

# **“System Change at National Government Level”**

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## **Abstract**

The authors present and discuss a large system transformation project which they designed and implemented in Slovenia at the start of its independence in the early 1990s. Post-mortem analysis generates insights that are useful for practitioners who embark on a similarly broad and cross-sectoral level of transformation process. ODC design issues are discussed giving special consideration on structuring the pre-contracting phase to guarantee good enough inclusive stakeholder representation and participation throughout the transformation process. Intervention design needs to allow for experimentation and multi-stakeholder alliance building. Application of Action Research and Action Learning in a politicized and risk averse environment typical of central governments helped to enforce a sense of ownership, control and collective accountability in the partner country.

Keywords: Republic of Slovenia, social system change, public administrative reform, organization development, transition country challenges, action research, action learning, institution development

## **I. Introduction**

Large systems have a tendency to become entrenched and bureaucratized with defined functions and operational procedures. A large system, such as a government, becomes fixed and rigid because the people within it assume that the way it functions now is how it has always functioned and the only way it can function in the future. A mentality of “not-

rocking-the-boat” is quite common in such rigid systems that have difficulties to respond to changing circumstances and demands. People within the system can easily feel alone and incapable of changing the structures around him or her. He or she feels like a tiny cog in an outdated machine in need of an overhaul.

But sometimes it becomes apparent that the large system needs to be changed because the environment in which it exists has dramatically changed and disruptive forces are too strong to ignore. Such was the case when then the Socialist Republic of Slovenia declared its independence on 25<sup>th</sup> June 1991 from the Socialist Federal Republic of Yugoslavia and became the Republic of Slovenia. The declaration of independence transformed Slovenia into a nation state resulting in a transformation of a provincial administration into a national administration. Suddenly, the government of the new republic of Slovenia had to transform its provincial structures into national ones and create new organisational structures that did not exist before independence such as ministries of interior, economic affairs, and foreign affairs. In addition, the new country of Slovenia had to manage the twin transition from a single party led socialist state to a directly elected democracy with proportional voting; and from a state led economy to a market economy with a government expected to act as a regulator and no longer as a state actor directly interfering in the economy.

The majority of Slovene citizens hoped for a peaceful and smooth transition and a form of system change that would be transparent, inclusive and participatory as much as possible. Change should no longer be only decided by the top leaders but instead should be undertaken by the government with a final approval of the change strategy by the democratically elected parliament.

To ensure sustainable large system change at the whole of the national government level during times of a major transition implies an understanding that governmental institutions are not inanimate structures but instead should be understood as being an organic systems of people working together to achieve political objectives in an inclusive and less

elitarian manner (Saner & Yiu, 1996, p 55). In that vein, Slovene civil servants personal work motivation and attitudes towards the institution were affecting the government's effectiveness (Saner & Yiu, 1966, pp 58-59). Consequently, a more effective way to change how an institution functions is to change how the individuals perceive their tasks and responsibilities and how they work together within the public institutions. The latter includes how the civil servants understand their roles, how a government should function collectively in order to achieve efficient and effective production of public services and public goods in a non-discriminatory manner.

Rationalisation of costs is part of most public administrative reform strategies accompanied with a "re-orientation" of the existing staff to the new organisational culture (Brinckerhoff and Ingle, 1989). But from a purely logistical standpoint, retraining *all* the staff working within a large system like the government of Slovenia is not only impossible within a short time span but also naive. The challenge of this large system change project was to ensure continued performance of the newly independent country's central administration while at the same time introducing a new administrative culture and complementary working tools to replace the "business as usual" practices inherited from the previous pre-independence government.

This paper aims to review the ODC transformation process at the central whole of government level of newly independent Slovenia and to draw lessons for other similar transformation projects at whole of government level.

This reflection will be centred on the following key design questions:

1. How to energize and support a "social system" like that of a national government e.g., Slovenia so that it can continuously reenergize and transform itself to meet on-going challenges of the present and the future?

2. In view of the fact that radical change of a central governments is not a sustainable change strategy, how should reframing the work of civil servants and the retooling of the administrative institutions be undertaken?
3. What should be the appropriate aggregate level of intervention in the context of a whole of government transformation?
4. Would individual training be sufficient to result in sustainable institutional change of a central government administration?
5. How could a multilevel intervention strategy be designed and orchestrated to accomplish simultaneously individual learning and institutional transformation?
6. What kind of change process and transitional architecture are needed to sustain a transformational change process once external support and consultation inevitably end?

The case example presented and discussed below describes a simultaneous two-track approach of a large system change process at the whole of government level that attempted to provide existing civil servants with new skills, knowledge and competencies while at the same time transforming key parts of the organisational structure of the central government.

## **II. Theoretical Streams of large system change at the level of a central government**

This section narrates the author's theoretical approach to this large system change at the time of the large system ODC project around the period of 1990-1996. The reflections on the ODC project put forward by the authors tells the story of how the two authors analyzed the situation and conceptualised solutions to the multiple problems identified during the pre-contracting and contracting phase of the project. Since the completion of this large system change project in 1996, the ODC field has evolved and ODC scholars and practitioners have

made important contributions to the understanding of how large system change could be understood and undertaken (Burke, W. 1982; Brown, D. 1983; Chisholm, R, 1998, Padaki, V & Vaz. M, 2003, Golembiewski, Robert (1977),

What follows is an overview of the main theoretical concepts that were applied 25 years ago for this large system change project to address the six change process design challenges listed earlier. The essence of our change strategy can be summed up as follows: The role of the consultant is to establish a participatory process with the project partners to shed greater transparency on the current state of the socio-political administrative system in order to identify and mobilize a critical mass of counterparts to engage in the large system change process. Other complementary principles to transparency included a client-centred approach consisting of participation, ownership, controlled experimentation, learning and accountability. A change architecture, therefore, needed to be designed to put into motion these six principles.

The leading concept which informed our theoretical orientation was Gleicher's equation titled "Organisational Readiness for Change" (Gleicher, D. 1968) cited in Beckhard and Harris book (1977) as depicted below in Figure 1.

Figure 1: Gleicher's Equation on Organisational Readiness for Change

(Source; Beckhard & Harris, 1977)

$$C = abd > R$$

$C$  = Change,  
 $a$  = level of dissatisfaction with the status quo,  
 $b$  = clear or understood desired state,  
 $d$  = practical first steps toward a desired state, and  
 $R$  = cost of changing.

As the equation suggests, the combined strength of  $a$  (level of dissatisfaction with the status quo) X  $b$  (image of desired state) X  $d$  (concrete first steps) **must be greater than** the perceived cost of change,  $R$ . When emerging from former Yugoslavia, the stress level on the Slovene state was high. There was a general sense of uncertainty and vulnerability. No one

could state clearly what the future would bring. Who would be the winner? Who would be the loser? What could the government do to move the country ahead and be competitive in the wider global system? The role of the Swiss-Slovene project was to amplify both the positive and negative energy at the system level so that members and the stakeholders of the project would be willing to act together based on collective interests and expected positive collective impact.

The case study of the project in Slovenia will be thus analysed to illustrate what design features were used to amplify various driving forces in order to enhance system level readiness for change.

### **1. The status quo of dissatisfaction (Factor “a”)**

In order to have an overview of the current state, we initially relied on publically available sources of information to get a good reading of the Slovene citizen's views and expectations of their government. The sources used were newspaper articles, television debates, and academic papers written by Slovene faculty members of the departments of sociology, public administration, law and economics. Informal conversations were also held with different contacts locally and internationally in order to obtain different reading of the situation.

To understand the government officials' own assessments of the strengths and weaknesses of their central government, we conducted semi-structured interviews, focus groups and individual in-depth interviews with various stakeholder groups. In addition, we organised visits to Switzerland and Slovenia by mixed groups of government officials and academics coupled with seminars where both sides were able to compare the two public administrative systems which in turn provided additional information in regard to perceived satisfaction or dissatisfaction with the then Slovene central government and state administration. The later interventions, comparative dialogue and international exposure, raised the awareness on how a well-functioning state and public administration could be and needed to be. In turn, this awareness also sharpened the perception that there was room to

improve and gaps to close of the performance of Slovenia's administrative system amongst the political elites.

We knew that this initial fact-finding and "warm-up" process would take time and had to be reiterative in order to deepen both authors' understanding of the transition period of Slovenia and of its impact on the public administrative system. But it was also important to let the process take its course since it gave the Slovene counterparts and interviewees the possibility to assess the two authors' proposals for remedial action and to of their assessment of the situation. Both were crucial to build trust between the project team members and the Slovene civil servants and political leaders. Active listening, showing what we understood during seminars and discussions, and appreciative inquiry were important factors enabling the establishment of rapport with our dialogue partners. This open attitude reassured our Slovene partners that we were not biased by preconceptions or influenced by third-party prejudices about the country, its citizens and its government. In other words, we needed the time for our own understanding of the history and complex situation of the country and its government administration, and at the same time for helping our Slovene partners better understand where we stood, how we perceived and analysed the situation, and what our ODC concepts could mean in practice.

Of particular difficulty in these conversations was to distinguish between politically motivated, often ideologically biased, opinions and factual assessment of the current situation. In other words, statements of dissatisfaction had to be understood as being often political statements and less a substantiated assessment of the functioning or dysfunctioning of the government. In addition, important information about the current state of the Slovene government's performance were not always easily accessible and hence a good number of interviewees did not have enough information to form a substantiated judgement. All these potential biases had to be gradually clarified and our assessments needed to be continuously verified and improved as we went through this important initial phase of mutual learning.

During the life cycle of this project, we kept refining our assessment of the larger socio-political and economic situation of Slovenia and subsequently published an article in a mainstream academic journal (Saner, R; Yiu, L., 1996).

By now, we the consultants moved into a position of “insider-outsider”, which Warner Burke (1982) described as “on the margin”, that is sufficiently informed but remaining an outsider to be objective and neutral.

## **2. A desired clear state (Factor, “b”)**

Defining a future state posed a particularly difficult challenge. Public Administration is organised and operates differently than a private sector company of a western – capitalist country. As Slovenia was emerging from its socialist or more accurately communist past, conceptions as to what a government is or should be versus should not be nor do was fuzzy. Having left behind the previous communist central command system was a liberating act and at the same, it was disorienting since a clear future state did not exist yet. Political parties suddenly emerged with many leaders who were previously playing important roles in the communist government but were now trying to forge a new identity. It was also the time when foreign political parties and associations competed in organising seminars, invited Slovenes to their respective country and tried to impress on them that they would be better off by following the German, American, British or Dutch way of organising the state and the economy. In addition, international organisations opened offices and did their best to influence politicians as well to follow the IMF, WB, OECD, NATO way of good governance.

In view of this proliferation of vague concepts, political wrangling and competition and confusions about what distinguishes a government administration from a private sector company, we thought best to continue deepening our diagnostic phase and to offer our knowledge and experience in regard to public administration concepts as practised internationally. Since we were very active in the field of public administration from 1986-



1990 as researcher, educator and consultant during the major transitions taking place internationally, we were able to give short lectures about the strengths and weaknesses of concepts popular at the time, such as New Public Management and New Public Administration. Our sharing of information included citing existing literature at that time which addressed the complexity of development and change in public administration in transition countries such as Golembiewski, R, (1977); Brinkerhoff and Ingle (1989), Saner (2002) and Sminia and van Nistelrooij (2006).

We were very much aware of the limited time and budget that was available for our ODC project and equally aware of the system complexity of public administration, hence we looked for an encompassing *mission statement* that could be agreeable to all the different interests and constituencies present in the Slovenian government and parliament. We proposed to our Slovene counterparts to “work towards a modernisation of the Slovene central administration” and to also agree to invest time and energy to clarify what **modernisation** could mean to the Slovenian stakeholders. After several further rounds of discussions, we further agreed to embark on a government learning journey by launching a process based on conducting research, followed by education and training. The project was given a name elaborated during one of the frequent discussions with our Slovene project team counterparts which helped all participants from different ministries to join our ODC project. The project then was officially called M.A.S.T.E.R., short for “Managing Administrative Systems through Education and Training”. Once accepted, we subsequently proposed two final objectives of the project to work towards the creation of two government units - namely an Administrative Training Unit and an Organization & Management Unit at Central Government level as internal drivers to facilitate an on-going modernisation process. The first unit was given the task to assess training needs and produce training programmes to help the Slovene civil servants prepared themselves for the future- modern- state of administration. The second unit was tasked to learn how to conduct organisation and management studies of ministries and

central government agencies to provide solutions to improve their efficiency and effectiveness.

While it remained fuzzy at that stage what a modern state would look like, the instruments to facilitate the emergence of a modern central public administration were discussed, negotiated and put into place during the next step.

### **3. Practical steps to the desired state (Factor “d”)**

Drawing on our experience with public administration and private sector companies, we saw the need to re-think mainstream ODC concepts. For instance, we considered the prevalent ODC concept in use at the time of our project as not relevant for our project. The linear application of change attributed to Kurt Lewin such as the CATS formula (Unfreeze-move-refreeze) as unworkable in the context of a public administration, characterized by policy ambiguities, often unclear or contradictory structural organisation, lack of clear hierarchical power and persistent porous organisational boundaries (Saner & Yiu, 2009). We considered such a linear CATS based change model overly simplifying and counterproductive. Hence we did not apply it but rather opted for an evolving gradual model similar to Hornstein & Tichy's (1973) emerging –pragmatic model. In fact, Cummings et al (2017) provides evidence that the linear CATS model so much in use by ODC practitioners was not developed nor suggested by Kurt Lewin but instead Lewin's work was instrumentalised for linear ODC consulting purposes fitting particularly the private sector of the US economy.

Instead, what made sense and was very useful was K. Lewin's concept of Force Field Analysis which we used extensively during our pre-contracting phase with our interlocutors. It helped our Slovene counterparts come to internal agreements as to the various forces supporting the aim towards modernisation and related objectives described above. It also provided a good and rational platform to identify forces which were either blocking the goals

of the M.A.S.T.E.R project overtly, covertly or simply because the status quo nor the desired state was clear in their conception. The demand for clarity on where the Slovene central administration was heading towards or should be moving towards helped the project to better map the landscape of friends and foes faced with large system change. This experience reinforced our conviction that participation and deep engagement in the designing of future state administration would be a key factor for the success or failure of our M.A.S.T.E.R. project.

#### **4. Mobilisation of Alliances for Change (Factor “X”)**

At this point of the change process, sufficient alignment of purpose and practical actions was needed amongst the Slovene civil service and particularly amongst our own mixed project team members. Our intent to create sufficient collective agreement around the mission statement resulted in an broad-based agreement on steps to get there during the project implementation phase. The next challenge was to mobilise the *indigenous* energy of the system and the varied internal communities to self-regulate thus creating self-driven momentum for transformation.

We created a system change map (Yiu & Saner, 1997) to guide our next actions (see Figure 2) by building on the work of Ed Nevis (1987) and by applying Gestalt Principles of Awareness Cycle and The Hollander Psychodrama Curve (1969) that refined Jakob Moreno’s concept of human change processes (1932) within a collective system.

#### Public Accountability

Visible engagement of the Slovene administration and its civil servants right from beginning was deemed essential to ensure the sustainability of the transformative energy once the Swiss support has stopped at the end of the bilateral project. Therefore, being seen as actual contributors to the modernisation process by the administration and fellow civil servants was important for their credibility. Being able to work in a participatory manner

while conducting action research and later delivered convincing proposals and advices were important confidence-building measures for both the trainees and the Slovene administration.

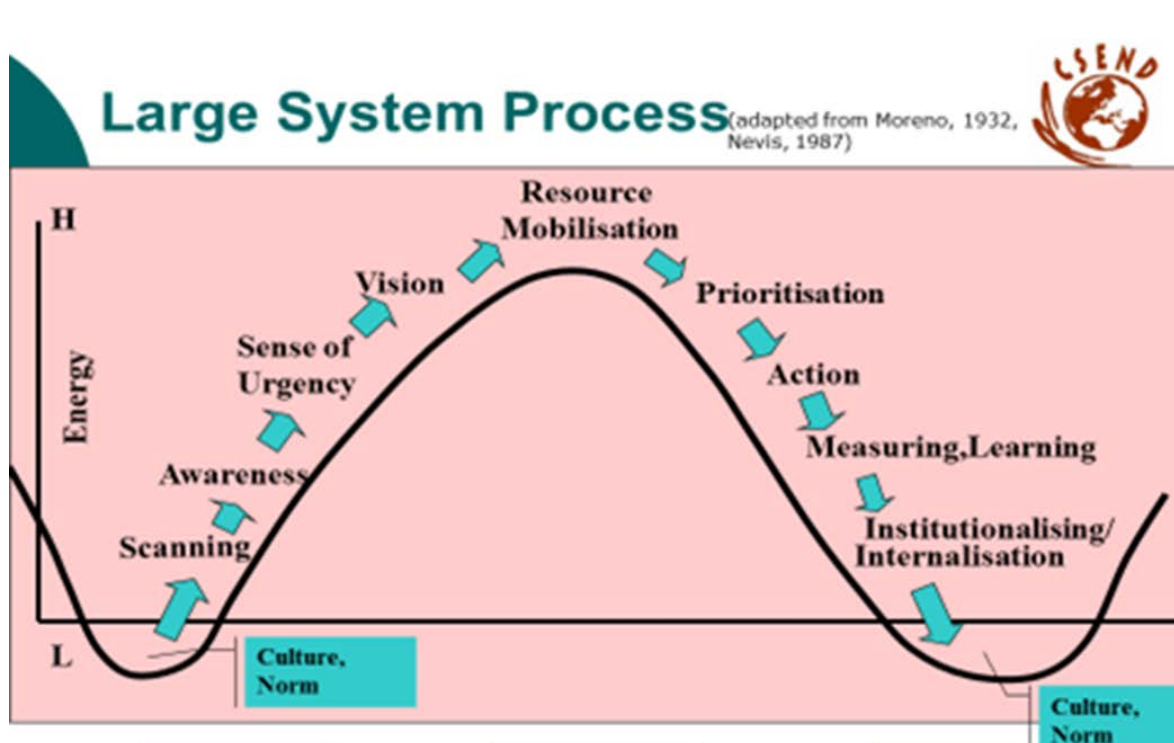
### Data as energy

Fresh and authentic data that were contributed by the members of the administrative system was necessary to give direction to feasible change measures. By providing quantified feedback to the various sub-systems where action research took place strengthened the legitimacy of the change agenda promoted by the Slovene government. Fresh insight could also reduce some of the noises emanating from fear, self-interests and other negative interferences influencing the task at hand, i.e., to build a solid capacity of the Slovene public administration to be effective and efficient in a sustainable manner.

Participant-trainees were also introduced to the system change map to guide their own consulting work at the later stage of the M.A.S.T.E.R. project.

### **Figure 2: Large System Change Process**

(Adopted from Moreno, 1932; Hollander, 1969; Nevis 1987)



## **Action Technology as key change Methodology**

Action technology, i.e., action learning (“Learning by Doing”) and action research (“Evidence-Based Change Design”), was adopted as the twin methodology of work for the implementation phase as a means to build internal capabilities for modernisation as well as for reducing potential resistance from the members of the administration who might have felt excluded from the process.

Emphases were given to the need for a fast paced change strategy and the institutional learning which are both more challenging in public administrative systems especially at central government level. By adopting an action based learning and change strategy, this Slovene-Swiss project was able to conduct know-how transfer activities and pilot reform projects in tandem over a fifteen months period with significant results and visible impact.

Building on the pioneering work of Revans (1971) on action learning and Argyris (1985) on Action Science, we designed a mixture of learning and research processes for all the trainees selected to participate in the M.A.S.T.E.R project. They first were given basic lectures on comparative public administration and management, they were later separated into two tracks with one track learning how to conduct organisational studies of ministries and the other on learning how to identify knowledge and skills gaps of the civil service. Both tracks would meet and exchange findings thereby providing additional opportunities to deepen their understanding of the current state of Slovenia’s public administration as well exploring jointly what future state could best prepare the central administration and its civil servants for the challenges of future.

The synergistic use of action research and action learning offered the possibility of creating a multilevel intervention strategy simultaneously accomplishing individual learning and institutional transformation. While the vulnerability existed with such change system design where inexperienced consultant-learner could cause unintended “damage”, this

strategy allowed accelerated transfer of individual learning to peers and to workplace experimentation and implementation. Solid foundation skills developed over a rigorous classroom learning helped reduce the risk of derailing the project. This combination of action research and action learning was tried once before at the whole of government level by the authors in China with similar success (Horvát, 2016).

### **III. Summary of the ODC project**

#### **3.1. Brief Summary of an ODC Project in Slovenia - National Administrative Reform in Slovenia**

At the request of the Republic of Slovenia, CSEND designed a technical cooperation project to assist the newly independent country in reforming its central government by modernising and strengthening its administration. 2.8 million Swiss francs were contributed by the government of Switzerland and complementary contributions were made by Slovenia in kind (Project Office in Ministry of Interior, local staff, trainees' paid leaves and project materials). The pre-contracting phase lasted from 1990-1994 and was essential in creating trust and initial agreements on project design and outcome. The project implementation lasted two years from 1995-1996 and resulted in the creation of a National Administrative Academy and an Organisation & Management Unit within the Ministry of Interior.

Slovenia, formerly part of the Socialist Federal Republic of Yugoslavia, began gradually building and strengthening its public administration after becoming independent in 1991. The Swiss-Slovenian bilateral project specifically focused on improving government performance in three core areas: central administration, public services, and training and development of civil servants.

**3.2. Project Objectives:** The project consisted of three specific objectives, namely:

- 1) Creation of new competencies within its central government administration. As a result, two new units were to be set up. The first will be mandated to provide consultancy in the area of organisational efficiency improvement; the second, to upgrade the skill level of Slovenia's senior civil servants.
- 2) Training of qualified candidates for staffing these two new units. Individual trainees were responsible to develop a five-year training plan for central government officials and to pilot an action research methodology for governmental reform.
- 3) Implementation of pilot projects to strengthen efficiency and effectiveness of specific governmental offices, Ministry and state enterprises as part of the learning process. These pilot projects need to be identified and participated by the “client” ministries, enterprises and government offices.

At the end of the project, this administrative reform project was evaluated by a joint evaluation team of experts who concluded that these objectives were achieved. The bilateral project was subsequently closed. Lessons learnt are discussed below

### **3.3. Phases of the change process**

While the project was officially launched by the President of the Slovenia Republic in 1994, the warming up process was initiated in 1990. Chronologically, the project from initiating to closing covered a period of six years. The initial phase had no official mandate nor resource allocation and straddled between the transitional period between Yugoslavia and Independent Slovenia. Table 1 captured the chronology of the ODC project with objectives, activities, key actors and outputs at each phase.

Table 1: Chronology of the ODC phases, activities and actors

| Phases                                      | Objectives  | Activities   | Key actors  | Outputs   |
|---|---|--|---|---|
| <b>Pre-contracting (entry) phase, 1989-</b> | <p>Before independence</p> <ol style="list-style-type: none"> <li>1. Curiosity &amp; Learning</li> <li>2. Sharing lessons learnt from China</li> </ol> <p><b>Independence</b> (25 June 1991)</p> <ol style="list-style-type: none"> <li>3. Building foundations to collaborate</li> <li>4. Accumulating social capital &amp; bonding with key actors</li> <li>5. Surfacing common interests and shared vision of a desirable future</li> <li>6. Defining the potential scope of work</li> <li>7. Creating a network of support</li> </ol> | <ol style="list-style-type: none"> <li>1. Workshop (02.1991, Ljubljana)</li> <li>2. Personal communication between internal change agent (client) with consultants</li> <li>3. Influencing potential Swiss funder for a project -MOFA</li> <li>4. Meeting to exchange of ideas and identification of shared vision with potential partners (7/1992, Vienna)</li> <li>5. Finding an internal sponsor &amp; locating the project within the Slovene government</li> <li>6. Submitting the initial project idea to Swiss Representative (31.7.1992)</li> <li>7. Formal request sent to MOFA (20/9/1992)</li> <li>8. Slovene Vice President sent an official letter to confirm the political interest of Slovenia for a bilateral cooperation (Dec. 1992)</li> </ol> | <ol style="list-style-type: none"> <li>1. External consultants</li> <li>2. Internal champions, IPA, University of Ljubljana</li> <li>3. External sponsors (MOFA, BZO)</li> <li>4. VP of Slovene government</li> </ol>       | <ol style="list-style-type: none"> <li>1. Formal Slovene request for technical cooperation to Switzerland</li> <li>2. Project idea proposal</li> </ol>  |
| <b>Contracting phase, 1993</b>              | <ul style="list-style-type: none"> <li>• To improve consultants' general knowledge and understanding of the politics, public administration and challenges of Slovenia</li> <li>• To generate political momentum to launch an all-out reform project in Slovenia</li> <li>• To define the End Results and setting</li> </ul>  | <ol style="list-style-type: none"> <li>1. Official mandate from BZO to CSEND for preparing a feasibility study and implementation plan (Jan. 1993)</li> <li>2. Carrying out a 3-step feasibility study and project formulation process</li> <li>3. Step 1A: Meeting with top officials to obtain commitment (Feb. 1993)</li> <li>4. Step 1B: Assessing the institutional capabilities of IPA</li> </ol>  | <ol style="list-style-type: none"> <li>1. IPA &amp; Prof Trpin</li> <li>2. CSEND &amp; Consulting team</li> <li>3. BZO &amp; Mr Martin</li> <li>4. General Secretary of Slovene chancellery, Bandelj</li> <li>5.</li> </ol> | <ol style="list-style-type: none"> <li>1. A full feasibility study and action plan</li> <li>2. Establishment of a project council consisting 1/3 of the government ministers</li> <li>3. A Memorandum of Understanding about the bilateral cooperation drafted at the end of Step 2 in May 1993, approved by the government in June 1993.</li> <li>4. Establishment of</li> </ol> |



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|--|--|---|---|--|
|  | <p>up a Partnership Arrangement with critical stakeholders</p> <ul style="list-style-type: none"> <li>• To Development a project plan</li> <li>• To build trust among Swiss officials toward the project and the consultant team</li> </ul>  | <p>5. Step 2: Organising a international seminar on “Comparative Public Administrative Approaches in Slovenia &amp; Switzerland” (May 1993) with broad based participation covering the whole range of political spectrum</p> <p>6. Step 3: Conducting a brainstorming workshop to formulate an action plan (June 1993)</p> <p>7. Verification by BZO through the meeting of Swiss diplomat and SG Bandlj</p>   |   | <p>Project Council (Ministers Interior, Justice, S&amp;T, Economic Affairs, &amp; without Portfolio in charge of legislation, SG of Chancellery and Prof Trpin) in June 1993</p> <p>5. A full project proposal</p>   |
| <p><b>Design Phase (1993-1994) - Developing ODC change methodology</b></p> | <p>Building on the shared knowledge from the seminar on “Comparative Administrative Approaches”, the search for an change methodology was centred on the following principles:</p> <ol style="list-style-type: none"> <li>1. To develop a multi-layered change process</li> <li>2. To place “learning” at the centre of a reform process</li> <li>3. To be inclusive in partnering with the whole government</li> <li>4. To create new institutions to carry out new management and development functions after the completion of knowhow.</li> <li>5. To select participants from diverse backgrounds and institutional affiliation at both central government and local administration levels</li> </ol> | <ol style="list-style-type: none"> <li>1. Branding the project by labelling it as “M.A.S.T.E.R.” and developed logo, stationary, and publicity material</li> <li>2. Slovene Project Council met and approved the proposed Project Plan (Nov. 1993)</li> <li>3. Official visit of Slovene Chancellery to the Swiss counterpart (Jan. 1994)</li> <li>4. Slovene Parliament approved the bilateral project (Feb. 1994)</li> <li>5. Official signing of a bilateral cooperation project (Dec. 1994)</li> <li>6. Development of a blueprint for the project structure</li> </ol> | <ol style="list-style-type: none"> <li>1. Core group from IPA</li> <li>2. Core group from CSEND</li> <li>3. SG of Slovene Chancellery</li> <li>4. BZO and Swiss diplomats</li> <li>5. Slovene Project Council</li> <li>6. Representative of stakeholder groups</li> </ol> | <ol style="list-style-type: none"> <li>1. Project structure</li> <li>2. Project Objective-Activity-Outcome chart</li> <li>3. ODC methodology, a combined use of action learning and action research methods and practicum through “life” learning/consulting projects</li> </ol> |

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|---|--|---|--|---|
| <b>Implementation Phase (1995-1996)</b> | <ol style="list-style-type: none"> <li>1. To select potential leaders and change agents for public administrative reform</li> <li>2. To provide an immersion course on public management and OD in 14 months including “practicum”.</li> </ol> | <ol style="list-style-type: none"> <li>1. Conducted assessment centre for selecting the 40 candidates for the M.A.S.T.E.R. project</li> <li>2. Conducted 8 courses of the basic programme</li> <li>3. A study tour in Switzerland included seminars, visits to the Swiss Federal ministries and local governments, and private companies</li> <li>4. Conducted further training in two separate tracks and different learning assignments.</li> </ol> | <ol style="list-style-type: none"> <li>1. CSEND consultants/ advisors</li> <li>2. Swiss project manager</li> <li>3. Swiss academic advisors</li> <li>4. Swiss and international faculties</li> <li>5. Slovene project team</li> <li>6. Project Council including a Swiss parliament member serving as senior advisor to the Council</li> </ol> | <ul style="list-style-type: none"> <li>□ 4 O&amp;M studies, including recommendations to their clients;</li> <li>□ 16 management training modules;</li> <li>□ 16 management case studies specific to the Slovene context,</li> <li>□ 15 training needs analyses of the ministries of the Slovene government;</li> <li>□ 8 comparative study reports in English and Slovene of policy, structure, organisation and practices of Swiss and Slovene institutions;</li> </ul> |
| <b>Consolidation Phase (1996-1997)</b>  | <p>To obtain parliament approval for creating two administrative units: Organisation &amp; Management unit and National School of Administration</p>   | <ol style="list-style-type: none"> <li>1. Preparation of the Term of Reference for the two units</li> <li>2. Preparation of the proposal to the parliament</li> <li>3. Preparation of an initial staff table</li> </ol>   | <ol style="list-style-type: none"> <li>1. Joint project management team</li> <li>2. Project Council</li> <li>3. Minister of Interior</li> </ol>  | <ol style="list-style-type: none"> <li>1. Establishment of an O&amp;M Unit within the Ministry of Interior</li> <li>2. Establishment of the National School of Administration</li> <li>3. Training Masterplan for EU approximation</li> </ol>   |
| <b>Evaluation Phase (1996)</b>          | <p>To check the level of satisfaction by the client system with the learning transfer through AL project work of both O&amp;M and T&amp;D tracks</p>   | <ol style="list-style-type: none"> <li>1. Feedback sessions at all the AL sites</li> <li>2. Joint Review Session on AR projects and learning</li> </ol>   | <ol style="list-style-type: none"> <li>1. Project management team and advisors</li> </ol>  | <ol style="list-style-type: none"> <li>1. Documentation of learning results</li> </ol>  |
| <b>Closing Phase</b>                    | <p>To verify the delivery of project outputs and to assess effectiveness</p>   | <p>Ex-post evaluation study</p>   | <p>Third party joint evaluation team</p>   | <p>End of project evaluation report</p>   |

## **Pre-contracting Period 1990-1994 – Accumulating social capital and bonding**

Tensions between the Yugoslave republics deepened as the power of Serb nationalists increased to include the provinces of Kosovo, Vojvodina and Montenegro. The leaders of Slovenia and Croatia initiated discussions on the future of Yugoslavia and suggested to turn Yugoslavia into a confederation, but their proposals were quickly rebutted by the central government in Belgrade. Thus, on 25 June 1991, Slovenia declared independence from Yugoslavia, and two days later, the Yugoslav National Army attacked Slovenia. Fortunately however, in ten days, the war was over and the Yugoslav Army withdrew.

Although Slovenia had been gradually moving toward independence for several years, the rapid deterioration of relations with Serb nationalists within Yugoslavia meant that Slovene leaders had to quickly make the decision to break away, and by the end of June 1991, Slovenia had declared itself independent. Suddenly, the Slovene administration had to take on functions that had once belonged to Belgrade, such as foreign affairs and customs, and build new ministries while at the same time upgrading existing provincial institutions to the level of national ministries. But even more importantly, the mentality of civil servants within the administration, which had previously been managed by the Communist party, needed to be transformed in order to serve the needs of its citizens during the time of rapid transition.

The reform project proposed by CSEND in Geneva and partners of the University of Ljubljana, Slovenia aimed to assist the Slovene public administration in making these changes. To carry out such a reform project required strong support from top levels in the Slovene government. The process of finding political support in Slovenia took time and a flexible approach, as responsibilities within the new administration were fluid and hard to pin down. Before committing to financing the project, the Swiss authorities wanted to be reassured that the commitment from Slovene authorities to the project was genuine. Once they had met face-to-face, representatives from both governments were convinced that the

project was viable and decided to move ahead with it, commencing the first bilateral technical co-operation project within the Slovene public administration.

By December 1994, when the Agreement for the Swiss-Slovene technical co-operation project was signed by the Swiss Vice-Chancellor Casanova and the Slovene Minister of Interior Šter, the actual design of the project had developed into something quite different from the original project idea. When Raymond Saner (CSEND) and Gorazd Trpin (University of Ljubljana) first discussed collaborating on a reform project for the Slovene public administration in 1990, each had his own ideas about what shape such a project should take. However, they had in common the desire to design a project that would produce tangible results and fulfil needs expressed by civil servants inside the administration. To design such a project, they decided to work closely with government officials and academics to define the problems and come up with possible solutions. Working together with many top officials was valuable not only for learning insiders' opinions about what changes were needed, but also for developing trust and building consensus across political spectrums for the reform project. Raymond Saner, Lichia Yiu and Gorazd Trpin adopted a systematic approach to developing a project design. In the first stage, they organised a seminar on administrative systems in Switzerland and Slovenia to give Slovene academics and government officials a chance to compare and reflect on their own situation and goals. In the second stage, they worked together with selected government officials to develop a project plan based on the results of the comparative seminar. This process provided a chance for both sides to look at problems from fresh perspectives and come up with a creative, yet practical, project strategy.

### **Contracting phase (1993-1994): Defining End Results and Partnership Arrangement**

A Memorandum of Understanding was approved by the Slovene Government on 17 June 1993. General Secretary Bandelj played a crucial role in moving the project to the top of the government's agenda. The government established the Project Council with the following members: Minister of Interior Ivan Bizjak as president, Minister of Justice Miha Kozinc,

Minister of Science and Technology Dr. Rado Bohinc, Minister of Economic Affairs Dr. Maks Tajnikar, Minister Without Portfolio Lojze Janko (in charge of legislation), General Secretary Bandelj, and Gorazd Trpin. I.P.A., under the direction of Gorazd Trpin, was authorised to represent the government in planning and implementing the project with CSEND. The government also gave responsibility to the Chancellery for co-ordinating the administrative and technical aspects of the project and provided an interim budget to finance the formulation of the project.

This was a time of uncertainty for the project, because the Swiss authorities questioned whether the Slovene government would agree to fulfil its financial and organisational obligations to the project outlined in the Project Document. Although the bulk of the financing for the project, 2,3 million Swiss francs, would be paid by Switzerland, the Slovene government would be expected to pay the salaries of the trainees taking part in the project, provide facilities, and ensure the establishment of two governmental units at the end of the project. The Project Council met in Ljubljana twice in November and gave provisional approval of the project. However, the Office for Co-operation with Eastern Europe still did not have an unequivocal statement of commitment from the Slovene side that they needed to proceed with requesting credit from the Swiss Parliament for the project. As plans went ahead for the visit of the delegation from the Slovene Chancellery to Switzerland in January 1994, the status of the co-operation project itself remained ambiguous.

A comparative seminar provided an occasion for the Swiss-Slovene technical co-operation project to gain wider support from politicians and civil servants. This broadening of the base of the project was necessary to avoid becoming associated with one political party or person and therefore marginalised. The reform and reorganisation of the administration, though in theoretical terms supported by nearly all, would for sure encounter resistance once concrete steps were taken. Thus, it was important to win the commitment of top officials to support such a reform project in achieving its goals.

With the insight gained from the seminar, Raymond Saner, Lichia Yiu, Gorazd Trpin, Raiko Pirnat, the Swiss professors and several government officials from the Ministries of Finance and Economic Affairs worked together to develop the Memorandum of Understanding (MOU) for the project “Implementation of a Modern Public Administrative System in Slovenia”. The objective of the project as stated in the MOU was “to conduct a productivity and performance review of the Ministries and Chancellery of the Slovene Government.” In the MOU, the expected results and implementation principles were outlined, but they still needed to be more focused and defined. The project would help the central administration to improve its efficiency by establishing mechanisms for evaluating the performance of both individuals and institutions. In addition, the Swiss and Slovenes would work together to develop recommendations for improving performance by developing a clear career development path for civil servants, including expanded training opportunities for civil servants. It was planned that the implementation of the project would consist of two activities: conducting a pilot management review of one of the ministries and assisting the Slovene government in establishing a Training Academy for senior-level civil servants. Since the original project proposal in 1991, the emphasis of the project had shifted away from comparative law to developing the skills and performance of individuals within the administration. Through the comparative seminar and talks with many civil servants it became apparent that lack of motivation due to inconsistent promotion policies, few training opportunities and poor management practices were among the key reasons the administration could not perform at optimal levels.

The task remaining was also the most challenging. The project formulation workshop would provide the medium for creative brainstorming and collaboration needed for developing the draft Project Document.

#### *Project Formulation Workshop*

During three days in June 1993, through a workshop built around the ‘Logical Framework Approach’ and held in the Ministry of Justice in Ljubljana, the final plan for the Swiss-Slovene project was developed. The Logical Framework Approach is a method of systematically analysing problems and is often used by international agencies such as the World Bank for developing action plans. It is an analytic tool that serves to separate symptoms from their causes, in order to find solutions that target the root of the problem (Team Technologies, 2005). This method proved to be effective in identifying the causes of inefficiency in the Slovene public administration and coming up with possible solutions (Saner and Yiu, 1996).

Raymond Saner, Lichia Yiu and Dr. Zimmermann of University of Geneva, who had also participated in the comparative seminar and drafting of the MOU, led the project formulation workshop. The leaders of the workshop asked the participants to brainstorm about the existing inefficiencies in the central administration, public services, and training and development of civil servants, and they then posted the responses on a moveable board, Metaplan, to organise them according to categories and get a visual overview. For example, under the topic of central administration, people stated as inefficiencies including “a lack of co-ordination”, “duplication of work”, “some work is not done at all”, “procedures take too long”, “the work is too theoretical”, “it’s only fire-fighting, crisis management”, and “people are under-utilised”. Such inefficiencies stemmed not only from inadequate laws and procedures but also from poor management. Through this kind of exercise, it became clear that throughout the administration, but especially at senior levels, there was a need for management training in such fields as leadership, team-work and strategic planning. Especially in the time of transition, when trying to follow ever-changing laws and regulations to the letter could lead to achieving nothing, leadership and decision-making skills were desperately needed.

What was needed, it was decided in the workshop, was to build *internal capacity* within the Slovene administration to manage the changes taking place. By developing the skills of a core group of civil servants to analyse inefficiencies and conduct training programmes, the project would have effects long past its official conclusion. This was also a desired outcome of the Swiss Office for Co-operation with Eastern Europe. With the basic principle of capacity-building and institutional learning in mind, Raymond Saner, Lichia Yiu, Gorazd Trpin and the other participants in the workshop were able to draft a detailed project design. The draft project design called for an intensive 18-month training programme in management and organisational theory for 40 civil servants. In addition, the design called for the establishment of two new government units, one that would carry out management audits in various agencies in the administration and then make recommendations for changes, and another that would serve as a central Training Academy with courses available to all civil servants to develop their professional and managerial skills. (The project design itself is described in more detail in chapter 4.)

The project formulation workshop was successful as a brainstorming and action planning session. Creative ideas were exchanged and woven into a project design that would provide Slovene civil servants with the skills needed to guide their country's change process and the institutional means to implement the Comparative Seminar on Public Administration in Switzerland and Slovenia provided politicians, civil servants, and academics a forum for discussing the challenges of reorganising and reinventing the administration in newly independent Slovenia. They also had a chance to learn about and debate with Swiss political science professors the merits of the Swiss system of government.

The presentations provided an analysis of problems facing the administration that allowed Raymond Saner and Lichia Yiu to deepen their understanding of the situation so they could proceed with creating the actual project design. Through open debate and discussion in the project formulation workshop, conducted with Slovene professors and government



officials, the participants were able to pinpoint the root causes of certain inefficiencies in the administration. Based on this analysis, they developed a draft project design with two major goals: building management skills of civil servants within the administration and ensuring sustainability with the creation of new institutions, which would make use of the newly acquired skills to direct the reform process.

*Official Visit to Switzerland by the Slovene Chancellery, 19-21 January 1994 – Reinforcing Mutual Confidence*

On 19. January 1994, General Secretary Bandelj, Ms. Jasna Pogacar (Secretary for legal and constitutional questions), Dr. Brandt, Mr. Matjaz Plevelj (Secretary to the Slovene Parliament) and Prof. Trpin flew to Berne to begin a three-day visit of the Swiss Chancellery organised by CSEND as part of the project feasibility study. The objectives of the visit, which had been requested by Mr. Bandelj, were to exchange information concerning the organisation of the Swiss and Slovene Chancelleries, legislative procedures in both countries, and the two governments' information technology systems, and to have a working meeting with the Office for Co-operation with Eastern Europe on the status of the bilateral technical co-operation project.

The visit of the delegation from the Slovene Chancellery, while primarily a working and learning opportunity, also was a chance to strengthen bilateral ties between the two Alpine countries. Many presentations by representatives from the Swiss Chancellery were organised by CSEND and the Office for Co-operation with Eastern Europe. These presentations covered topics suggested by Mr. Bandelj's office that were of great interest to the Chancellery as it moved forward with reforms and reorganisation. The speakers gave an overview of the Swiss Chancellery's role and organisation, and the Slovenes presented the similarities and differences of their own Chancellery as compared with the Swiss Chancellery. This chance for the newly created Slovene Chancellery to discuss and share thoughts with their long established Swiss counterpart was helpful and productive for both sides.

On 20 January, the first working meeting of the Swiss-Slovene technical co-operation project took place in the Office for Co-operation with Eastern Europe in Berne. This meeting was a turning-point for the project, as it provided a chance for Mr. Martin and Mr. Orga to meet face-to-face with General Secretary Bandelj to assess the commitment of the Slovene government to the project and its willingness to fulfil its obligations as outlined in the Project Document.

On 2. December 1994, the official agreement between Switzerland and Slovenia to conduct the technical co-operation project was signed in Ljubljana by Swiss Vice-Chancellor Achille Casanova and Minister Ster.

The signing of the agreement between the two countries signalled the beginning of the Swiss-Slovene technical co-operation project to modernise Slovenia's public administration. More than three years had passed since Raymond Saner and Gorazd Trpin submitted the initial project proposal to the Swiss government. A large part of the delay was due to the fact that both governments were learning how to organise themselves for such technical co-operation projects. Some of the delay was also deliberate and planned.

To successfully undertake such system change and institution development projects within central governments depends on the mobilisation of a broad-based coalition of influential officials who agree to support the change project. To develop such a broad-based and committed group of internal supporters, on the other hand, required time and a successive flow of interaction to build trust and clarify expectations and perceptions. All of this takes time, from one to two years in the best of circumstances. However, because they had not rushed the process of getting approval for the project in both countries, Raymond Saner, Gorazd Trpin and Lichia Yiu had been able to find true supporters among political authorities in both countries and broad-based commitment to carrying out the project successfully.

**Design of the ODC intervention: Twin Tracks and Action Based Learning and Development Strategy**

Recognising that the challenges of adapting to a new political and economic situation since independence would require that the Slovene administration be able to effectively manage the changes, the Swiss and Slovene participants of the project formulation workshop created a project design with the goal of instigating and sustaining the change process and momentum. The project was based on Raymond Saner's original draft design and was further defined through discussions with Lichia Yiu, Gorazd Trpin and Raiko Pirnat. The "M.A.S.T.E.R. Project" (**M**anaging **A**dministrative **S**ystems through **T**raining, **E**ducation and **R**esearch) was designed as an intensive 18-month training program for 40 civil servants to develop their organisation and managerial skills.

Not only the participants themselves would benefit from the project, however. Lichia Yiu suggested the use of "Action Learning" projects as the basis for competence acquisition and confidence building. Action learning is a method of learning through working as a group on a real operational problem, which would also enable the administration at large to be involved in the learning process. Finally, to ensure that the change process would continue beyond the conclusion of the M.A.S.T.E.R. Project, the design envisioned the establishment of two permanent units at the central governmental level to carry out further management and organisational studies and to conduct management training for senior civil servants (see Figure 3 below).

### **The M.A.S.T.E.R. Project Design**

In the Project Document drafted after the completion of the project formulation workshop, the design and objectives of the Swiss-Slovene M.A.S.T.E.R. Project were laid out in detail (see Figure 3). The aim of the M.A.S.T.E.R. Project was to transfer technical know-how in the area of administrative management and organisational competence from Switzerland to Slovenia. Recognising the expertise of Slovene government officials, the goal of the project was to help Slovenia help itself and not to act in its place.

Through the fact-finding seminars, it had become apparent to Raymond Saner and Lichia Yiu that there were many instances of inefficiency and overlapping functions throughout the administration. In addition, the new situation of Slovenia urgently required the civil service to update and improve its skills, in terms of leadership styles, work methods, ways of handling conflicts and management approaches in order to respond to the rising expectation and demands of its citizen. Thus, it was determined that a two-pronged approach was necessary: to develop institutional capacities to support the reform process and to develop the human resources to carry out the changes. With many challenges facing Slovenia, the project aimed to enable the administration to lead the change process rather than hinder it.

### **Project Objectives and Expected Outcomes**

The first objective of the M.A.S.T.E.R. Project was to provide training for 40 civil servants by Swiss, Slovene and international experts in new organisation and management practices. Using the Action Learning method, half of the trainees would be further developed as specialists in examining efficiency of various procedures throughout the administration by carrying out organisation and management (O&M) studies. The other half would participate in a training and development (T&D) program and learn how to conduct action research in order to first, evaluate the needs of the administration in terms of management training and second, organise and carry out training as needed.

The second objective of the M.A.S.T.E.R. Project was to create two permanent institutions at central government level that would help guide the administration through the transition process. One unit would be responsible for continuous performance monitoring and evaluation of Slovenia's public administration and public service agencies. Some newly trained graduates of the M.A.S.T.E.R. Project would be employed in the unit and would carry out further O&M studies to improve the functioning of the administration. The second unit, comprised of graduates of the T&D track of the M.A.S.T.E.R. Project, would be responsible

for carrying out action-oriented training and management development of senior civil servants.

Besides the expected outputs of two functioning units and 40 trained civil servants, the Project Document also outlined the work to be achieved during the M.A.S.T.E.R. Project life span. These Action Learning projects would provide the groundwork, in terms of both methodology and content, for the two new units. It was expected that the trainees would complete:

- 4 O&M studies, including recommendations to their clients;
- 16 management training modules;
- 16 management case studies specific to the Slovene context,
- 15 training needs analyses of the ministries of the Slovene government;
- 8 comparative study reports in English and Slovene of policy, structure, organisation and practices of Swiss and Slovene institutions;
- one preliminary training master plan for the T&D unit's first three years of operation.

Completing this M.A.S.T.E.R. project, it was expected, would support Slovenia's resolve in institutionalizing modern administration and management methods on a permanent and continuous basis by achieving the following objectives:

a) *The immediate objective* was to facilitate the creation and development of two central government units which are: the Organisation and Management (O & M) unit; and the Training and Management Development (T & D) unit.

b) *The mid-term objectives* was intended to support the continuous functioning of these two central government units of the Republic of Slovenia by institutionalising action based technology and management tools so that a healthy feedback loop could be established between the change vehicles (two units) and the whole government system for self-regulation and continued improvement

## **Approach**

The main characteristic of this bilateral project was based on an *action learning and action research approach*. A Train-of Trainers (TOT) programme was designed according to action learning and action research principles with a combination of in-class training and real life practical applications.

The duration of the Slovene-Swiss bilateral project was two years. It started in January 1995 and was completed in December 1996.

### Design of the M.A.S.T.E.R. Project in three Phases

The formation of the transitional instruments was laid out in three phases, not including the preparatory phase of hiring staff, recruiting trainees and locating a training centre. They consisted of Basic Programme phase (BP), Intermediate Programme Phase (IP) and Specific Programme phase (SP). A detailed flowchart of the Programme Design is presented in Figure 3

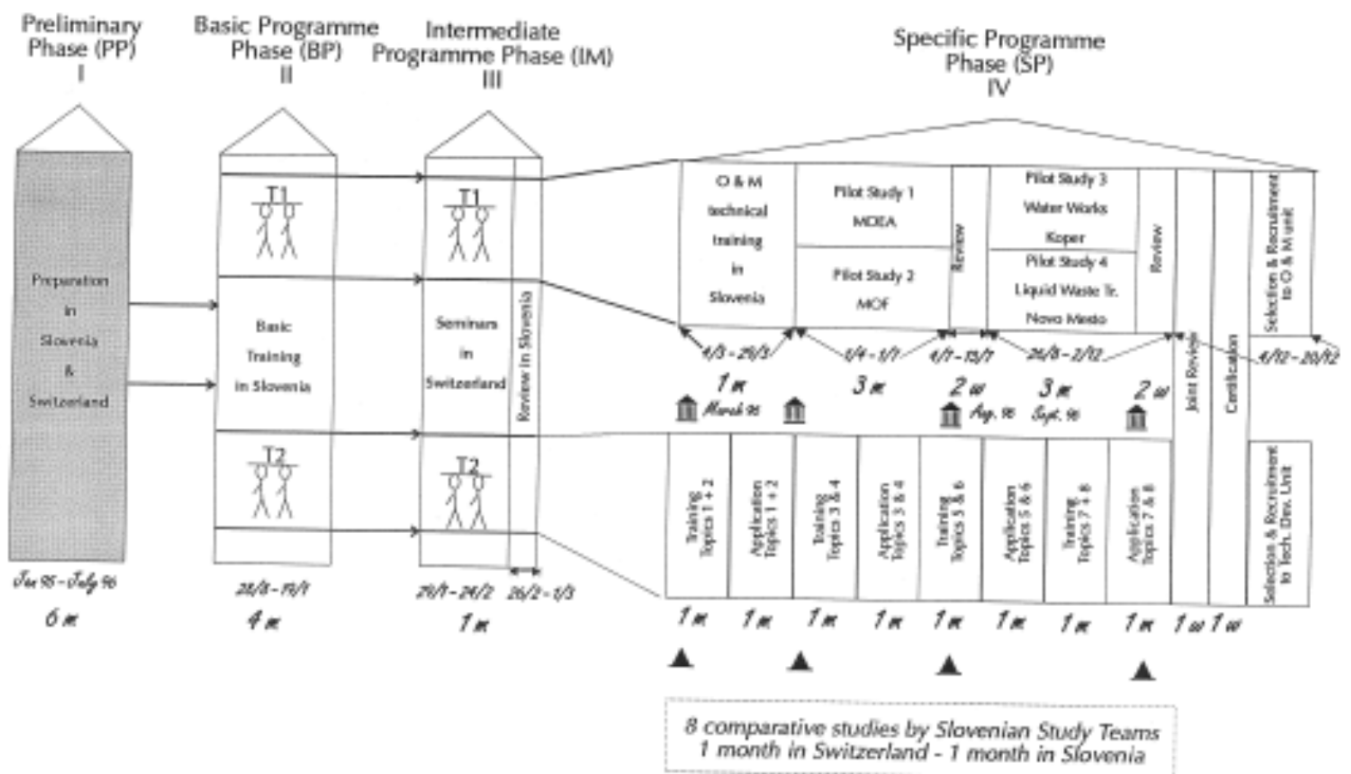


Figure 3: Objectives, Activities and Outcome

In the Basic Programme Phase, the 40 trainees participated in 8 seminars, each lasting two weeks, to develop their basic management and administrative knowledge and skills. These seminars were taught by Swiss, Slovene and international experts. It was decided that the working language of the project would be English, except for courses taught by Slovene experts. In order to monitor performance, it was also decided that trainees would be tested at the end of each seminar (Level II evaluation in Kirkpatrick's Evaluation Paradigm) so that a clear record of each trainee's relative achievements could be maintained.

The Intermediate Programme Phase consisted of a three-week study visit to Switzerland by all trainees. While in Switzerland, the trainees would participate in short seminars of two or three days at various training centres of Swiss public and private sector organisations. The Project Document stipulated that the seminars would focus on O&M and T&D related topics, in particular, the way in which the training unit meets the needs of each specific client. Upon returning to Slovenia, a one-week seminar was organised and trainees made presentations on what was learned in Switzerland about specific topics and shared their learning and information to the administration at large.

The Specific Programme Phase was the final segment of the capacity building. Trainees were divided into either the O&M track or the T&D track. Each track was expected to participate in more in-depth seminars, taught by international and national experts, providing them with the necessary methodology and skills to carry out Action Learning projects with client organisations in the administration. For example, trainees in Track 1 (O&M) learnt about project management methods and how to be internal consultants. After receiving these inputs from experts, trainees then had the chance to put theory into practice through hands-on application, by working in groups to conduct their own O&M studies within selected government offices and public agencies. Offices and agencies volunteered their sites and performance issues for these learning projects in exchange for solutions and

recommendations for improvements. Trainees followed the OD phases as developed by Warner Burke (1982) for their Action Learning projects.

Regarding Track 2 (T&D), seminars covered topics that helped the T&D trainees to conduct needs analyses at scale and develop training modules aligned to specific needs. Trainees applied Critical Incident Method to analyse the training needs for all 15 ministries to determine the most commonly needed competences. After completing the training needs analyses, the structure of the remaining Specific Programme Phase was divided alternately between one month of expert inputs and one month of developing actual training materials in modular format. Trainees also customised these training modules for a specific client organisation within the administration and then conducted one-day pilot seminars for the ministries. Feedback received was used to finalise these training modules for later roll out. Appendix 1 summarised the programme curriculum of the M.A.S.T.E.R. project, while the workflow of the project is presented in the Figure 3 with objectives and activities at each programme phase and the final outcomes specified.

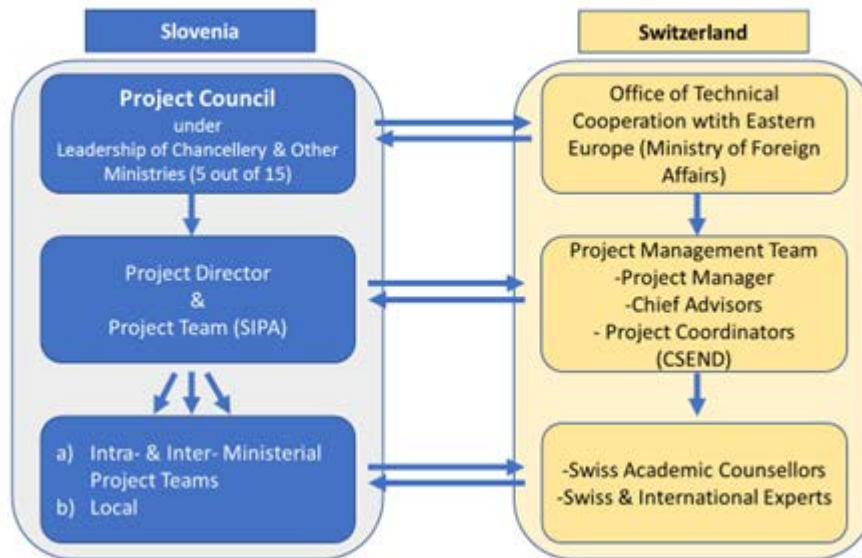
## **Project Management**

Figure 4 below outlines the project management structure. A parallel organisation on both sides of the partnering countries was established for political oversight and project implementation. Each component has specific responsibilities to discharge.



**Figure 4: M.A.S.T.E.R. Project Management**

**Structure**



**National Project Council**

To oversee the progress of the M.A.S.T.E.R. Project, a bilateral steering committee called the National Project Council (NPC) was created. This council was responsible for ensuring the establishment of the O&M and T&D units at the central governmental level. The NPC was to act as the interim executive body for the two future units, and in that capacity was responsible for hiring national project staff and recruiting trainees.

**Project Personnel**

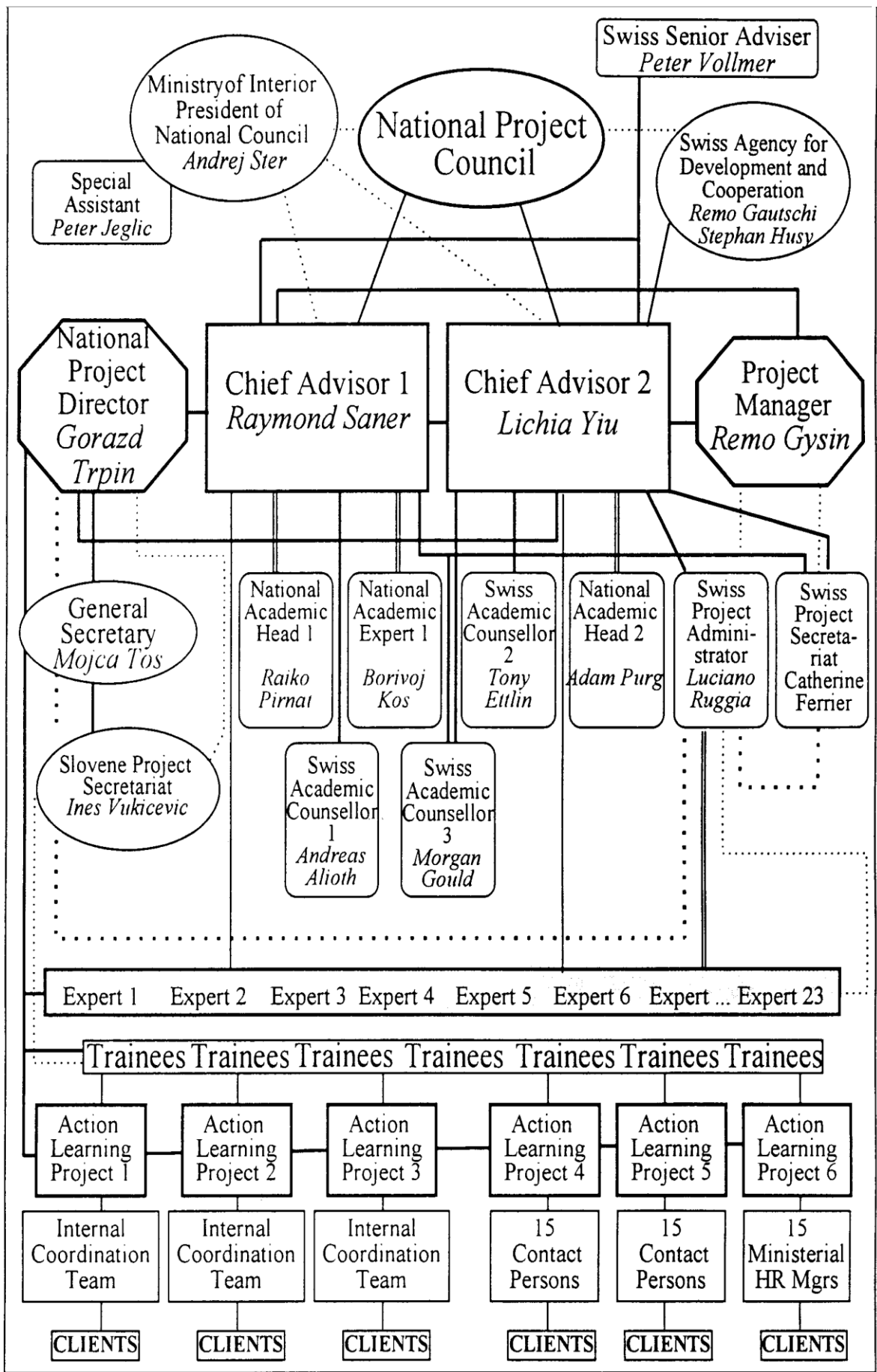
**a. Swiss Project Staff**

CSEND was designated as the umbrella organisation for the project, in charge of planning and implementation of all programme phases. Staff from the Swiss side included the following: two Chief Advisers, one Senior Adviser to the Council, one Project Manager, two Academic Counsellors, two Fellowship Co-ordinators, one Programme Administrator, and one Administrative Secretary. The two Chief Advisers were responsible for design and

implementation of the programme phases to facilitate the establishment and functioning of the two government units. Though based in Switzerland, they were to make frequent visits to Slovenia to ensure the effective functioning of the project. They spent a combined total of 11 work/months on the project.

A detailed depiction of the project management organisation with staff headcount is presented in Figure 5.

**Figure 5: M.A.S.T.E.R. Project Management Structure with Staff Headcount**



## **b. Slovene Project Staff**

To achieve a truly balanced partnership, the responsibilities of the staff from both countries also had to be balanced. As much as possible Slovene experts on public administration and management were invited to partake in the project activities. From project management point of view, the following roles were constituted on the Slovene side: National Project Director, National Academic Heads, National Associate Experts, Project Secretaries, and members of comparative study teams. By working in tandem, learning exchange and sharing of experiences also happened at the project staff level.

Finally, two Comparative Study Teams were organised, one focusing on O&M topics and the other on T&D topics. The teams consisted of three members: both NAHs and four senior civil servants from the Slovene administration. They carried out comparative studies in Switzerland and Slovenia over a time period of two months focusing on specific aspects of the public administrative reform. In the case of Switzerland, New Public Administration projects as a reform programme were carried out at different administrative levels and by specific sector agencies. The teams studied these case examples and concluded with lessons for Slovenia.

## **Swiss, Slovene and International Experts**

Another key part of the M.A.S.T.E.R. Project were the seminars taught in the Basic and Specific Programme Phases. These seminars were taught primarily by Swiss experts, with experience in both private and public sector management, recruited by CSEND. Where necessary, international experts were also recruited. Topics specific to the Slovene situation, such as the Slovene legal system, was taught by Slovene experts recruited jointly by the National Project Director and the Project Manager.

## **Trainees**

40 trainees representing both senior and junior levels in the administration were selected through a competitive process in order to ensure continuity of the learning transfer within the government. The selection criteria for junior and senior levels were different, as were the criteria for each track. The selection criteria are outlined in Table 2 below:

Table 2: Selection Criteria for Trainees of the M.A.S.T.E.R. Project

|                                      | Track 1<br>(O&M)   |                                       | Track 2<br>(TR&Dev)  |                        |
|--------------------------------------|--|---------------------------------------|--|------------------------|
|                                      | Senior   | Junior                                | Senior   | Junior                 |
| <b>Level:</b>                        | University degree<br>(Master or Ph.D.)   |                                       |  |                        |
| <b>Language:</b>                     | English proficiency  |                                       |  |                        |
| <b>Professional representation :</b> | ▲ 60 % social science, economics, business administration, law;<br>▲ 40% engineering, system engineering or other science background |                                       | A balanced mix of expertise on financial management, economics, general management, law, social science, human resources, organisational science, system operations & management |                        |
| <b>Regional representative:</b>      | ▲ 70% Ljubljana<br>▲ 30% provinces   |                                       | >20% from provinces  |                        |
| <b>Work experience:</b>              | 5-10 years   | 2-5 years exp. (gov't. or enterprise) | 10 yrs. mgrl.exp. (gov't or enterprise)  | 5 yrs. mgrl experience |
| <b>Age:</b>                          | 35-40  | 25-30                                 | 35-40  | 30+                    |
| <b>No of trainees:</b>               | <b>10</b>  | <b>10</b>                             | <b>10</b>  | <b>10</b>              |

The selection of the trainees was done jointly by the National Project Director, the two Academic Heads, the Swiss Project Manager and the two Swiss Chief Advisors. The established Assessment Centre methodologies were adopted and deployed.

### **Overall Outputs of the Project**

From the preliminary project design that was created at the project formulation workshop in Ljubljana in 1993, the originators of the project worked together to lay out in more detail in an official Project Document that outlined the objectives and plan for the M.A.S.T.E.R. Project. Through studying, discussing and brainstorming, their unspecified desire to work together on reforming the Slovene public administration had evolved into a concrete project plan. In the Project Document, specifications necessary for the intensive competence development programme, such as staff and their responsibilities, and financial contributions by each government were outlined. In addition, the project design had a long-term goal beyond the end of the capacity building activities. New O&M and T&D units were established to support the administration to accelerate its reform process and improve the functioning of the administration in the future, in terms of both human resources and working procedures. With the signing of a Project Document and the commitment of both governments, the first international co-operation project in Slovenia's public administration was ready to begin.

### **Outputs achieved by Track 1 trainees (O&M Track)**

The major vehicle of learning for Track 1 trainees was hands-on applications in the administration. In other words, 22 track 1 trainees developed their competence through conducting O&M studies in the Slovene public administration. Under close supervision of the international experts, Track 1 trainees were assigned to an O&M study project and asked to design the study method(s), to develop problem solving strategies, to collect and

analyse data, and to prepare written recommendations in the form of project reports. Verbal feedback was conducted through presentation made to the client organisations.

There were two consecutive study project cycles. Each lasted approximately three months. The Ministry of Science and Technology, the Municipality of Ljubljana and the Slovene Telekom were studied during the first cycle and the Ministry of Interior, the Chancellery and the Institute of Metrology were studied during the second cycle. In total, the 22 Track 1 trainees conducted the following seven Action Learning projects from April to December 1996<sup>16</sup>

- 1) The Efficiency of Administrative Procedures for Defining the Fulfilment of Conditions for Licensing Businesses (Municipality of Ljubljana)
- 2) Rationalisation of the Procedure for Obtaining a New Telephone Line (Slovene Telekom Office)
- 3) Improving the Procedures for Selection and Financing of Scientific Research (Ministry of Science & Technology)
- 4) The Procedure for Preparation of Government Sessions (Chancellery)
- 5) Improving the Process of Issuing Permanent Residence Permits to Foreigners (Ministry of International Affairs)
- 6) Improving the Procedure of Adopting International Norms and Standards in Slovenia (Standardisation and Metrology Institute of Slovenia)
- 7) Reorganisation and Human Resource Management in the Ministry of Transportation and Communication

Trainees applied the action research approach to consulting when they carried out their pilot projects. The procedures that they followed were:

Step 1: Contact with the client organisation after initial contact was made by National Project Director.

Step 2: Drafting and signing of the consulting contract between trainees, clients and National Project Director.

Step 3: Data collection

Step 4: Data analysis

Step 5: Feedback to the client organisation based on, the first results of the data analysis

Step 6: Recommendations & Reporting

Step 7: Implementation and follow-up

### *Learning Reviews*

After the completion of each study project cycle, a *learning review session* was conducted by Slovene and international experts supervising the pilot studies to integrate the learning process and to modify the working methods. At the end of the second cycle, the O&M working methodology applicable to the whole administrative system and other public service agencies was finalised in a working manual. It was expected that by documenting the individual action learning projects<sup>17</sup>, the work methods and model would become available for other interested parties to consult.

### **Outputs achieved by Track 2 trainees (T&D)**

For the training needs analyses, the following data collection methods were used:

- Semi-structured interviews were conducted with personnel managers in 12 out of 15 ministries, four administrative units and professional offices of the National Assembly in order to obtain data on the current state of training in Slovenia's state administration.
- A survey of top and middle management representatives was conducted by sending out 1539 questionnaires, with a return rate of 48 %. The objectives of the survey were



1) to assess the level of satisfaction of the civil servants with the existing training activities and 2) to identify potential future training needs.

- The Critical Incident Method was used with 70 senior managers of the administration and gathered 565 critical incidents regarding effective and less effective management situations. From the data collected, a list of competencies was established which form the basis of future training programme.

These training needs analyses provided the M.A.S.T.E.R. Project trainees in the T&D Track with the necessary background knowledge for their next assignment of developing eight relevant training modules. The trainees found through the training needs analyses that the performance of the public administration depended primarily on the knowledge and skills of its public servants rather than on "hard issues" such as organisational structure and other institutional arrangements. Therefore, on-going training is a key to achieving professionalism in the Slovene public administration.

It was also found that training should be part of the career development systems and that the organisation of training should be designated as the task of a central unit rather than be left to specialised units within ministries. The greatest perceived training needs mentioned by respondents were in the areas of leadership, decision making, interpersonal communication and information technology.

Based on these results, the T&D trainees then proceeded with the next phase of their Action Learning projects with the aim of developing specific training modules according to mandates received from client organisations.

A total number of eight pilot training seminars were developed based on contracts signed with various ministries and government offices. They were:

1. Improving Slovene State Administration Capacity in the Field

- of European Union Accession (Ministry of Interior)
2. Human Resource Management (Governmental Office for Personnel Management)
  3. Developing a Strategy (Office for International Relations, Ministry of Interior)
  4. Coaching and Mentoring (Ministry of Finance)
  5. Security (Chancellery)
  6. Teamwork (Custom's Department, Ministry of Finance)
  7. Personal Effectiveness (Ministry of Health)
  8. Basic Leadership (Logistic Services, Parliament)

The joint Swiss-Slovene evaluation of the project confirmed that the objectives agreed between the project partners and the two governments were successfully reached. The action learning and action research based design of the M.A.S.T.E.R. project achieved its multi-level objectives. Slovene civil servants have been trained in relevant organisational and managerial skills and knowledge and two government institutions have been created that were provided with competent staff (former trainees of the project), an adequate budget was provided by the government and approved by parliament and the two new organisational units were integrated into the Ministry of Public Administration.

#### **IV. Lessons learnt**

What follows are lessons learnt from the project itself and finally a few suggestions are added in regard to the relevance of this large system change project for the ODC field.

##### **A. Operational Aspects**

###### ***1. Project Management Related Concerns***

*Time commitments and qualifications of key project staff.* The Swiss-Slovene M.A.S.T.E.R. project was designed on the basis of an *Action Learning* approach which required trainees to learn from actual project work under close supervision of the mentors.

The Swiss project manager (PM) was recruited for his managerial expertise and for his political skills. Therefore, the PM was not able to provide the necessary organisational and technical support to the Slovene partners without in-depth tutoring and detailed instructions from the two Chief Advisers.

Action learning projects required the academic staff to provide just in time supervision and technical inputs. Both requirements demanded on-going presence of competent resource persons in Ljubljana. Unfortunately, the two Swiss Academic Counsellors who had direct responsibility to coach and advise the trainees concerning their action learning projects were only available for a total of 4 work/weeks over the project's 36 weeks duration and the Slovene National Academic Heads could only advise the trainees on contextual matters (legal and institutional structure of the Slovene government) but not on management related know-how.

**Recommendation:** Time commitments by leading project staff should be carefully assessed at the start of a large system change project and reserves be budgeted in case additional project staff needed to be hired. This is particularly needed for ODC projects involving government officials and academic staff since both groups of people often face sudden requests for their presence elsewhere that cannot be fully anticipated at the start of such a complex project

## **2. Personnel Related Concerns**

*Project Staff.* Motivational problem persisted concerning payment of top-offs (In addition to Slovene regular salary to compensate for additional work hours caused by the project). NAH (T2) manifested occasional unhappiness that he was not paid a top-off nor

given recognition by the government for the extra work delivered for the project. Efforts to accommodate his request were not successful due to his official government position. Repeated discussion with him and the government unit in charge were not successful. He expressed unhappiness that he did not receive neither top-offs payment nor formal confirmation of his position as NAH. Both items decreased his work motivation.

**Recommendation:** Involving government officials in a complex and time consuming project activity needs to be carefully assessed and requests for additional top-off payments be approved by the government office in charge of personnel matters. Informal promises to pay top-off payments is risky since the person making such promises might be moved to a new job and promises given informally might not be honoured by successors.

### **3. *Trainee Related Difficulties***

Trainees were anxious concerning their personal selection to Track 1 or 2. Despite repeated explanation given by the NPD and CA's, they continued to fret over this issue and brought it up whenever the occasion allowed for it. A special briefing session was also organised with the supervisors of the trainees to brief them on the progress of the project and the next steps. Minister Ster gave personal commitment of keeping all trainees within the Ministry of Interior should they chose not to go back to their previous ministry. .

**The solution** was the following. CA's designed an assessment centre approach to evaluate individual characteristics and match the assessment results with individual preferences. A 50:50 rule was enforced and trainees were assigned equally to Track 1 & 2. However, three trainees contested the decision. They were subsequently given permission by the Slovene Project Leader to switch from Track II to Track I resulting in an uneven split of the tracks.

*Defections.* Trainees received high quality training in management and organisation theory and practice as well as English and computer skills. This has made them very

attractive to other donors. Some trainees participated in the selection examinations, e.g., for the World Bank.

Had such taken place, it would have had potentially very negative effects on the project. The solution was talking to the project managers of other technical cooperation projects and to agree on a stand-still till the end of the M.A.S.T.E.R project that they do not actively recruit M.A.S.T.E.R. trainees.

**Recommendation:** Poaching of qualified local project personal is a continuous threat during large system change projects. Trying to reach a stand-still agreement with other project managers active in the same country would be useful but not certain since headquarters of international organisations can override agreements set by local project managers

#### ***Informal Cultural Norms in Slovenia***

The need to preserve harmony made it difficult to confront issues directly in Slovenia. Obstacles and conflicts were preferably if not instinctively solved through consensus and other indirect means of conflict resolution. NPD was not willing to take on a more assertive position vis-à-vis neither staff nor vis-à-vis trainees involved in conflicts.

**Recommendation:** countries with preference for indirect conflict resolution methods could benefit from an involvement of the whole project team including the foreign experts whenever a conflict becomes entrenched causing disruptions of project flow and activities. .

#### ***4. Pilot-project Related Concerns.***

Although efforts were made by the CA's to inform and orient the President of the NPC and NPD, the importance of preparatory work with clients and internal co-ordination teams took long time to sink in. However, no action was taken by NPD to inform the clients (other ministries or government agencies) on the process and working methods of the action learning projects. This was due to the fact that NPD and NAH's could not fully comprehend the

approaches to be used and felt inappropriate to do more than securing the general commitment to participate.

**Recommendation:** The gap of understanding between local and foreign experts can be high especially if the local team members do not fully grasp the essence of public administration. Hence, it would be very useful to have regular meetings between foreign and local team to clarify the meaning of concepts and approaches planned in the project.

### ***5. Formal organisation and resource-related problems.***

The project was implemented through team effort. However, the increasing complexity over stretched the management capacity of CSEND who had to manage with limited financial and human Resources.

In order to sustain the learning process of the trainees as well as of the reform process undertaken by the client organisations, CA's with the support of PM and AC's maintained a constant vigilance and communicated often with various parties of the project on issues pertaining to technical, managerial, organisation and political natures.

Towards the second part of the project, the EU PHARE programme<sup>1</sup> progressed substantially resulting in a White Paper laying out the Transformation Strategy to be applied by the Slovene Publics Administration and Political Systems in order to qualify for EU membership. The Ministry of Interior was given the coordination function for the structural Public Administrative Reform as laid out by the EU White paper. With the limited availability of experts, the Slovene staffs of the MASTER project were increasingly engaged in the PHARE related programme activities. This diversion of local human resources was discussed in the NPC meeting and decision was taken by the Slovene project partners to limit their involvement in the PHARE project

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<sup>1</sup> Poland and Hungary Assistance for the Restructuring of the Economy (PHARE) programme is one of the three pre-accession instruments financed by the European Union to assist the applicant countries of Central and Eastern Europe in their preparations for joining the European Union. [http://www.europarl.europa.eu/enlargement/briefings/33a2\\_en.htm](http://www.europarl.europa.eu/enlargement/briefings/33a2_en.htm)

**Recommendation:** agreement should be reached, ideally in writing, that local team members remained fully committed and available for the large system project and were not allowed to change jobs in the middle of the ODC project

**B. Long-term sustainability of solutions resulting from a large system change project**

a) Comments made by the Slovene project partners

The following opinion was expressed by Mr. Andrej Ster, President of NPC concerning project implementation and future modifications:

**Incomplete representation of all ministries.** A few ministries did not send any participants to the M.A.S.T.E.R. project which was a great loss for the whole administration.

**Premature termination of the bilateral project.** Further technical support would have been needed from Switzerland for implementing similar programmes for top civil servants of all ministries at the Academy.

**Prolonged start-up phase prior to the signing of bilateral treaty.** It took almost ten months for the Swiss Government to agree to the project after the Slovene Parliament formally adopted the project in February 1994. This had an unintended negative side effect since the last phase of the M.A.S.T.E.R. project coincided with the last election. This undermined the full potential benefits of the project.

b) Comments made CSEND

The delay in starting the project was due to internal changes within the Swiss government. The Office initially created within the Swiss Ministry of Foreign Affairs in charge of technical cooperation with Central and Eastern Europe (BIZ) was disbanded in the middle of the M.A.S.T.E.R. project and the responsibility for the project was transferred to another unit of the Ministry called Swiss Development Cooperation (SDC) which existed

before the end of the cold war and had different views regarding cooperating with Central and Eastern Europe.

Since the transfer of project leadership occurred in the middle of the M.A.S.T.E.R. project, CSEND had to go through a re-negotiation of cooperation and framework conditions with SDC. One of the consequences of this change was that the agreement to extend the bilateral project to two phases of two years each was cancelled and the request for further assistance by the Slovene partners listed above was not honoured.

### **C. ODC theory and large system change at central government level in a transition or developing country**

The following observations are based on our experience of large system change at central government level in Slovenia but also based on a similar project in China where both authors designed and implemented an ODC project for the Chinese central and provincial government from 1990 to 1996.

- a) ODC process at central government level requires a considerably longer pre-contractual phase than is the case for single organisational ODC projects
- b) ODC experts designing central government level change projects need to have sufficient content knowledge of the client organisation's work. In our case, it was essential to be knowledgeable in the field of comparative public administration in addition to ODC
- c) Linear designs of ODC projects in central government context is not possible and should be replaced by an approach that is a combination of some linearity mixed with non-linear and circular change approach.
- d) Ensuring sufficient alignment of stakeholders on the side of the client organisation is essential to avoid becoming isolated within a larger environment of multiple first and second line stakeholders. Again, giving sufficient time to implementation is advisable



e) Action research and Action Learning are very useful if not absolutely needed for a central government change project. The project partners and stakeholders need to add ODC learning experience which helps the process of clarifying the current and future state of the ODC process

f) Large system change at central government level requires interdisciplinary competence (sociology, psychology, economics, management, political science and anthropology). In addition, being able to conceive a transdisciplinary ODC design is necessary since AR and AL need to be applied within the government but also at the intersection between government and civil society (citizens as customers and users of public services).

In response to the questions raised in the introductory part of this article, reflections related to the design aspect of the M.A.S.T.E.R. process and the experiences gained from it can be summarised as follows:

1. How to energize and support a “social system” like that of a national government e.g., Slovenia so that it can continuously reenergize and transform itself to meet on-going challenges of the present and the future?

Boundary conditions of a former communist bureaucracy and the administrative structure in place was not responsive to changing contextual factors and citizen demands/expectations. Therefore an institutionalised process designed for system scanning and continual performance improvement within the administrative silos is a must to ensure continuous upkeep of the energy for self-knowledge and improvement (Saner & Yiu, 1994). Therefore, public administrative systems need to remain “open” to its institutional ecology (Trist, 1977) through its ability to generate system data through a collaborative process on a regular basis.

Embedding the Action Research methodology in a central government unit (Ministry of Interior) with the mandate to create new knowledge and insights of specific functions

through participatory research and collaborative solution ensures internal drive to meet changing environments needs and changing demands of citizens. Many AR projects carried out by the AL teams of the M.A.S.T.E.R. Project designed and implemented together with Slovene civil servants working for different client ministries and agencies enhanced the confidence of the Slovene participants/consultants-in-training in particular and resulted in the willingness to cooperate by client systems and constituencies of the Slovene administrative units in general. This commitment and political support was instrumental to get agreement in parliament to approve the setting up of an O&M unit at the end of the project despite budget constraints.

Subsequent to the completion of the M.A.S.T.E.R. project in the years from 1997 to 2004 when Slovenia applied and got EU membership status, the O&M unit played a major role in harmonising the Slovene public administration (structure, procedures) with the EU requirements and in improving the efficiency and effectiveness of different departments and ministries. This unit continues to function till today and contributes to the Slovene government's performance improvements.

2. In view of the fact that radical change of a central governments is not a sustainable change strategy, how should reframing the work of civil servants and the retooling of the administrative institutions be undertaken?

A complex system reform is less of a surgical intervention than an incremental emerging development and change process. Mechanisms need to be designed to create a platform for organisational and institutional learning and experimenting.

Radical change of a central governments, also known in the reform of former Soviet systems called "shock therapy", has proven to be a non-sustainable change strategy in most of the former communist countries in transition, for instance Russia (Murrell, 1993, Saner & Yiu, 1994). Instead of prescribing a "reform recipe" by external consultants and expect that

the country will implement it, the M.A.S.T.E.R. project adopted a “learning” based change design at the individual civil servants level and the institutional level. The first one was aimed at equipping selected civil servants with alternative mindsets (Perlmutter and Trist, 1986), new competences and experience to help them develop a different perspective regarding the work of civil service and equip them with new competencies to undertake their tasks in more efficient and effective manner. By setting up a National School of Administration (NSA), the government of Slovenia built up its own institutional capacities for system change to promote its reform agenda and to absorb and integrate resistance to change. Training and education of the civil servants were started by the NSA in 1998. An AL methodology was also deployed as the core component of the system design similar to that of the M.A.S.T.E.R. project to ensure transfer of learning into workplace practices. Incrementally retooling of the administrative institutions happened. Together with the work of O&M diagnostics the bifurcation of a system transformation took place through the ongoing feedback and institutional learning.

3. What should be the appropriate aggregate level of intervention in the context of a whole of government transformation?

When working toward a national government transformation, the level of intervention from the authors’ point of view should be at the organisational level within the administration. Concretely, while performance improvement of national government is the target, the entry point should be the layer below the respective ministers. By fostering new functional areas within the government to respond to unmet needs, the government gained the flexibility in generating new insights and knowledge. One functional area was human resource development, the other was development of diagnostic tools to measure organisational performances. The solutions were training of the human resources, developing tested working methods and establishing credibility through demonstration of high quality consulting projects. Creating new institutional units was easier to accomplish that starting from

reforming existing institutions through external consulting inputs. Once the retraining master plan was set up, on-going leadership development and other managerial techniques took place in Slovenia. Coupled with the diagnostic work of the O&M unit, the Slovenian government continued to strengthen its own efficiency and effectiveness. Following the M.A.S.T.E.R. project, Slovenia started to provide technical cooperation projects to other former Yugoslavian Republic to help them reform their public administration. In this sense, the M.A.S.T.E.R. served as a Train-of-Trainer function for Slovene experts in administrative system development and change.

4. Would individual training be sufficient to result in sustainable institutional change of a central government administration?

Public administrative reform projects in transition countries designed and implemented by Western experts financed by technical cooperation funds focused most of the time on individual training and development which were not directly linked to transfer of new skills and knowledge to the job sites in the government administrations. They were often standalone training events de-linked from organisational application and hence often failed to achieve concrete performance improvements of the institutions that send their staff for training. Therefore, training individuals is necessary in developing new personal competences, but focusing on individual participants alone will not be sufficient to foster sustained institutional change. The AL and AR approach of the M.A.S.T.E.R. project provided opportunities for the learner-consultants to experiment with their newly gained competencies in real life settings in ministries that participated in the project. As Bion (1977) asserted significant social learning involves change that is invariably resisted by the prevailing establishment. “Change is terrifying for everyone.... It is far easier to express anger at the current system than it is to create and take responsibility for a new one” (Reed & Noumair, 2000, p.67)

These AL-AR projects also demonstrated the local applicability of established management and OD methods and tools.

5. How could a multilevel intervention strategy be designed and orchestrated to accomplish simultaneously individual learning and institutional transformation?

A multilevel intervention strategy for government reform requires thinking of both hard and soft supportive organisational architecture. Hard architecture consisted of structures and institutions, while soft architecture consisted of networks and good will. The former involved the building of a “collateral organisation” (Zand, 1974) for institutional learning through an AR model that explored the thick understanding (Shani & Basuray, 2007) of the socio-technical institutions of Slovene national governments including multi-stakeholder constituencies important for sustained successful change processes (Worley, 2010).

The soft architecture involved the use of collaborative methods in carrying out AR in the institutional contexts. By insisting on high contact change methodology, both the learner-consultants and the stakeholders of the AR exercise had to be engaged personally in the process of problem identification, data collection, analysis and sense making, and finally solution generation. Such a “personalised” interactions was contrary to the old practices of top-down management, blame games and general distrust. Gradually, cross-functional and cross-boundary social networks developed that provided the “soft tissue” to the organisational system adapting to the changing environmental changes.

6. What kind of change process and transitional architecture are needed to sustain a transformational change process once external support and consultation inevitably end?

Capabilities created in Slovenia through an international technical cooperation had to be internalised by people inside the administrative institutions. Therefore artefacts such as plans, manuals, programming tools, reports needed to be made available in departments within Slovenia’s public administration. Hence, creating an organisations and institutions with

mandates, budget and staff was necessary for the ex-post continuity of the momentum created by the change project. The M.A.S.T.E.R. project left two legacies, one was the National School of Administration and the other the O&M unit of the Ministry of Interior. Both units gained their own strengths and consolidated their “raison d’être” (mission) with sufficient operational autonomy.

The job of creating internal driving forces to respond to environmental calls for change (internal and external) and to adequately innovate through the M.A.S.T.E.R. design was completed at the end of the project. The shortcoming of the design was the limitation to two years project duration. There was no mandate from the Swiss government side to refine the change design and to deepen the administrative reform project beyond the two year maximum time limit given by the respective Swiss technical cooperation unit who considered Slovenia to have graduated from transition to established country level.

In closing, the authors suggest that the acronym ODC should be changed to OSD (Organisation and Social Development) for change projects with a scope beyond the single private sector company setting still dominant in the North American ODC field.

### **Appendix 1: The List of Programme Curriculum of M.A.S.T.E.R. Project**

Essentials theories and skills in 11 skills areas taught to all trainees

- 1 Comparative administrative systems
- 2 Organisational theory and methods
- 3 Organisational development and learning
- 4 Financial management in the public sector
- 5 Policy evaluation and research methods

- 6 Human resource management and development
- 7 Personal effectiveness (presentation skills, public speaking, time management)
- 8 Working methods (decision-making methods and planning)
- 9 Slovenian administrative systems
- 10 Slovenian law and legislation
- 11 Familiarisation with PC programmes (Word for Windows & Excel)

A) Track 1 (Organisation & Management) seminars lasted one week each and each one covered one of the following topics:

- 12 Advanced financial analysis and audit
- 13 Project management methods and techniques
- 14 Strategy and decision making in the public sector
- 15 Consulting techniques
- 16 Application to Slovenian administrative systems

B) Track 2 (Training & Development) seminars lasted two weeks duration and focused on the following topics:

- 17 Policy studies and training needs assessment
- 18 Adult learning and action learning methods
- 19 Management theories and leadership
- 20 Training management
- 21 Organisational behaviour
- 22 Public finances and accountancy

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|----|----------------------------|
| 23 | Personnel effectiveness II |
| 24 | Instructional design       |

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