

# Organizational Design Challenge in Social Work Centers: A Case Study from Slovenia

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*Denmark, Sandbjerg, 30.5.2018*



# AGENDA

1. Social model(s) in Europe and Slovenia
2. Slovenia as a social welfare state
3. Ageing population in Europe and Slovenia
4. Situating organization design in the field of social work in Slovenia
5. Reorganization process in social work centers in Slovenia
6. Case study approach
7. Discussion, evaluation and conclusions



# SOCIAL MODEL(S) IN EUROPE

- Combines **economic growth, good living and working conditions.**
- European countries do not have a single model however there are **quite similar characteristics** in all (4) of them



Social model	Characteristics
Nordic	<ul style="list-style-type: none"> <li>- Highest level of social protection</li> <li>- Strong emphasis on employment policies               <ul style="list-style-type: none"> <li>- High taxes</li> </ul> </li> </ul>
Continental	<ul style="list-style-type: none"> <li>- Similar to Nordic social model               <ul style="list-style-type: none"> <li>- Slovenia</li> </ul> </li> <li>- More emphasis on pensions</li> <li>- Less emphasis on employment policies (still high)</li> </ul>
Anglo-Saxon	<ul style="list-style-type: none"> <li>- Less expenditures</li> <li>- Social assistance; emergency exit</li> <li>- Employment policies are important</li> </ul>
Mediterranean	<ul style="list-style-type: none"> <li>- Social welfare state was introduced later</li> <li>- Smallest amount of expenditures</li> <li>- Strong emphasis on pensions</li> <li>- Less emphasis on social assistance</li> </ul>

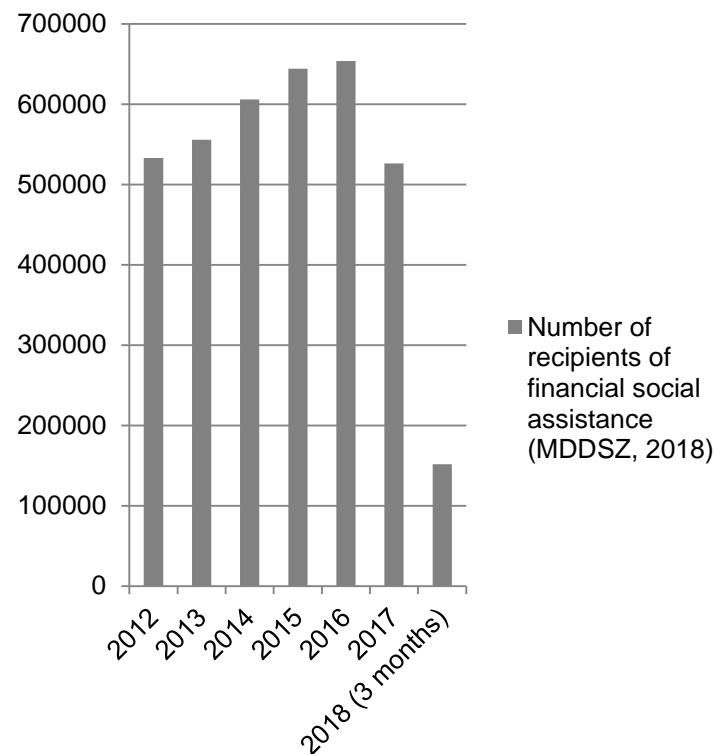
# SOCIAL WELFARE STATE

- **Social welfare state** – second half of the 19th century and Bismarck's Germany.
- **Assumption** – **citizens** create enough added value per employee - create a **surplus** that enables the **minority** of the population to **temporarily** receive social assistance.
- **Social work organizations** – key position – **providers of social benefits and services**. As such they are subject of numerous researches (Hasenfeld, 2009).
- Main goal of **social protection in Slovenia** – ensure **dignity** and **equal opportunities** and to **prevent social exclusion**.

# SOCIAL WELFARE IN SLOVENIA (1)

- After the **crisis (2008)**, **social problems have been rising** and the **number of socially endangered people has increased**.
- **Needs and desires** of socially endangered people are **more demanding, more numerous and new**, they **require an innovative approach in social work** – opportunity for management and organization; organization design.

**Number of recipients of financial social assistance (MDDSZ, 2018)**

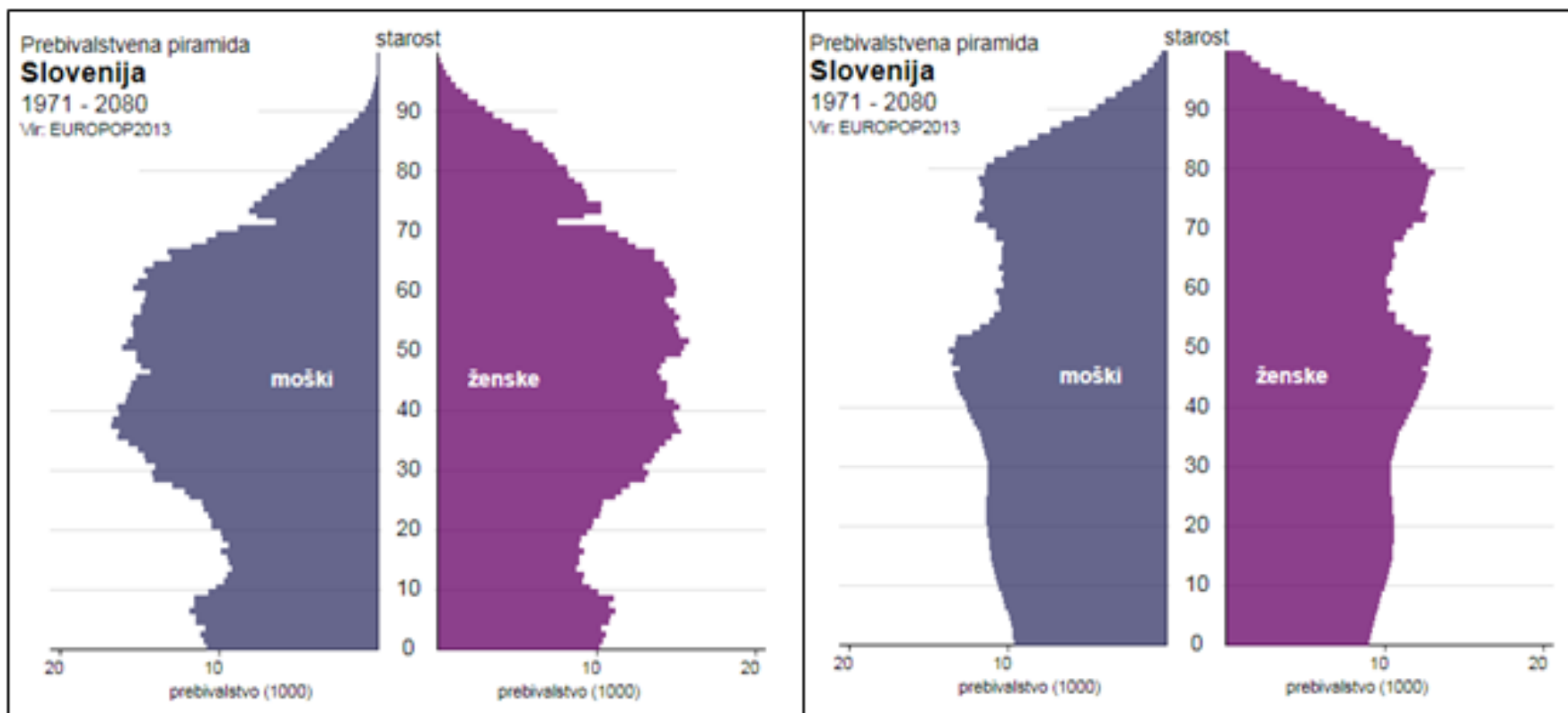


# SOCIAL WELFARE IN SLOVENIA (2)

- Slovenia is now (again) exposed to **pre-election promises** (June 3, 2018). Consequently there is an expansion of interest about and around the **expansion of social rights**.
- Combination of such promises and consequences of the crisis - **number of citizens benefitting from social assistance was higher than the number of contributors to the state system** (Sušnik, 2016).
- Slovenia and the rest of Europe are dealing with the problem of **ageing population** – number of 65+ will almost double in the next 35 years (Slovenia).
- **Social problems** and **ageing population** represent a serious **threat** to several state controlled fields, including the **social security system** (Social Protection Institute of the Republic of Slovenia, 2016).

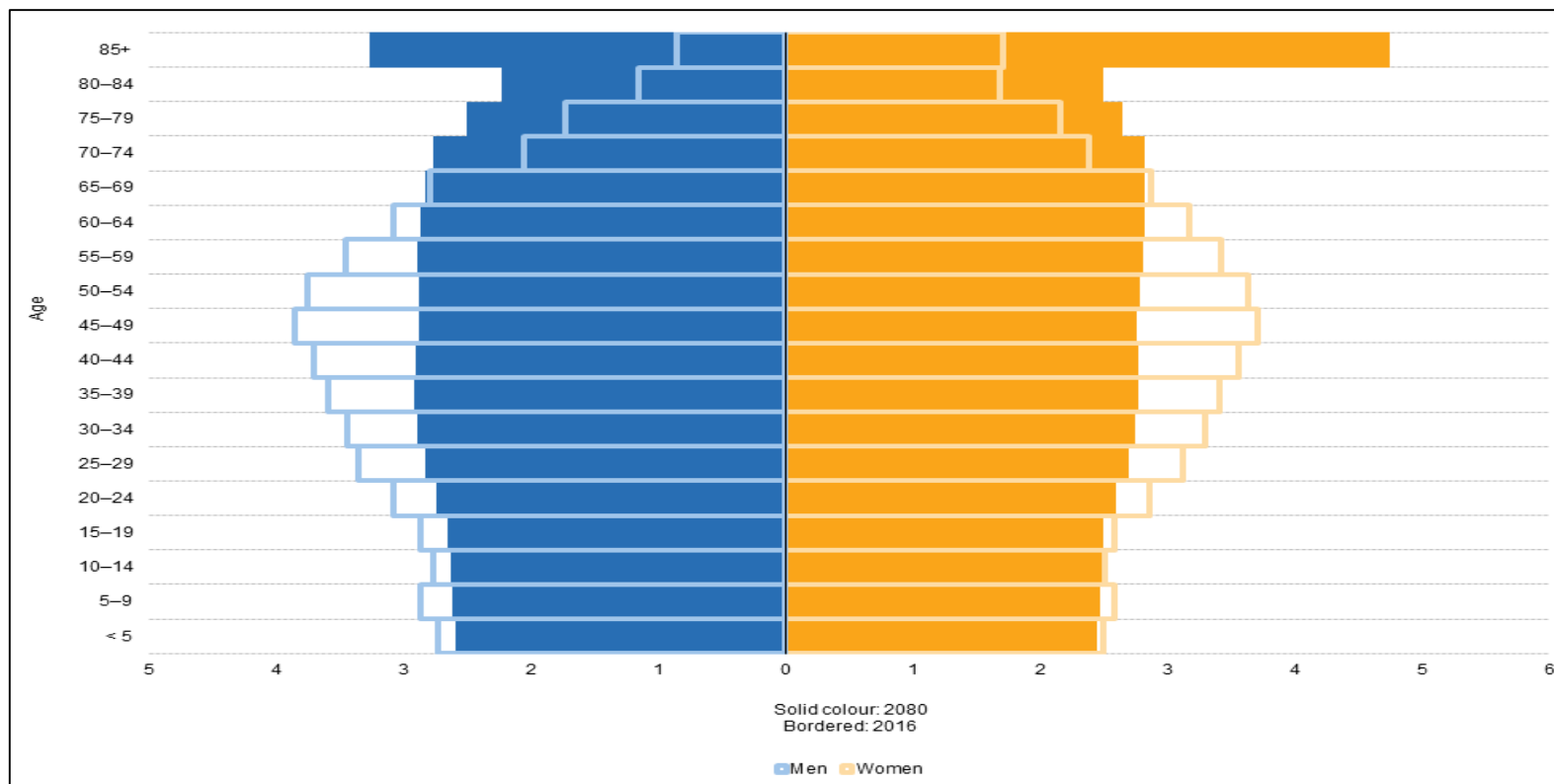
# AGEING POPULATION IN SLOVENIA

- The **age structure of the population** in Slovenia in 2017 in comparison with 2060:



# DEMOGRAPHIC TRENDS IN EU-28

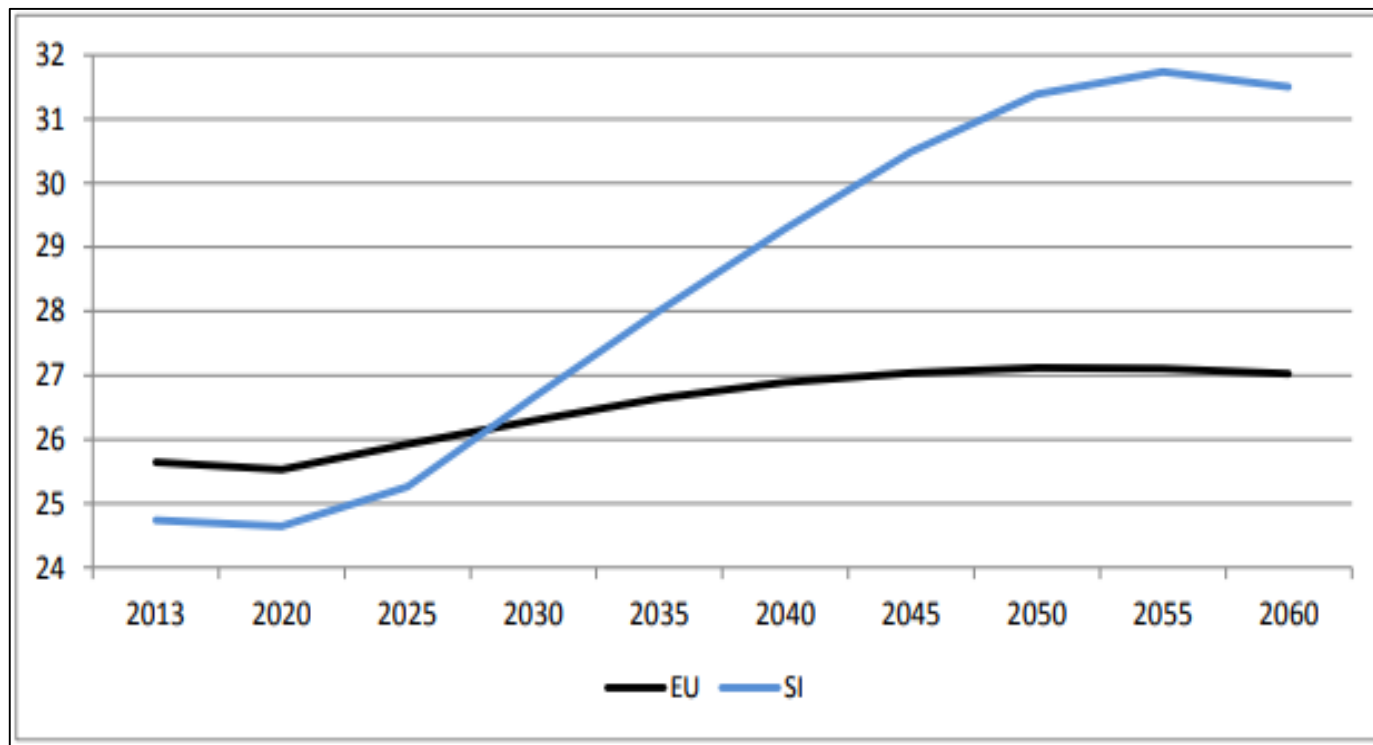
- **Demographic trends** in the EU-28 in 2016 in comparison with 2060:





# STATE EXPENDITURES

- **Increased expenditures as a share of GDP** (i.e. pensions and health expenditures) connected with ageing population in the time period from 2013 to 2060 (Slovenia and EU-28):



(Slovenian Ministry of Finance, 2015)

# SITUATING ORGANIZATION DESIGN IN THE FIELD OF SOCIAL WORK (1)

- Slovenian social work system **challenges** require a deep analysis connected with its reorganization process.
- **Organization design** in Slovenian social work organizations is almost a **completely new field** as it is today **practically unused or misused**.
- Existing picture of Social work centers in Slovenia before the reorganization:
  - > no collaboration,
  - > digitalization,
  - > budget constraints.



- Number of SWC: 62
- Employees: 1.247\*
- Biggest SWC Maribor: 90
- Smallest SWC Metlika: 7

\* Data from 1. 1. 2018

*(Ministry of Labor, Family, Social Affairs and Equal Opportunities, 2018)*

# SITUATING ORGANIZATION DESIGN IN THE FIELD OF SOCIAL WORK (2)

- To **design future organizations** active in field of social work, we require a **deep understanding of the extant organizational model(s)** and the definition of a **'to-be' setting** (Greenwood & Miller, 2010; Giustiniano & D'Alise, 2015). Goal of changing the existing situations to preferred ones.
- Only with this **reflection** and **new understanding**, we will be **able to design organizations** in social work to **improve their performance** and therefore **directly contributing** to the **Slovenian society** and **indirectly contributing** to the **EU society as a whole**.
- Nowadays, **innovation** is seen as the **catalyst for growth** in organizations (Burton, Obel and Håkonsson, 2015).

# SITUATING ORGANIZATION DESIGN IN THE FIELD OF SOCIAL WORK (3)

- In the **public sector many changes** take place – or better, are **prosed to the citizens** – under the **veil of innovation** (i.e. reorganization). Slovenia has seen many „innovation“ projects since 1991.
- Bugge & Bloch (2016, p. 1467) - “***Innovation has traditionally been studied in the private sector.***”
- Kuhlmann & Rip (2014) - Considerable **evidence** and **examples** suggest that **innovation in the public sector may play an important role.**
- Rolfstam, Phillips & Bakker (2011) - a **small innovation** in the **public sector may yield large outcomes or effects beyond the limits of the public sector itself** – organization design.

# REORGANIZATION PROCESS

- Ministry - **overcome their current weaknesses, improve their internal functioning and improve the quality of services** offered to social services users. Allow **more time for professional tasks, increase efficiency and quality of work**, etc. **Critique** - the Ministry is neglecting one of the key propositions, namely Chandler’s (1962) argument that *“structure follows strategy”*.

- The proposed new organizational structure:

-> strictly hierarchical,  
 -> what about people,  
 processes, networks,  
 ...

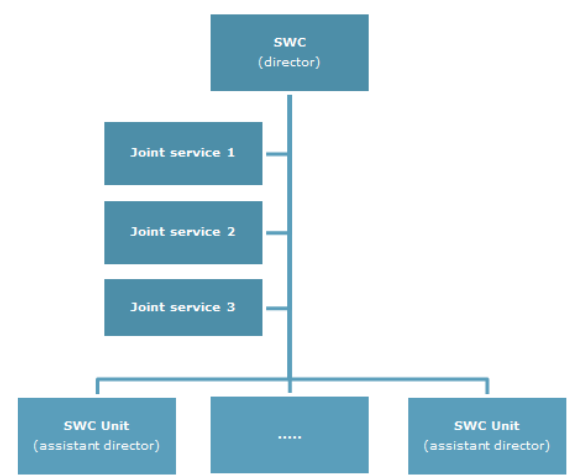
### Change of the SWC network

Establish 16 new SWC

From the existing 62 SWC they will establish 63 units  
 \*2 units from SWC Maribor

In every new SWC there will be joint services (i.e. legal office, accounting, ...)

### New SWC organizational structure



# CASE STUDY APPROACH

- Potential **gap in the literature**. **Research question** - “How can organizational design improve the functioning of social work centers in Slovenia?”
- Organizational design and social work are **complex, important and challenging fields** – **case study method** allows authors to answer specific research question - **full understanding of the nature and complexity of the studied phenomenon**.
- This **informative qualitative case study** research is the starting point in Slovenia. Our intention is not to criticize but to draw some policies, aiming to **inform key stakeholders and decision makers** about the **potential of appropriate organizational design process** and encourage them to **collaborate with experts** from the field in order to **help them achieve their main goals of the reorganization process**.



# DISCUSSION, EVALUATION AND CONCLUSIONS

- **Changes** are happening as fast as ever and the **social work sector needs to respond** – open to new ideas and try to exploit potential and opportunities.
- (Burton, Obel and Håkonsson, 2015) - potential **misfits** among organizational design components can result in a **decrease of organizational performance by up to 30%**.
- **Enlighten the topic** of organization design in social work and to **encourage key stakeholders** and **decision makers** to learn more about the topic.



# FUTURE RESEARCH (1)

- Collect **empirical data** on the topic of organization design in social work.
- **Follow-up studies** – conducted in **different public sector organizations** – **different research methods**, i.e. in-depth interviews, questionnaires or mixed methods approach.
- Context of **other European countries** that are in the **same social model** as Slovenia and in **comparison** with countries that are in one of the three **remaining social models**.





# FUTURE RESEARCH (2)

- In progress – **questionnaire based research in social work centers regarding knowledge management** - possibility to connect the fields of knowledge management and organization design.
- Project for **educating employees, managers** in social work organizations on management and organization, organization design, (re)organization and similar topics.
- **Collaboration** with the **Social Chamber of Slovenia** that enables as to contact / access potential respondents.



# Thank you!

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