiency, development & renewal, and treatment. In terms of how the employees provide and give feedback at the different units, the majority mentioned that it is spontaneous and sometimes given at meetings. The leadership makes use of the questionnaire to see where improvements can be made in terms of their leadership style.

### 5.4.1 Summary of findings: Internal Communication

**Table 4**

*Summary of findings of section 5.4 Internal communication*

	Findings
5.4 Internal Communication	<ul style="list-style-type: none"> <li>● Communication more dynamic and shifted from top-down to bottom-up approach.</li> <li>● Decentralized structure enhanced openness and trust between employees and leaders.</li> <li>● Increase of interactions and communication between employees.</li> <li>● Responsibility to make information flow shared by all the employees.</li> <li>● Regular meetings: daily, monthly and working group meetings, where the residents are represented.</li> <li>● Feedback from employees through official and informal channels: Satisfaction questionnaires and face to face.</li> <li>● Active participation in discussions and decisions.</li> <li>● Increase of interactions between employees.</li> <li>● Exchange of ideas is promoted.</li> </ul>

In regards to internal communication, the results indicates that flow of information in the organization is dynamic where the participants are more involved in decision-making to a higher extent due to a flatter organization that uses a bottom-up approach, and thereby contribute to the flow of information in and around the organization. The decentralized structure has enabled the organization to be more open and have developed trust between the employees and the leaders, and increased the amount of interactions and the overall communication between the employees. One reason for the increased amount of interaction can be traced to the delegation of responsibility with the division of labour in working groups that is applied in the organization. These working groups has enabled all employees to be part of the organization and developed the participation by giving the nursing assistants more responsibility and with that a greater insight of how to run a elderly care facility. The responsibility and insight has improved the engagement of the employees and increased the cooperation between the different working groups where exchange of ideas are now promoted.

# 6 Discussion

In this section, the authors will offer an interpretation of the findings obtained from the primary and secondary data collection, in order to provide answers to the proposed research questions. The interpretation of the findings will be analyzed through the different concepts of IMGD (Wheelan, 2015), organizational dimensions of centralized vs decentralized (Fridolf & Rydberg, 1995) and hierarchical vs flat (Guiselli et al., 1972), and organizational planned change (Covin & Kilmann, 1990; Miller, 2012; Wheelan, 2005). The authors will also interpret the results obtained from the participants that concern leadership, with the help of the theoretical framework of the adaptive leadership approach by Northouse (2016) that is previously presented in this paper. The analysis of results will present the factors that explain the success behind the implementation of internal contracts within the three elderly care homes studied.

For the research question: *“how do the operating model of internal contracts increase employee engagement?”* the authors will interpret and provide suggestions to the key results, which involves, leadership communication, internal communication, adaptive leadership, IMGD, organizational structure and synergy of organizational structure and leadership. In regards to the research question: *“Which organizational structure has been perceived to enhance the communication between leadership and coworkers in the operating model of internal contracts in the public sector?”* the authors will present a model that explains the organizational structure together with the reasons why it is believed to be successful.

## 6.1 Communication

### 6.1.1 Leadership Communication

The organizational structure of Tubbemodellen that is implemented within the three units has shaped how the leadership communication is conducted with the employees. The organizational model shifted from a traditional hierarchical structure to a flatter, decentralized one. As a result, the power distance has appeared to decrease between leader and employee. These findings are aligned with how a decentralized organization is exemplified by involving more individuals in the decision-making as stated by Monin in Fridolf and Rydberg (1995). Prior to the use of internal contracts and the organizational model of Tubbemodellen, participants reported that the leadership applied a top-down approach that was characterized

by one-way communication. The leadership retained possession of information and informed the employees rather than distributing and discussing the information with them. Furthermore, the leadership appeared to possess more control over the function and activities at each unit. At present climate, the leadership seems to have a participative approach where information is distributed to the personnel, which suggest that all employees become more informative and participative, more able to influence their workplace, and be part of the decision making to a larger extent. This bottom-up approach makes information available to everyone and the mandate of the assistant nurses is indicated to be greater, which has increased the employee engagement. Interviewee B stated that:

- *“[Currently]...there are more challenges, however, I adapt my leadership depending on the situation” and that “I am less of an authority figure than previously.”*
  
- Participant F *“We have a lot of influence, and we are included in the whole process. You get insight of how it is to run an elderly care facility. You take part of all decisions, and you never did that earlier, then everything was runned from the top, where the leader gave directives, this is how you should work, this is the schedule you have. Now the difference is that we, the nursing assistants sit and discuss how to do things around here. You cannot decide everything, but you are part of all decisions, which makes you think and feel included.”*

Other participants in leadership position stated that their role in the workplace had changed in several ways since the implementation of the internal contracts and the organizational model of Tubbemodellen. The leaders have tried to provide the employees with a mentality to “dare” to make decisions where the responsibility and capacity to make decisions is divided between the employees in the different work groups. As Miller (2012) mentioned, successful leadership communication is demonstrated by effectively sharing the management's vision to members and provides support for the employees, in order to reach organizational success when implementing change. This notion of promoting employee engagement in a decentralized organization can also be connected with the values of an intrapreneurship stated by Antoncic and Hisrich (2003) and Pinchot (1985). The participants in nursing positions reported as well that the distance with leaders is considered to be low. While there is respect and appreciation for the leaders roll and work performed, the employees reported that the communication between them could be seen as informal rather than formal language.

### **6.1.2 Internal Communication**

In terms of the internal communication between the employees of the three studied units, the results indicate that the structure of the organizations has created an environment where the



exchange of ideas happens often and unhindered. The internal communication is portrayed as more direct, cohesive and cooperative than previously. As explained before, several interviewees pointed out that the different working groups in each unit are responsible for the decision-making, and that it is the members of the group that operates the units together in unison.

The implementation of work groups seem to have developed the internal communication between the members of the group to be aligned and communicative between one another about the different tasks in which they are involved. The introduction of the flatter (Guiselli et al., 1972), more decentralized structure (Fridolf & Rydberg, 1995), there is now an increase of interactions and need of communication between the group members. The need to discuss and dialogue in order to take decisions that traditionally would have been made by one person creates a group dynamic where lifting opinions, issues and new ideas is encouraged and promoted.

The notion of cohesiveness can be related to the means of participation. Many of the participants stated that individuals that previously had not been participative, after the changes brought up by the Tubbemodellen were more likely to contribute with their knowledge in different areas. The authors believe that with the division of working groups, the employees were able to take notice of all the different competences that were present in the organization, which were not visible in the past. The practice of assigning tasks in line with their personal interests, made some of the employees more prone to take responsibility and perceived more opportunities for personal development. Thus, the increase in the understanding of the employees of their environment, and the higher meaningfulness of their tasks had the result of make the more connected and engaged with their workplace (Antonovsky, 1987).

In reference to increased employee engagement in the organization, a key result regard increased transparency within the organization, which provide insight of the different aspects in operating a nursing facility. The results indicated that it was not the implementation of internal contracts at the units what made the employees more aware of the different aspects of operating each unit. Rather, it is the use of working groups such as, for example, the pedagogy group or the budget group, what has increased insight and responsibility within each unit. The insight of the organization made the employees more prone to consider their respective unit as a private company or as their own as the economic surplus was kept in the unit for future investments:

- Participant F: “[Now]...you know the organizations budget, and why we need to take measures, and understand how we schedule our timetable.”

As the insight and transparency of the units was reported to increase, the responsibility for the employees could be seen as greater than previously. The notion of responsibility was demonstrated by an increased amount of tasks for many of the nursing assistants, which made the employees more motivated and proud of the work performed.

The notion of making use of the existing competences in the organization to a higher degree seem to have affected the employee engagement. As interviewee B stated:

- *“I have finally got the opportunity to develop...previously there were not many opportunities expect internal development programs, but that was not what I was looking for. For me the working groups made a drastic change as many parts of the operation that the leadership did was split between the coworkers and I got lot of responsibility, which is the point, to grow as an employee and person. In the public sector, it is hard make change and work outside the applied framework, someone else is making all the decisions for you, and you just wait. Now we experienced a freedom.”*

These findings are consistent with previous results where staff members became more aware of the economic aspects and demonstrated increased engagement, satisfaction, and autonomy (Lejfalk & Norling 2013; Johansson & Andersson 2013; Nilsson & Andersson 2015; Westerberg et al 2011; Lindahl 2016)

Hence, the employees do not perceive the operational mode of internal contracts as the sole reason for increase in engagement. Rather it is the combined organizational structure of Tubbemodellen, internal contracts and the management model derived from IMGD (Wheelan, 2015) that has enhanced the employee engagement with the increase insight and autonomy. However, the authors believe that internal contracts produces a sensation of running a private company between the employees, which enables them to have a greater understanding of the economic incentives of running an elderly home and provide a context for the employees to be part of.

## **6.2 Leadership**

### **6.2.1 Adaptive Leadership**

According to the results presented, the behaviors and attitudes reportedly displayed by the leaders of the three elderly care facilities, seems to fit in the description of the Adaptive Leadership Style (Northouse, 2016). This leadership is specially adequate in a changing environment as the one produced by the implementation of a new organizational structure, where leadership needs to provide the employees with the right instruments and support, to

adapt to their new roles and responsibilities. The results obtained can be analyzed and explained through the different concept and categories of adaptive leadership.

Regarding situational challenges, the participants refer to several situations at their workplace, and how they approach them. Most of the situations they refer seem to be technical in nature, clear and with a known solution, and in these situations the leaders are reported to stay away and trust their coworkers to act in the manner they believe is best. Examples of these situations are the decision of hiring a new employee for a substitution or how to organize the schedule for the whole workplace.

When situations are both technical and adaptive in nature, clear but with a complex solution, the leaders encourage their coworkers to take more responsibility, testing solutions, bringing up ideas and daring to try out new strategies. A good example of these situations is the digitization of registers and information, reported by an employee at one of the elderly care facilities. According to participant G, the coworkers took upon themselves the task, and decided to organize educational workshops to learn how to use the computers and conduct the process of digitization.

As for situations that are adaptive in nature, hard to identify and with a complex solution, leaders have been consistently using the six behaviors of adaptive leadership explained by Heifetz and colleagues (Heifetz, 1994; Heifetz & Laurie, 1997). During the process of implementation of the new organizational structure, the employees of the elderly care facilities have been encountering situations that were new and challenging to them, and for which they were not prepared at first. In order to help them, the leaders: *got on the balcony* they took a step back, seeing the situation with a different perspective, and giving them the possibility to take place. As reported by the participants, the leaders try to not be in the middle of the situations, and keep the distance from the daily work while at the same time being available and visible for their employees; from that position, they could better *identify the adaptive challenges* that their coworkers were facing. Together with the use of IMGD (Wheelan, 2015), the leaders analyzed the situations experience by their employees, and the stages of group development they were going through. This way, they were able to provide with guidance if necessary so the employees could progressively take more responsibility; in that way, it was important to *regulate the distress* that all the changes in structure and the new responsibilities could potentially bring with themselves. Through their presence and visibility in the workplace, the leaders try to have an attitude that offers safety and confidence to their coworkers, and stay aware of their stress levels and difficult situations; in some conflictive situations, leaders must *maintain disciplined attention*, by remembering coworkers about the new structures and their new responsibilities. For example, in a situation where two employees had a minor conflict and kept coming to their leader using her a channel of mediation, she compelled them to address the conflict directly between themselves. In that sense, one of the most important behaviors for leaders and one of the most reported among the

participants is *giving the work back to the people*. At this stage, the leaders delegate the employees with an increased number of tasks, empowering them to take responsibilities over a higher number of areas. The leaders express their trust and belief over their coworkers competences and skills, and this makes them more confident and prone to accept more tasks; which in turn, makes them more knowledgeable of their workplace, and promotes their will to share ideas about how to improve, and it is the last responsibility of leaders to *protect those leadership voices from below*. They allow employees to grow in their position and dare to raise their voices because they know they are in an environment with leaders and coworkers to welcome them.

## 6.2.2 Integrated Model of Group Development

With the results obtained from the research conducted the authors will discuss how the participants experienced the process of group development with the application of IMGD (Wheelan, 2015). As explained above in the paper, this management model analyzes the group development processes of maturity that takes place as members actively work together. As the participants of the three units have been part of the organizational structure of Tubbemodellen and internal contracts for different amount of time, the participants have different recollections of the group development processes. As explained in the Background section, at the beginning of the implementation of internal contracts in the elderly care facilities, the general feeling of the employees was of skepticism (Göteborgs Posten, 2009), and in the answers of the participants in the interviews, the participants attribute that skepticism mostly to lack of information what the new operational model would entail. All participants from unit one to three mentioned that in the beginning of the implementation the employees were formally asked and had to decide if they wanted to work under the conditions that internal contracts entails. The employees that agreed signed a contract with the employer to work under the premises of internal contracts. The employees that did not want to work under the specific conditions were placed at another nursing home within the municipality that worked under previous conditions. Hence, many of the employees that were resistant to change were transferred voluntarily, which may indicate that the process of change may have been facilitated through the inclusion of employees that accepted the proposed implementation by signing the contract. However, as participant I stated, many of the employees that remained in the organization were not positive and felt skeptic to the change:

- *“We were not that positive to the change at the beginning, but now when you are used to it, I mean it is always like that with stuff that are new, it takes a while until one is used to it. And you forget how it was before, lots of discussions and we did not want to*

*be intraprenad. In retrospective, one can say that things have improved between colleagues and the units...”*

This notion of experiencing uncertainty, resistance and concern is often expressed by individuals taking part in a process of change, and is seen at the early stages of group development - dependency and inclusion (Miller, 2012; Wheelan, 2015). The uncertainty and concern of how the organization was about to change was evident in the interviews where a majority of the interviewees working as nursing assistants stated that they initially felt insecure and skeptic with the entrance of internal contracts. After the implementation of internal contracts was conducted, participant A stated that they experienced resistance and negative reactions from the employees:

- *“In the beginning I had to have talks with the employees, there was resistance and negative reactions, that is how people react to change. And my roll as a leader was to make my employees understand that I am not here to hurt the unit, I am here to make it the best unit in the municipality, together with the employees. So I have worked a lot in the unit, together with the employees, having lots of talks...”*

Participants B, E and F that are part of unit 1 that have applied internal contracts the longest confirmed the association of maturity. The answers from the members of unit 1 illustrated agreement and acceptance of the goals and roles of the unit. Also, the communicative aspects were highlighted in the unit by its clarity, participation and continuous feedback between employees (Wheelan, 2015). The interpretation of results indicates that unit 1 and 2 has reached the last stages of group development - Trust & Structure and Work & Productivity. The authors identified the following key concepts in the answers from the interviewees from those two units as indicators of their group development: increased cohesiveness and trust, humbleness, clear tasks and roles in the organization, evident cooperation, communication as open and decentralized, increased engagement and satisfaction, more responsibility and autonomy, and leadership portrayed as consultative rather than directive. At unit 1, members are demonstrated to have reached the last stage and is perceived to be a high performance team. At this unit, the management is only present part time and members are provided with a larger degree of autonomy than at other units. In this team, the focus seems to be on revitalize team members with the provision of new tasks and goals for them to work on (Wheelan, 2015). For example, some of the nursing assistants are given greater responsibility and authority in the organization and some are giving lectures nationally and internationally about the organizational model of Tubbemodellen.

Participants from unit 3 indicated in their answers that the organization has progressed gradually in terms of their group development in comparison to the other groups. However, the participants stated that it might be more demanding to implement a new organizational structure as the elderly care facility is larger and has more employees and residents than the

other facilities part of the study. The unit has currently two individuals in leadership position that work to support the organization to a larger extent than the other units in the research. Also, the clientele has different kinds of needs, which may increase the workload of the employees as well as a greater turnover of residents. Hence, the authors realize that different aspects may be highlighted to a larger extent at this unit compared to the other. The developmental group aspects that are raised at this unit concern the employees adaptation to change. As interviewee I mentioned:

- *“There are many things that you have to think about outside the general care of the residents, and intraprenad increases the amount of meetings in different workings groups, so we have to try to make it fit to the rest of the organization, which means that time is taken from the elderly. But it also for the elderly we do it, to improve. It will get better, this is still quite new for us, I believe it will be good for us, but it takes engagement from all employees, everyone has to put in the work, everyone has to be engaged in this.”*

The developmental aspects can be viewed as the maturity of the group in making decisions has gradually increased, as the leaders role is becoming consultative. For example, as Interviewee I stated

- *“We are still quite unaccustomed to make decisions that are too big to make, we are so used to have someone at the top that decide.”*

## **6.3 Organizational Structure**

In order to answer the first research question, *“Which organizational structure has been perceived to enhance the communication between leadership and coworkers in the operating model of internal contracts in the public sector?”* the authors will present an organizational model that given the key aspects explained above, could explain the success of the change in the organizational structure of the studied workplaces.

Previously in the paper, the authors explained and described the function of both, internal contracts (intraprenad) and the organizational model of Tubbemodellen. The explanation was redacted using information collected through secondary data analysis, and both were presented as differentiated elements of the overall structure of the organization. However, the information obtained from the participants seems to indicate that the key factor for the success of these models were not due to their individual implementation, but a combination of Tubbemodellen and internal contracts.

The organizational model “Tubbemodellen”, puts an emphasis on the importance of delegating responsibility and capacity of decision making from the leaders to the employees, through the division in working groups. And it is there where the combination of both, operational and organizational model, becomes important. The employees have a broad perspective of their workplace, because they know what each group has responsibility over. The decision making system is simplified, and instead of the proposals coming from the upper level, it comes from the level of the employees. And they can themselves implement routines and ensure a quality job, being rewarded by it.

Thus, through this combination of internal contracts and Tubbemodellen, the employees are encouraged to have a holistic perspective of their workplace, and know that through their work they can improve their workplace, provide better service to the residents, and be the responsible of their own success.

The way in which this interaction works is as it follows: the operational model of internal contracts acts as an overarching structure, providing the employees with a system that makes them see the benefits of a quality job; the organizational model “Tubbemodellen”, integrated in the operational model, gives the employees the tools to influence their workplace in order to achieve the potential benefits that the whole structure procures (Figure 3.).

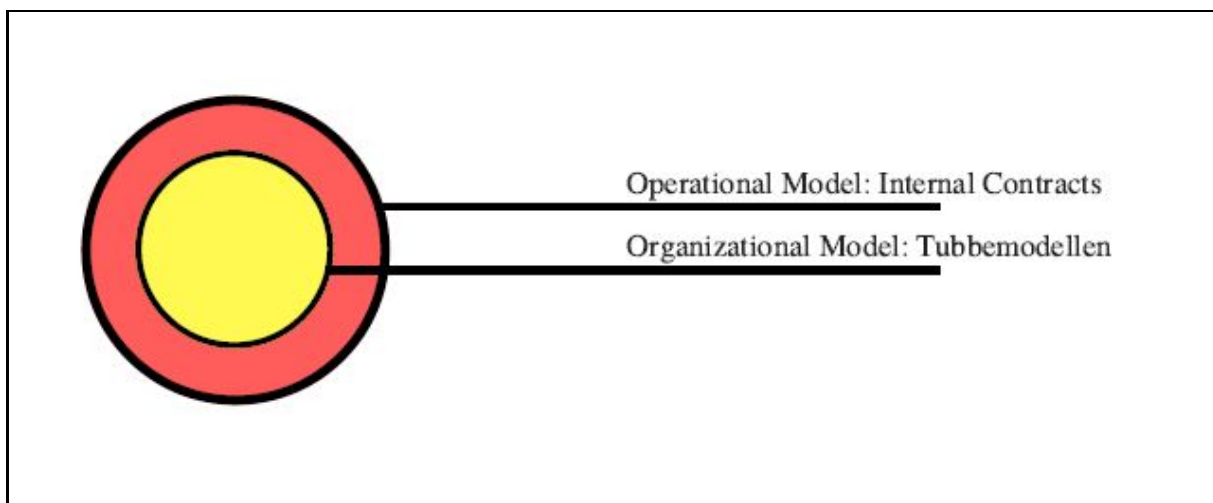


Figure 3. Organizational Structure.

Isolated, neither operational model nor organizational model could account for the whole of the success of the structure, but together, they complement each other and explain why the structure, implemented in three different facilities, has had such a positive impact in their employees and users.

### 6.2.1 Synergy of organizational structure and leadership

As the last and core element to explain the success of the organizational structure presented above, the authors propose the specific model of leadership practiced by the leaders of the elderly care facilities studied, consisting on leaders with an Adaptive Leadership style (Northouse, 2016), and using IMGD (Wheelan, 2015).

A structure that encourages employees to take more responsibilities and leaders to delegate their mandate for decision-making would not work with a leadership style where the leaders hold all the responsibility, preventing their employees to develop. Moreover, if the leaders do not have experience and knowledge about the different phases through which groups go by in their development, the leadership might not be aware about when and how they should intercede in their workplace to allow their employees to actually develop.

Even though the organizational structure could potentially be successful by itself, in order to implement it in a new workplace, it is necessary to have a leadership that understands how their employees work, the changes that they will go through, and the support they will need in that process.

The organizational structure presented above, is then completed with the described leadership to conform what the authors have named *Colombo-Izquierdo's Organizational Model* (Figure 4.)

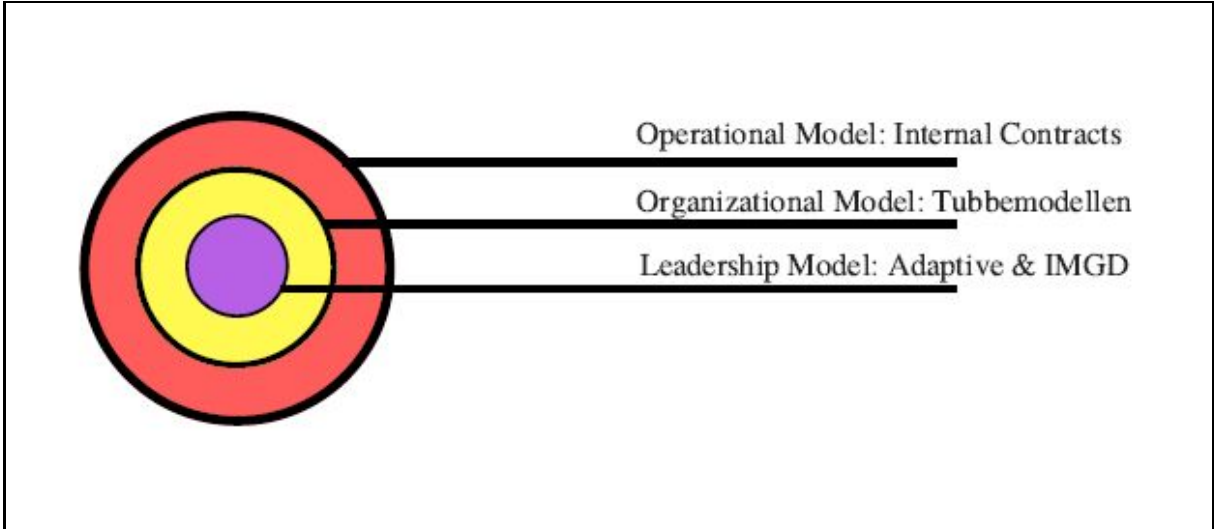


Figure 4. Colombo-Izquierdo's Organizational Model.



## 6.4 Further research & Limitations

The proposed Colombo-Izquierdo's Organizational model implicates to be successful in the specific context of elderly care, where it was created. However, it would be desirable to test the model in different professional areas of the public sector and observe the implementation in order to validate if it can be successful in other organizations. Other areas of interest for the implementation of the model could be educational facilities, as schools and high schools, or cultural and free time institutions of the public sector. Further research in the field ought to follow this implementation in different environments and provide with an accurate account of the success and applicability of the model.

It would also be of great interest for the private sector to test this model, due to the potential benefits that the replication of the results shown in this paper could provide for companies and organizations. The reported economical aspects and increase in employee satisfaction could represent the difference from success to failure for many workplaces. In conducting further research in this direction, it would also be positive to certify if the model performs well or not and to help establish it as a valid model for companies concerned with their employees' engagement.

In order to confirm that it is in fact the combination of operational, organizational and leadership models what makes Colombo-Izquierdo's Organizational Model successful, it would be desirable to perform extensive qualitative research in the studied workplaces and in other places with different combinations. The goal would be to measure results obtained in the areas mentioned in this paper, and compare them with those obtained in other facilities with different combinations of operational, organizational and leadership models. The authors acknowledge that further studies with a larger sample of respondents is needed to develop an extensive representation for future practice, as the selected voluntary participants that took part of the research might account for positive bias.

In future implementation of internal contracts in other municipal organizations, municipalities should be aware of the different processes that are involved in the effectuation of internal contracts, which Colombo-Izquierdo's Organizational model propose with three different layers that involve a combination of mode of operation, mode of organization, and leadership style. The findings of a successful implementation of an alternative approach cannot be referred to internal contracts alone. Hence, other municipal organizations that are considering the application of internal contracts should apply a holistic approach that concerns these three aspects provided in this research.

Another purpose of this research paper is to add to the academic literature in English about the implementation of internal contracts in the public sector. Extensive research on the field has been conducted in Sweden for more than a decade, but mostly in Swedish, which makes it less accessible for the scientific community. With the summarizing of several papers on the field, and the conclusions reached in this research, the authors pretend to provide with a source of material and a better insight for a broader, international audience.

## 6 Conclusion

This research provides an adequate analysis of the different communicative and organizational change processes that takes place in the implementation of internal contracts in municipal organizations within the public sector in southwest of Sweden, along with an organizational framework developed by the authors for its successful implementation in other domains. As internal contracts has been proved to be successful in municipal organizations in the public sector. The key findings suggest that the alternative form of operations such as, internal contracts cannot be accountable alone for the enhancement of the organizations taken part of the research. Rather, a combination of different factors of leadership style, a decentralized organizational model, and the operating mode of internal contracts serve as the basis for creating an environment, which strengthen the organization in its group development processes. The developed framework of Colombo-Izquierdo's organizational model demonstrates how the applied structure served to improved the engagement of the employees and through what communicative processes. The developed model may serve as framework for future implementation of internal contracts in other domains and to aid organizational members to understand how engagement and satisfaction is and can be created within the organization. The authors aspires to contribute to future research in the international academic field of intrapreneurship, communication, and internal contracts in the public sector with this research.

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# 8 Appendices

## Appendix 1. Interview Questions - Leaders INTERVJUFRÅGOR

### Bakgrund

- Tid på arbetsplatsen / inom yrket
- Tidigare erfarenheter
- Utbildning
- Ålder

### Intraprenad

Sedan intraprenaden som driftsform infördes:

- Vad har förändrats i enheten?
  - Hur har din roll i enheten förändrats?
  - Hur har din kommunikation med dina medarbetare förändrats?
  - Hur har din arbetsplats förändrats?
  - Hur har dina arbetsuppgifter förändrats?
  - Har samarbete mellan medarbetare förbättrat, minskad, eller kvarstått precis som det var?
  - Tycker du att du har en större möjlighet att påverka hur din arbetsplats ser ut?
- Motivation och engagemang
  - Känner du dig mer engagerad i verksamheten med intraprenad som driftsform?
  - Tycker du att ditt arbete är meningsfullt?

- Känner du att din kompetens kommer mer till rätta med intraprenad som driftsform?
- Känner du en större press med ökat ansvar?
- Är det värt att investera mer tid och arbete på en arbetsplats som har en intraprenad som sitt driftsform?

## **Ledarskap**

1. Brukar du säga till dina medarbetare vad de ska göra?
2. Är du oftast vänskaplig/kamratlig med dina medarbetare
3. Har du satt specifika målsättningar för dina medarbetare?
4. Försöker du hjälpa dina medarbetare så de känner sig bekväma inom arbetsgruppen?
5. Brukar du ge förslag på hur man kan lösa problem som uppstår i verksamheten?
6. Brukar du ge ett positivt gensvar när dina medarbetare kommer med förslag?
7. Försöker du klargöra ditt perspektiv till dina medarbetare?
8. Skulle du påstå att du behandlar dina medarbetare rättvist?
9. Brukar du utveckla en handlingsplan som gruppen måste följa?
10. Uppträder du på ett förutsägbart sätt mot dina medarbetare?
11. Definierar du ansvarsområdena för varje individ i personalgruppen?
12. Kommunikerar du aktivt med dina medarbetare?
13. Är din roll i gruppen tydlig för dina medarbetare?
14. Bekymrar du dig över dina medarbetares välmående?
15. Brukar du bistå med en plan för hur arbetet inom verksamheten skall genomföras?
16. Brukar du uppvisa flexibilitet i ditt beslutsfattande?
17. Bistår du med kriterier över vad som förväntas av dina medarbetare?
18. Brukar du berätta om dina tankar och känslor för dina medarbetare?
19. Uppmuntrar du dina medarbetare till att utföra ett kvalificerat arbete?
20. Hjälper du dina medarbetare att komma överens?

## **Generell kommunikation**



1. Beskriv hur du interagerar med dina medarbetare?
2. Hur skulle du beskriva att distansen mellan dig som ledare och dina medarbetare ser ut?
3. Vilka kommunikativa verktyg använder du dig utav i din ledarskapsroll?
4. Hur skapar du förtroende mellan dig och dina medarbetare?
5. Hur ser processen ut när du ska delge information till dina medarbetare?
6. Hur utbyter du och dina medarbetare ideer?
7. Vilka är enligt din mening de viktigaste delarna för att skapa delaktighet inom din organisation?
8. Hur skapar du mindre distans mellan dig och dina medarbetare?
9. Hur når kritik inom organisationen dig, och under vilka omständigheter?
10. På vilket sätt främjar du dialog med dina medarbetare?
11. Vilka kommunikationskanaler använder ni er utav i dialog med medarbetare?
12. Vilka är de viktigaste egenskaper som alternativa organisationsformer så som intraprenader skapar?
13. Vilka metoder använder ni inom er organisation för att skapa inkuldering bland medarbetarna?
14. Hur får ni medarbetarna att förstå organisationens mål och strategi?
15. Hur får du feedback från dina medarbetare?

## Appendix 2. Interview Questions - Employees

### INTERVJUFRÅGOR

#### Bakgrund

- Tid på arbetsplatsen / inom yrket
- Tidigare erfarenheter
- Utbildning
- Ålder

#### Intraprenad

Sedan intraprenaden som driftsform infördes:

- Vad har förändrats i enheten?
  - Hur har din roll i enheten förändrats?
  - Hur har din kommunikation med din chef och dina medarbetare förändrats?
  - Hur har din arbetsplats förändrats?
  - Hur har dina arbetsuppgifter förändrats?
  - Har samarbete mellan medarbetare förbättrat, minskad, eller kvarstått precis som det var?
  - Tycker du att du har en större möjlighet att påverka hur din arbetsplats ser ut?
- Motivation och engagemang
  - Känner du dig mer engagerad i verksamheten med intraprenad som driftsform?
  - Tycker du att din arbete är meningsfull?
  - Känner du att din kompetens kommer mer till rätta med intraprenad som driftsform?
  - Känner du en större press med ökat ansvar?

- Är det värt att investera mer tid och verk i en arbetsplats som har en intraprenad som sitt driftsform?

## Ledarskap

1. Brukar din chef till dig och dina medarbetare vad ni ska göra?
2. Är din chef oftast vänskaplig/kamratlig med dig och dina medarbetare
3. Har din chef satt specifika målsättningar för dig och dina medarbetare?
4. Försöker din chef hjälpa dig och dina medarbetare så de känner sig bekväma inom arbetsgruppen?
5. Brukar din chef ge förslag på hur man kan lösa problem som uppstår i verksamheten?
6. Brukar din chef ge ett positivt gensvar när du eller dina medarbetare kommer med förslag?
7. Försöker din chef klargöra sin perspektiv till dig och dina medarbetare?
8. Skulle du påstå att din chef behandlar dig och dina medarbetare rättvist?
9. Brukar din chef utveckla en handlingsplan som gruppen måste följa?
10. Uppträder din chef på ett förutsägbart sätt mot dig dina medarbetare?
11. Definierar din chef ansvarsområdena för varje individ i personalgruppen?
12. Kommunicerar din chef aktivt med dig och dina medarbetare?
13. Är din chefs roll i gruppen tydlig för dina medarbetare?
14. Bekymrar din chef sig över din och dina medarbetares välmående?
15. Brukar din chef bistå med en plan för hur arbetet inom verksamheten skall genomföras?
16. Brukar din chef uppvisa flexibilitet i sin beslutsfattande?
17. Bistår din chef med kriterier över vad som förväntas av dig och dina medarbetare?
18. Brukar din chef berätta om sina tankar och känslor för dig och dina medarbetare?
19. Uppmuntrar din chef dig och dina medarbetare till att utföra ett kvalificerat arbete?
20. Hjälper din chef dig och dina medarbetare att komma överens?

## **Kommunikation**

1. Anser du att din chef är kompetent när det kommer till att kommunicera?
2. Är din chef uppmärksam mot dina behov som du har för tillfället?
3. Kommunicerar din chef på ett direkt sätt?
4. Lyssnar din chef på vad du har att säga?
5. Tycker du att din chef arbetar med dig på ett effektivt sätt?
6. Är din chef bra på att lyssna?
7. Är det svårt att förstå din chef i skriven form?
8. Uttrycker din chef sina ideer på ett tydligt sätt?
9. Är din chef svår att förstå när hen talar med dig?
10. Brukar din chef säga rätt sak vid rätt tillfälle?
11. Är din chef lätt att prata med?
12. Brukar din chef svara på meddelanden, t.ex. telefonsamtal, rapporter, e-post, etc. snabbt?

## **Generell kommunikation**

1. Beskriv hur din chef interagerar med dig och dina medarbetare
2. Hur skulle du beskriva att distansen mellan dig och din chef ser ut?
3. Hur försöker din chef skapa förtroende mellan dig och dina medarbetare?
4. Hur ser processen ut när du ska delge information till dina medarbetare?
5. Hur utbyter du och dina medarbetare ideer?
6. Vilka är enligt din mening de viktigaste delarna för att skapa delaktighet inom din organisation?
7. Hur når kritik inom organisationen dig, och under vilka omständigheter?
8. På vilket sätt främjar du dialog med dina medarbetare?
9. Vilka kommunikationskanaler använder ni er utav i dialog med medarbetare?
10. Vilka är de viktigaste egenskaper som alternativa organisationsformer så som intraprenader skapar?

11. Vilka metoder använder ni inom er organisation för att skapa inkludering bland medarbetarna?
12. Hur får ni medarbetarna att förstå organisationens mål och strategi?
13. Hur får du feedback från din chef och dina medarbetare?

## Appendix 3. Letter to participants

Hej!

Först och främst, tack för att du vill medverka i denna studie. Vi heter Tomás och Andrés, vi läser vår sista termin på masterprogrammet - Master in Communication på Göteborgs Universitet vid institutionen för tillämpad informationsteknologi. Tomás kommer från Spanien och har en bakgrund inom psykologi där han har erhållit både sin kandidatexamen samt master inom psykologi från Universitetet i Murcia. Andrés kommer från Sverige och har erhållit sin kandidatexamen inom kommunikationsvetenskap från Dominican College i New York.

Vi har precis påbörjat processen utav vårt examensarbete som kommer inrikta sig på ledarskap och delaktighet inom alternativa driftsformer. I studien kommer vi att analysera vilka ledarskapskompetenser/ledarskapsstilar som anses vara bättre för att öka delaktigheten bland personalen, samt hur alternativa driftsformer ökar personalens engagemang och delaktighet.

Vi vill genom detta brev försäkra dig att du kommer vara anonym, ditt namn och övriga uppgifter kommer inte vara synliga i studien. Du kan när som helst under intervjun ändra ditt svar eller avbryta din medverkan. Om du ger ditt samtycke kommer intervjun att spelas in. Inspelning av intervjun sker dels för att förenkla vårt arbete då vi kommer översätta eventuella citat från svenska till engelska, och för att informationen återges korrekt i studien.

Forskningen samt intervjuerna kommer att ledas av oss - Andrés Colombo och Tomás López Izquierdo.