# Denmark

# **Employee Influence, Personnel Policy and Quality at the Social Appeals Board**

# About the authority

The Social Appeals Board (DSA), operating under the Ministry of Social Affairs, was established in 1973; since 1993 it has operated under a profit-andloss contract with the Ministry of Social Affairs.

The Board has over 200 employees, most of them women. Slightly over half are university-trained case managers (mainly attorneys), and approximately one-third are office workers. There are 10 specialised offices and 4 staff offices.

DSA is the highest administrative level of appeals in the area of social affairs, and its tasks are stipulated by law. Its main task is to make concrete decisions on social appeals and occupational injury cases, approximately 17,000 each year. DSA must also co-ordinate national-level implementation and, in recent years, it has been given new tasks in the areas of education, counselling, analysis and elaboration of statistics.

### High level of stress and absenteeism

In the past, DSA was a very traditional government bureaucracy that took a great deal of time to process cases. Working under considerable pressure, employees experienced high levels of stress and the rate of medical absenteeism was high.

Since 1993, DSA has been working with a broad range of initiatives and activities to assure continued development of quality in solving problems. Making DSA an enjoyable workplace by developing appropriate personnel policies and increasing employee influence, has been both a means of achieving this goal and an objective in itself.

### How the project was set in motion

From 1993 to 2001, DSA implemented a number of concrete projects involving a wide variety of problems. To varying degrees, the projects involved all the Board's managers and employees.

Three important and interrelated objectives of the projects have focused on employee involvement, personnel policy and quality.

Establishment of a new co-operative structure called NWC [New Work Council] has formalised employee participation. The NWC was established at the DSA on a trial basis in 1995 and became permanent in 2000.

DSA has an extensive personnel policy which, among other things, focuses on the "whole employee". The policy is reviewed regularly, most recently following a job satisfaction survey conducted in 1999.

Since 1997, when the Public Sector Quality Prize was instituted in Denmark, the Excellence Model on which the Quality Prize is based has been at the centre of DSA's quality-related work.

Several government funds have contributed to some concrete projects, while other initiatives and activities are included under the integrated operating expenses and are financed through the operating budget.

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# **Providing information**

Information is a high priority at DSA. A personnel newsletter is sent out each week. Morning meetings are held several times a year for all personnel, and office-wide meetings are held at all offices every one or two weeks. There is an extensive intranet, where all policies, contracts (including the director's and executives' profit-and-loss contracts), evaluations, etc., are available. All employees can subscribe to any reports that interest them.

Since 1995 an annual personnel conference has been held for all Board employees. At these conferences, participants exchange information, discussing current topics and projects and presenting proposals for new initiatives; they also follow-up on proposals made at the previous year's conference. The conferences always end with an evaluation.

#### Involving employees

In 1995 DSA and other boards and institutions of the Danish government initiated an effort to increase employee influence, called NWC. In 2000, after a test period, DSA became the first institution to enter into a permanent NWC agreement.

The purpose of the agreement is as follows: "to develop co-operation between management and employees to achieve greater employee involvement in determining and implementing objectives at the workplace. Other goals are to develop personnel policy to facilitate employee development that will create the desire and motivation to meet the Board's goals, and to create agreeable working conditions and guarantee a good physical and psychological working environment."

The NWC committee is composed of the chair of the Board, a representative of the management group, and a representative of each of the three personnel groups. The committee meets every 14 days. All Board employees can place items on the committee's agenda.

The NWC has several permanent committees or working groups. When a committee or group is established under the NWC, interested employees are sought to participate. One of the permanent groups is the Working Environment Committee, made up of the regular safety director and 7 other employees. The Working Environment Committee is responsible for undertaking workplace assessment and job satisfaction surveys, among other things.

Organisationally, employee influence is based on the greatest possible delegation of authority. While in 1996 only the appeals chiefs could meet and make final decisions, half the AC case managers now have that authority, and the goal is to give this authority to all of them. This has required a change in the legislation.

Self-managing working groups were set up in 1997-98 on a trial basis. This trial was not the success it was expected to be and it was dropped. Experience from this experiment is part of the Board's continuing work on development of the organisation.

#### Evaluating the managers

All employees are involved in evaluating their managers. Management evaluation occurs once a year for all managers on the Board and it serves as a basis for contract negotiations and wage determination. Personnel management is one of the four parameters on which managers are evaluated. The relative weight of this parameter has been increased from 20 to 30%.

# **Personnel policy**

DSA has an extensive personnel policy, which may be categorised under the headings:

- Attractive workplace
- Recruitment, employment, and wages
- Career and skills development
- Leadership
- Employee influence
- The whole employee
- Resignation/retirement

Policy is evaluated and revised on an ongoing basis. Areas of concentration are selected, in part, based on the job satisfaction surveys. Job satisfaction surveys were made in 1994, 1999, and 2001.

# "The Whole Employee"

"The Whole Employee" has been an area of concentration in recent years. In personnel policy, this topic includes family life, seniors policy, social chapter, absenteeism and retaining workers.

At the request of employees, their personal concerns are now part of the annual personnel development discussions between individual employees and their manager. This topic is voluntary.

DSA stresses the importance of being a family-friendly workplace, offering flex time arrangements, generous leave regulations and the possibility of reduced working hours.

With regard to social chapter, employing workers with special needs is part of the Board's profit-and-loss contract. This includes both workers from the outside and Board employees who are no longer able to work under normal conditions.

Personnel policy has concentrated on absenteeism and retention of workers for a number of years. In 1997-98, the Board initiated a project to reduce the high rate of absenteeism. Several of the measures that were taken then are still in effect:

- Absenteeism and employee retention discussions are held when an employee exceeds a certain number of sick days.
- An arrangement has been implemented whereby, for a nominal fee,

employees can get a massage during work time.

- Flu vaccinations are available to all employees and one-third take advantage of them.
- A "network of colleagues" has been set up, wherein 1-2 employees in each office have been trained to support colleagues who are in need of help. Their conversations are confidential and no record is made of these sessions.
- A contract has also been signed with a private counselling firm that provides anonymous professional help to employees who are dealing with personal crises.

Due to a sharper focus on absenteeism due to life-threatening disease, several of the colleague networks have been trained to assist employees in this situation. A plan of action has also been drawn up that sets out the rights and procedures relating to any employee faced with a life-threatening disease.

# Excellence model of public administration

Since 1997 DSA has been working with quality in accordance with the European model called the EFQM Excellence Model. This model is based on a selfevaluation using 9 criteria: 5 deal with effort (leadership, employees, policy & strategy, partnerships & resources, and processes) and 4 deal with results (employee results, customer results, society results, and performance results).

Use of the model makes possible a comprehensive evaluation of all impor-

tant relationships internally, within the company, and externally, in the company's interaction with users, partners, and society.

A quality evaluation group under NWC, consisting of the deputy chair of the Board, 3 other managers, and 7 employees, is in charge of work with the model at DSA. All employees in the group have been trained to assess the use of the model. The group has been in charge of quality evaluation for a number of projects and efforts carried out by DSA, including several personnel policy initiatives. A self-evaluation developed by the group was discussed at the Board's personnel conference in 2000.

This group has been the driving force behind an application for the Quality Prize for the public sector in 2001. At a 2-day seminar, based on employee proposals, the group examined organisation from the standpoint of the Excellence Model. Self-evaluation was discussed at the management group and at the NWC. DSA was recognised for its work when the Quality Prize was awarded.

At a morning meeting, all employees were informed of the upcoming application and afterward all employees celebrated the recognition.

#### Results

A consistent feature of the present DSA culture is that policies are developed and experiments initiated that are test-

ed in practice, evaluated, and followed up in new areas of interest.

DSA's management sees the Excellence Model as an effective – albeit time-consuming – method of guaranteeing a comprehensive understanding and evaluation of the Board, the numerous initiatives, and their results.

# **Employee satisfaction**

Job satisfaction studies show that there is great satisfaction with NWC and, thus, with the formalised aspect of employee influence. Evaluation of NWC is part of the job satisfaction surveys.

Since 1997 at least 6 people have been employed under special conditions. In 2001 the number was 14.

# Absenteeism

Absenteeism due to illness dropped by one-third from 1996 to 1999, and overall absenteeism has remained at approximately that level ever since. A large portion of the absenteeism is due to long-term illness. Due to DSA's employee retention policy and social responsibility, overall absenteeism due to illness is not expected to drop further.

A job satisfaction survey in 2001 showed that, in general, there is a high level of satisfaction among employees, even though many still believe jobrelated pressure is too high.

#### Family-friendly organisation

DSA is seen as an attractive and familyfriendly organisation to work for, as indicated by the fact that it, unlike many other state sectors, has no problems recruiting and retaining new universitytrained employees. The fact that women, in particular, are attracted can probably be attributed to the family-friendly atmosphere.

### **Customer satisfaction**

Satisfaction surveys among users and other interested parties show that in most areas there is reasonably high satisfaction with the Board's work and that user satisfaction is rising in areas where special efforts have been made, based on previous surveys.

On average, the time required to process cases dropped from 10 months to just over 3 from 1993 to 2000 and has remained at that level since then. Due to legal requirements and citizens' legal rights, DSA does not believe it will be possible to reduce the processing time further.

# Productivity

Productivity, measured as the number of completed cases per case manager per year, rose slightly between 1997 and 2001, allowance being made for the greater complexity and gravity of the cases. DSA is continuing its work in employee involvement, personnel policy, and quality. As part of its work with the Excellence Model, the Board is part of a network of public enterprises and institutions in Denmark, all of which have experience with the method. The network offers concrete inspiration and requires its members to continue their efforts in this area.

DSA's experience from its numerous activities and projects is often requested by others – particularly government institutions. Many students want to use DSA as a case study for their assignments. DSA's willingness to share its experiences, even on its less successful projects, has placed the chair of the Board in great demand for making presentations. The Board's experiences have also appeared in numerous publications, including several Finance Ministry handbooks.