■ *Research Paper*

Transition in Complex Polycentric Contexts: Trusting and Multifunctional Semantics

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This article shows how the interplay of different function systems creates distrust and paradoxes in complex polycentric transition processes. This issue is captured by an abductive, qualitative, single-case study on a highly polycentric pilot project in a Danish public job centre. The results suggest that the emergence of a multifunctional semantic reservoir is crucial for navigating function-systemic blind spots by stimulating higher-order observation and reflection and building trust in polycentric settings. This is a prerequisite for allowing paradoxes to drive transition and not become barriers. Copyright © 2017 John Wiley & Sons, Ltd.

Keywords Luhmann; transition; trust; functional differentiation; semantics

INTRODUCTION

Most modern processes of transition, defined as change and movement from one societal state to another (Assche *et al.*, 2009), are complicated by the involvement of stakeholders, each having different perspectives on the transition process. Transitions are to be understood as involving the co-evolution of several social systems at societal level, and in that sense some kinds of organizational changes may be less profound, and not qualify as a transition. As modern societies are characterized by functional differentiation—i.e. the distinction of function systems such as politics, law, economy, or religion (Roth, 2015; Roth

and Schütz, 2015)—different stakeholder groups or organizations often advocate the logic or perspective of a particular function system. Transitions therefore take place in highly complex polycentric or 'polyfunctional' contexts. Pilot projects are on the one hand seen to act as enablers of transition in such polycontextural environments, while on the other hand they are also observed to create considerable paradoxes, including barriers to the very changes they are expected to promote. As they are often conducted at an early stage of transition processes, pilot projects confront the polycontexturality before any coevolutions emerge. This makes them specifically interesting to study in order to understand the course of a transition in its early phases.

Against this background, the Luhmannian theory of system differentiation is useful in

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order to analyse the systemic contexts of polycontextual pilot projects, with the aim of understanding potential barriers or paradoxes produced by and challenging these pilot projects. The aim of this article is to build, apply, and evaluate a Luhmannian framework for understanding this phenomenon. The Luhmannian approach was chosen in order to grasp the interplay of the different social systems in society, and show how they interfere and create distrust (Luhmann, 1979), paradoxes, and even barriers when transition processes are initiated as pilot projects in a polycentric context. The reference to Luhmann is furthermore a way to address blind spots in the mainstream organizational change research literature as observed by Wetzel and Van Gorp (2014). In their article: 'Eighteen shades of grey?', they point to cybernetic approaches being neglected in mainstream organizational change research literature, and in this respect the framework developed in this article contributes an under-researched theoretical perspective.

The transition observed in this paper is from a highly control-based and detail-regulating version of new public management in the direction of management that allows greater flexibility and decentralized decision-making, thereby empowering local authorities and employees. This involves a transition across national and local authorities, across different layers of leadership at local level, and across different sectoral divisions of the national government, as well as at the level of the local authority. These many organizations and subdivisions may have preferences for different function systems and may also be irritated by the mass media. The transition disturbs many systems' internally produced images of other systems and creates distrust until new ways of trusting are learned. This transition process is suitable for the analysis, as it contains all the relevant elements to illuminate a comprehensive Luhmannian theoretical discussion of transition theory.

The case studied in this article is a pilot project carried out at a job centre in a Danish 'free' municipality. The case has been selected because it presents a relevant example of how structurally coupled systems are interdependent on each

other's communication in order to perform their own operations.

In this article, we build a Luhmannian framework linking the theories of trust (Luhmann, 1979), power (Luhmann, 1969, 1979, 1990), communication (Luhmann, 1992), social systems (Luhmann, 1995), and the concept of semantics (Luhmann, 1993). We argue for the pivotal issue of creating trust out of distrust, and to that end a multifunctional semantic reservoir is found to be crucial.

In the theoretical section, this framework is created and developed, which helps to understand the highly complex processes at play when a pilot project is introduced to initiate a transition process (and visualized in Figure 1). This framework is then applied and evaluated in order to learn from the case study and stimulate further theoretical thinking. To this end, multifunctional semantics enabling reflection (as opposed to reflexivity) for all the structurally coupled systems are identified as a prerequisite for a realignment of polycentric environments that will potentially re-establish system trust. Such semantics, consisting of models, language, tools etc., may be expected to enable meta-communication, allowing for the observation of the system's own reflexivity from the perspective of other systems. In fact, as we will show, the lack of such a perspective may be identified as a barrier to systemic transition and to *new ways of trusting*. However, paradoxically, we found that it is difficult to create such semantics unless the transition process is already in progress. Our framework is not intended to resolve this paradox, because paradoxes constitute a persistent and integral property of modern society and cannot be avoided; however, the navigation of these paradoxes may remain a strategic goal of both researchers and practitioners.

Our article is structured as follows: first, the theoretical framework is created, building upon a discussion of prior contributions of Luhmannian transition theory. Second, the case study is introduced, and the methodological considerations are accounted for. Third, the framework is applied to the case study. Fourth, the analysis is concluded and evaluated.
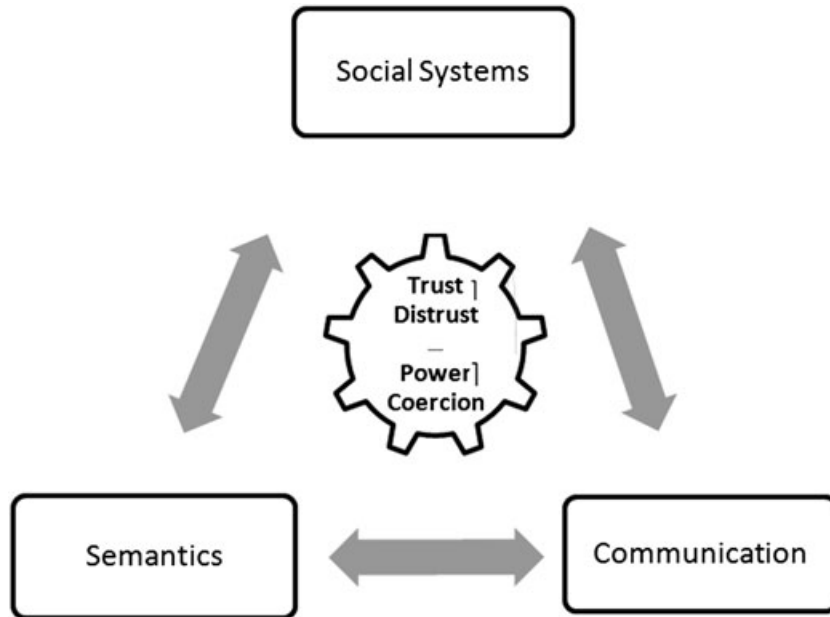
Figure 1 Illustration of the conceptual framework

LUHMANNIAN THEORIZING ON SYSTEMIC TRANSITION

For many years now, Andersen and Born have underlined the importance of semantics in the analysis of self-referential processes in systems (Andersen and Born, 2000, 2007 Andersen, 2003, 2009, 2011). Their research is highly sensitive to the interplay between communication, semantics and organization, putting forward the concepts of meaning, complexity, differentiation, power and play, and observation. Furthermore, Roth (2014, 2016) has outlined a compelling suggestion of organization systems being programmable and thus in effect multifunctional decision-making machines. Roth (2014) suggests that organizations may have contingent preferences for an increasing number of codes deriving from a multitude of basically incommensurable function systems (Jönhill, 2012, Vanderstraeten, 2005).

This article demonstrates that transition processes in complex polycentric contexts may be a mechanism for reprogramming organizational 'decision machines'. Moreover, increasing complexity is pushing organizations to apply power rather than coercion; Borch (2005), Andersen (2009), and Tække (2009) have for example

argued that power (as opposed to coercion) is a condition for more complex systems. Increasing complexity may also trigger reflection, which is another important point to take into account when studying systemic transition in complex polycentric contexts. According to Holmström (2005, 2010), an evolution in the perception of legitimacy and in the legitimizing practice of organizations took place during the late twentieth century. Contemporary ideals such as social responsibility, dialogue and symmetrical communication emerged as responses to the challenges of modernity and globalization.

One could say that systems featuring only basal self-referentiality or reflexivity were overburdened by too much complexity, creating too much risk and uncertainty. The autopoietic solution was to increase the order of observation and apply reflection (Holmström 2005, 2006, 2010).

Luhmann distinguishes between basal self-referentiality, reflexivity, and reflection (Luhmann, 1995). Basal self-referentiality observes from the difference 'element-relation' (within the system) and is the minimal form of self-reference, without which the autopoietic reproduction would not be possible. Reflexivity is

a processual self-reference (in time). It allows for a dynamic identity and, hence, for learning in the sense that the system acquires new habits. According to Holmström (2006), reflexivity implies a perspective from within, from where the system perceives its own worldview as necessary, natural. Consequently, reflexive practice is a blind, autonomous reproduction based on taken-for-granted premises. Reflection, however, observes from the difference 'system-environment'.

In reflection, the perspective rises to a higher level which facilitates a polycontextual worldview: (1) the organization sees itself as if from outside, in the larger societal context; (2) sees how it sees itself through a contingent social filter which could be different; (3) equally sees how it sees other perspectives through a contingent filter, which could be different; (4) sees that it sees differently than other perspectives; and (5) finally sees that it is seen by others through other social filters (Holmström, 2006).

The ability to perform reflection is dependent on second-order observations. Luhmann divides observation into 'the first-order observation' and 'the second-order observation.' The former observes things; the latter observes observation. A second-order observation, too, is tied to its own difference operation, and the system cannot therefore observe itself, but is tied to the observation's blind spot. Second-order observation has, however, the advantage that *you can see that you cannot see what you cannot see.* For Luhmann, these two types of observations sufficiently describe the phenomenon of observing. However, highly relevant for our theorizing is observing that someone observes something under certain conditions or in a certain way. This is also observation of observations, although a specific form. Luhmann notes that this particular order of observation has become detached from observations of specific phenomena ('qualia') and now involves observing the 'circumstances' of these observations, (Luhmann, 1995, Chapter 11).

Yet, as we shall see in our case study, not all systems have applied proper reflection, increased their order of observation and the semantic reservoir to enable multi-functionality (Roth, 2014) may still be lagging behind.

The development of such a semantic reservoir is a recursive process (Luhmann, 1993; Andersen, 2011) and cannot therefore be achieved even by clever planning (Villadsen, 2012). A multifunctional semantic reservoir may nonetheless play a key role for the management of confidence and trust, as well as for the re-creation of the system's inner representations of the environment through a transition process. We will subsequently unfold these considerations theoretically, and in doing so, we will explain the following visualization of the dynamics (see Figure 1).

Luhmann considers confidence and dis-¬trust to be two sides of one form. The mathematical sign (¬) specifies the distinction between the inside and the outside of a form. Trust is distinct from distrust—and so is un-¬confidence from both trust and distrust. Confidence is formed from experience (Luhmann 1979), and is what past and future experience is compared to. Confidence, therefore, creates an inner representation of the environment, and from this inner representation, both expectations and meaning are selected (Luhmann, 1979). Confidence is only possible on the basis of the inner representation of the environment, thus representing a familiar world. Confidence is therefore a prerequisite for trust and distrust, while also helping to reduce complexity so that selection of action becomes possible. That is why confidence and dis-¬trust have been chosen as the pivotal point in our framework (see Figure 1).

Luhmann also emphasizes that trust as a social relationship turns out to become 'both opportunity and constraint. Thus, an element of social control is built into relationships of trust' (Luhmann, 1979:64). He identifies the mutual aspects, implying that you can only receive the trust of others as long as you act in accordance with their expectations and the confidence on which their expectations are based. Fundamental to transitions, therefore, is that the surrounding, structurally coupled systems need to readjust their inner representation of the altered system. This process takes time and requires that the other systems are irritated by their observation of the changed system. In a polycentric context, many systems are observing each other, and all of them have to recreate their inner representations of

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their changed environment. This process creates an institutionalization of change by establishing a broad alignment of new, system-wide expectations. Systems thereby create new confidence as a prerequisite for trust. Until this institutionalization has taken place, trust may be difficult to achieve due to the incongruence of the systems' inner representations of the environment. As a result, barriers to systemic change appear as distrust, which is also a mechanism to reduce complexity (Luhmann, 1979)—although less effective. If a process is not successful in allowing other systems to recreate their inner representations of the changed system, then the institutionalization is blocked and breaches of expectations, norms, and trust become the only observed and selected meanings.

Consistent with the Luhmannian concept of trust, Jagd and Fuglsang (2016) understand the notion of trust as a process, as does Möllering (2013), by using the word 'trusting' to indicate that trust is neither something static nor a substance—but always 'in the making'. Jagd and Fuglsang (2016) understand trust as:

> '…confident positive expectations regarding another's conduct (Lewicki *et al.*, 1998: 439), and often seen as a precondition for social and economic development.'

Möllering (2013) labels trusting as (1) continuing; (2) processing; (3) learning; (4) becoming; and (5) constituting. As a layered process model, Möllering (2013:289) states that the five process views build upon each other, and Neisig (2016) shows how this connectedness implies that unsolved obstacles at lower stages in the layered model may hinder successful trusting processes at more profound stages. This also applies to the theorizing in this article, as an adequate semantic reservoir is needed in order to fulfil the second stage (processing) in Möllering's layered model of trusting. Not being able to fulfil this stage of trusting as processing may block the development of trusting into more profound processes, such as learning, becoming, or constituting. This is also why it is important to further investigate how the process of trusting recursively penetrates a systemic transition in complex polycentric contexts.

In order to explain this, the point of departure for our theoretical framework is Luhmann's theory of *social systems* (Luhmann, 1995), which is *located at the top of* Figure 1. By a 'social system', Luhmann understands the relationship between social acts that refer to each other in a way that makes it a system, distinguishing itself from the complexity of the external world. Social systems are autopoietic and self-referential.

The ability of the systems to adapt their inner representations of the environment is highly dependent on the order of observation that they are able to apply and consequently the level of self-reference: basal self-referentiality, reflexivity, or reflection (Luhmann, 1995, Andersen and Born 2000).

In a complex polycentric context, a systemic transition (Assche *et al.*, 2009) requires several social (and psychological) systems to change or co-evolve their inner representations of each other. This co-evolution is caused by what Luhmann terms 'structural coupling' (Luhmann, 2012). This refers to the way in which operationally closed systems interact with each other. Two systems are structurally coupled when they become dependent on one another for the perturbations used in their own ongoing autopoiesis or operations. One system drags irritations from another system in order to continue its own operations.

Systems function in order to reduce world complexity by eliminating possibilities. Social systems are 'islands of less complexity', as the outside world is always more complex than the system, and the total world is too complex to understand and act upon.

Trust (and distrust), which depends on the system's inner representation of its environment, is an important mechanism through which systems reduce their complexity in decision-making (Luhmann 1979), and therefore *trust ￢distrust* is *placed at the centre of our framework*. The relevance of Luhmann's concept of trust is that it makes trust a mechanism of selection and thus reduces possible alternatives in decision-making. Confidence and trust thereby also play a role as a mechanism in selecting which function systems an organization pays attention to.

If change is imposed as an isolated pilot project, the present way of reducing complexity

in the structurally coupled systems may be damaged, as the surrounding systems do not have the scripts for, or experience of, observing, and selecting meaning from the changed system. Trust as a mechanism for reducing complexity may therefore fail. As trust builds upon a shift from external towards internal insecurity, in order to allow a greater tolerance of insecurity (Luhmann, 1979), trust depends on an alignment of the inner representations of the systems and their constantly selected information.

As systems are constantly testing their inner representations of their external worlds *through communication*, and thereby applying trust or distrust as a mechanism to reduce complexity, *communication is part of our framework*.

Systems cannot communicate directly with each other, but only with each other's communication. Luhmann's communication theory is part of his theory of social systems, as specified in a previous article (Luhmann, 1992). For Luhmann, communication is not an 'action' performed by an 'actor' but a selection performed by a system, and thus the meaning is selected and understood by codes regulating the receiving system. This is important for our framework, in order to understand how systems may drag irritation from each other.

However, the semantic reservoir acts a prerequisite for communication. The *concept of the semantic* is defined by Andersen and Born as:

> '…the condensed and repeatable forms of meaning available for communication. These generalized forms are relatively independent of situations and gain their concrete content in the communication selecting them' (Andersen and Born, 2000).

When considering polycentric transition processes, it is worth noting that the semantic is changeable. While meaning as form is: actuality⌐potentiality, which can never be fixed and represents a continual rearrangement of the distinction between actuality and possibility (Luhmann, 1995, Andersen, 2011), the semantic is perceived as condensed meaning. Condensation means that a multiplicity of meanings is captured in a single form, becoming available

to an unspecified communication (Andersen, 2011). *The semantic reservoir* of generalized meaning is the reservoir available for the communication to select the actual from the possible (Luhmann, 1993:9–72). This turns out to be *a very important part of our framework*. A semantic reservoir of meaning creates the temporary terms and conditions of communicative sense-making. This reservoir is also constantly formed and reformed through the process of communication. A complicated co-evolution of systems, communication, and semantics takes place (Andersen, 2011), underlining the paradox of the chicken-and-egg problem in transition processes.

As we shall see, a semantic reservoir may also be highly intertwined with *power or coercion* in the process of transition. This *returns us to the centre of our framework*. According to Borch (2005), Luhmann's theory of power (Luhmann, 1969, 1979, 1990) has similarities with Foucault's (1991). Both break with classical theories of power as a property possessed by somebody (Luhmann, 1969: 158–9, Foucault, 1991). Both argue that power should be understood as the relationship between action and action, or to put it in Luhmannian terms: to motivate ego to condition an action by the alter's action (Luhmann, 1979:355; 2000:60). This is equivalent to the Foucauldian definition of power, in relation to the form of government, as the conduct of conduct (Foucault, 1994:237). Luhmann is explicitly concerned with the regulation of selections, of selected actions upon selected actions (Luhmann, 1976: 517).

As both Luhmann and Foucault also argue, power is distinct from coercion and dependent on the freedom of agents. In our framework, this is marked as power⌐coercion (Figure 1). Through the concept of 'Playful Power', Andersen (2009) indeed warns against the hidden power that is concealed behind play and is used to control something that is voluntary.

According to Luhmann, if the ego cannot act in deviation from the alter's requests, there is no need for power at all. Coercion is equal to a lack of trust in the regulation of contingency, and consequently, coercion can only be exercised at a specific cost:

'The person exercising coercion must himself take over the burden of selection and decision to the same degree as coercion is being exercised ... the reduction of complexity is not distributed but is transferred to the person using coercion' (Luhmann, 1979: 112).

This is highly important to the idea of centralized decision-making in organizations, whether these are companies or political organizations supported by the bureaucracy. As argued by Assche *et al.* (2009), it is not possible to possess an overview of all the social systems in society and their interaction problems. Accordingly, the more complex the environment and the more radical the intervention attempted, the more unpredictability is introduced, and the greater the risk facing both the intervening and subjected systems, and the managing system, of overburdening themselves with regulatory tasks (Luhmann, 1989).

Tække (2009) elaborates further on Luhmann (1979: 113) and quotes: '*Power increases with freedom on both sides*'. This means that power increases if the power-holder carries out increasingly diverse types of decisions, and if more freedom is given to the power-subject, who chooses how the decisions are to be carried out. Tække draws the conclusion that:

'Coercion might be centralized in more simple systems while power is a condition for more complex systems' (Tække, 2009).

This distinction between coercion and power is also relevant in relation to transition in complex polycentric contexts. As we shall see, coercion may need to be replaced by power in order for different systems to effectively coevolve. Power and trust do not counteract each other, but work together. Power, as opposed to coercion, presupposes trust, as power is also empowering—otherwise, it would be coercion. This intertwined relationship of trust and power, versus the less effective distrust and coercion, allows the concepts to fit together at the centre of our framework.

Tække (2009) also reveals the possibility of coercion being conveyed via computer networks. As computerized work procedures capture and stabilize semantic notions in meaningful work procedures, we count these as part of a semantic reservoir.

When they are used to communicate work procedures and limit the freedom to choose alternatives, this part of the semantic reservoir may establish the functional equivalent of coercion. This type of functional equivalent of coercion may hinder the smooth autopoietic process of 're-calibration' of the inner representations of external, structurally coupled systems, as alternatives are difficult or not allowed to be performed. In our framework, this is considered in relation to a broader array of semantics than just computer networks, e.g. management models, management language, etc.

By summarizing the conceptual framework as described above, Figure 1 illustrates the complex dynamic processes involved in dealing with systemic transitions.

Our framework acknowledges the system differentiation and the self-referential autopoiesis of social systems (Luhmann, 1995, 2012–2013) and does not overestimate the regulatory power of either the national states or the senior management of organizations.

METHODOLOGICAL CONSIDERATIONS

Our analytical strategy is a programme for the observation of observations and their blind spots. It is worth keeping in mind that in a Luhmannian approach, sociology only exists within society, not outside society: '…sociology is observing a society, which is already observing itself' (Luhmann and Fuchs 1994). This means to place sociology 'squarely within its own object' (Luhmann and Fuchs 1994) providing society a confrontation of its own sub-systemic self-descriptions. Being part of society, sociology can no longer place itself objectively outside the society. However, sociology provides '*a description external to the institutional dogmas reigning in the subsystems of society*' (Luhmann and Fuchs 1994). This is also the methodological purpose of our case study and one of the reasons Yin (2014) gives for choosing a single case study: namely the role of the case as phenomenon-revealing (a revelatory case).

In order to study in depth the phenomenon of systemic transition in a complex *polycentric* context, an approach was chosen to further stimulate theoretical imagination and conceptualization by drawing on an abductive, qualitative, single-case study, which consisted of a pilot project taking place in a highly complex polycentric context.

The approach chosen not only allowed the analysis of an isolated organization implementing a process of change, but also the study of surrounding, structurally coupled systems, and thus the transition in a broader societal perspective. The case study is of a pilot project and its complex polycentric contexts. It was chosen with the aim of understanding why a paradox emerged that was creating barriers for the transition. The reason for choosing this case study is that it provides rich opportunities to challenge the theoretical framework and stimulate the theoretical imagination, and thereby to acquire understanding and learning about systemic transitions in a complex polycentric context.

The case contains multiple organizational layers and subsystems. Within the job centre, the Labour Market Director has the administrative responsibility and reports to the local politicians. The Job Centre Manager has the daily responsibility for running the centre in accordance with the political and legislative preconditions. The team leaders have the responsibility to coach their teams, and the employees have the responsibility to serve the unemployed in accordance with the legislation, political priorities, and the managerial framework laid down at local and national level. The IT systems also play a major role in process regulation.

The local municipal authority is subject to external political and legislative conditions. Local Government Denmark represents all 98 municipalities towards the national government and also conducts cross-municipality projects, such as IT architecture projects. The Ministry of the Interior and Economic Affairs, the Ministry of Finance (and the Ministry of Employment, which is not touched upon in this analysis) all play a role in relation to the job centre. Finally, the government bears the overall political responsibility. The mass media also play a role, for instance in agenda-setting. This is just to mention the major actors, as other organizations and function systems also play roles.

As the pilot project was part of the Danish free municipality programme, several external systems (function systems and organizations) were part of the transition process, not only because the experiment required exemptions from national legislation, but also because the experiments were part of a broader redefinition of the trust relationship between the national government and the local authorities, and between management, employees, and citizens. In this respect, the case is relevant for an in-depth study of observation of observations and of how communication is communicated in a process of systemic transition in a complex *polycentric* context, by use of a pilot project. (For polycontextuality within the public sector, see also Knudsen and Vogd (2015)). In addition, the case study reveals the emergence of paradoxes, disruptions of confidence, selection of trust⌐distrust, and potentially also the creation of barriers to the transition process.

In order to cope with change in complex polycentric contexts, communication has to be addressed at many levels and by handling multiple 'codes' (Andersen and Born, 2000; Andersen, 2003, Roth, 2014). This process requires observations of the 'codes' by which the many different structurally coupled systems observe. The semantic analysis therefore emphasizes the following: (1) whether the reservoir allows for multifunctional communication; (2) how the conceptualization and shifting of condensed meaning take place over time; and (3) to what extent the evolvement of the semantic reservoir means getting better at facilitating higher-order observation and reflection or whether the semantics are to be considered the functional equivalent of coercion, not allowing alternative actions.

If the various systems are co-evolving through semantics that allow for reflection (i.e. through shared language—allowing for multiple function codes, IT architecture, tools, beliefs, etc.), the inner representations may also co-evolve, and the risk of trust violation is reduced. If a multifunctional semantic reservoir is lacking, the systems may not be able to apply reflection, and therefore

the risk of trust violation increases. Consequently, we have investigated the ability of the semantic reservoir to allow different systems to perform reflection.

Time also has to be part of the analysis, not only because 'the recalibration' of the inner representations takes time, but also because of the complicated co-evolution of the systems' communication and the semantic reservoir. A longitudinal approach has therefore been chosen, with selected periodic investigations of the co-evolution representing important couplings of different systems and subsystems.

Paradoxically, a systemic transition may in the first place be blocked due to limitations of the semantic reservoir, but as a recursive process, the semantics may be shifted and then allow for 'recalibration' caused by mutual irritations due to the structural coupling of social systems.

The case study of a free municipality experiment in a Danish job centre elucidates a systemic transition from a highly control-based and detail-regulating version of new public management towards a system that allows more flexibility and decentralized decision-making, empowering local authorities and employees. The case study thereby provides an example of what Tække (2009) describes as the need to replace coercion with power as systems grow more complex.

The design of the study of observations of observations from different perspectives in the polycentric context has been chosen in order to study trust and power relationships (in the centre of our framework). The organizational levels of the analysis are:

(1) Government (trustor)–Municipality(trustee)
(2) Ministry (trustor/trustee)–Ministry(trustor/ trustee)
(3) Municipal leaders (trustor)–Municipal employees/citizen/media (trustee)

The case study draws upon semi-structured qualitative interviews with employees at the job centre in the free municipality. The job centre in question is an organization with approximately 100 employees. The staff consists of a Labour Market Director (senior management), a Job Centre Manager (daily management), 10 team leaders, and the front-line employees. Five

interviews were carried out. The respondents were the Labour Market Director, the Job Centre Manager, a team leader, and two employees. The interviewees were selected through a hierarchical process, but judging from the interviews all the interviewees felt free to express themselves, and they were not chosen to represent any kind of loyalty towards their managers. All of the interviews have been transcribed. More interviews might have created a broader empirical foundation from which to derive knowledge of different informant observations and the selection of meaning, in particular among the employees and team leaders. However, the intention was not to generate any kind of representativeness, but rather to generate empirical data for observations of observations from different perspectives in the polycentric setting, in order to stimulate our theoretical imagination.

The interviews were open-ended, so as to allow the interviewees to tell their stories. However, the interview guide was focused on the following:

- Questions that revealed how the interviewees observed their own functional area—which functions and processes it covered, how it was organized, what was observed as being good, observed problems, and what was observed as capable of improvement.
- How the interviewee observed the free municipality experiment—including the purpose of their own role in the experiment, and anticipated results versus achieved results.
- Who was involved in the experiment, when, and why?
- How others were observed (Observations of others' observations—which systems were observed)
- Communication (Observations of communication about the free municipality experiment— what was observed about communication, from and to whom—which systems communicate, and what meaning was selected)
- Whether one felt 'equipped' for the new situation (confidence)
- The process (time aspect)

As the case study is elucidative and thought-stimulating in relation to the theoretical

framework, and qualitative interviewing always has to be interpreted as contingent and unrepresentative, the method was considered both valid and reliable for our purposes.

The ways in which the surrounding systems observed and selected information was analysed in a semantic analysis of relevant parts of the political rhetoric which documents the semantic shifts along a longitudinal perspective.

All of the documents are included in the reference list and are referred to when used. The documents are primarily official documents with a high level of reliability. Through the selected documents, the use of semantics was studied in the articulation of the following:

- The trust relationships in the public sector and the purpose of the free municipality experiment, as seen from different perspectives and over time,
- The notion of public-sector productivity—how the shifting of the semantics takes place, and
- The semantic role of the IT architecture, acting as a functional equivalent of coercion or an enabler of empowerment.

These semantic themes were chosen because they penetrate communication across all systems in play and form shared semantic reservoirs. However, they are also closely linked to our theoretical framework (Figure 1).

THE CASE STUDY—SEMANTICS, TRUST, POWER, AND BARRIERS TO CHANGE

Case Introduction

The current structure of the Danish employment service was laid down by the Danish municipal structural reform in 2007. Ninety-one municipal job centres were established, and the former national employment service (Arbejdsformidlingen, AF) was closed and integrated with this structure, with the intention of empowering the municipalities' own decision-making. For a long time, the Danish employment service had been subject to standardization and process control (read: coercion). As a

result of IT and detailed process regulation, the core tasks of the employees had shifted from personal contact and counselling to registration, evaluation, and documentation[1] *in order to comply with national rules* (Holt *et al.*, 2009).

According to Luhmann, this is an example of semantics with a *basal* self-referentiality (Luhmann, 1995, Chapter 11) and a 'fremdreferenz' (Andersen and Born, 2000), as the reference is to the political system and to the legally established environment. The management of the municipality needed to control the contact cadences[2] to be observed, due to their dependence on reimbursement from the national state on the basis of timeliness and compliance with the procedural rules (observation: element-relation).

The free municipality experiments were launched from 2011 to 2015 (Danish Ministry of the Interior and Health, 2011). This particular case study concerns an experiment under the heading *Focus on impact rather than process*. Impact objectives concern long-term 'outcomes', which are the effects that results produce in the rest of the system, or in other systems. As impact interventions do not intervene directly in work tasks, this form of intervention is characterized as managing the employees' self-management (Neisig, 2014) (read: replacing coercion by power). In this sense, it also complies with what Andersen and Born (2000) describe as 'Selbstreferenz', as the system now refers to a field of problems. In this sense, the experiment represents a semantic change (Luhmann, 1993, Andersen, 2011), supporting the possibility of reflexivity (Luhmann, 1995, Chapter 11), as the management does not intervene directly in the work tasks, but lays down requirements that impact the work in a way that triggers reflexivity towards the work processes.

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[1] A sample survey (Danish Association of Social Workers, 2007) showed that social workers typically spent 18 per cent of their working hours with clients and 82 per cent on other tasks.
[2] Contact conversations consist of statutory conversations (National Labour Market Authority, 2013). The first statutory conversation with the unemployed is the CV conversation. This should take place within the first three weeks of unemployment. Every unemployed person, regardless of match category, should be scheduled for a statutory contact conversation no less frequently than every three months.

Table 1 Statements showing the selection of distrust

Source	Statements
Institute of Local Government Studies. 2009. Staten spiser af det kommunale selvstyre [The State is devouring local autonomy], *AKT Nyt* **1**, Copenhagen.	'The interviewed managers see... the government's process control as an accomplice in expenditure pressures [...]. They certainly agree that citizens should have freedom of choice, but most interviewees experience the current regulations [...] as very detailed, and they believe that it burdens the municipalities' costs more than necessary.'
The Minister of Finance cited by: Ministry of Finance, 2010. *Massiv budgetoverskridelse i kommunerne i 2009*, [Massive budget overrun in the municipalities in 2009], press release 18 May 2010, Copenhagen.	'It is difficult to see the purpose of concluding agreements if municipalities subsequently ignore the agreements. Consequently, I have today requested LGD[4] to explain how LGD will ensure compliance with the agreements in the future. Negotiations on municipal finances for 2011 will not start until this issue has been resolved.'

The idea of the pilot project was to achieve more flexibility in the timing of contact conversations, and more freedom in their form and content. The aim of the experiment was to use evidence-based knowledge and to emphasize trust in and the responsibility of the employees' professionalism. However, as we shall see, it appears that in the pilot project, a decoupling took place, and the process intervention was quickly reinstated. This will be described and analysed below.

The analysis is structured in accordance with the semantic themes outlined in the methodological section. Section a) addresses the free municipality experiments as related to selection of trust or distrust in public sector management, and how the pilot project was born out of distrust, in an attempt to test or perhaps create trust.[3] In addition, it deals with the selection of meaning by the pilot project as seen from different systemic perspectives. Sections b) and c) analyse the development or shifting of the semantic reservoir over time, and examine whether the semantics restrict or allow multifunctional communication, and whether they function as coercion or as an enabler of empowerment (Figure 1).

(a) The trust relationship in the public sector: the birth of the pilot project out of distrust. Test of trusting. Observation that the semantics need to shift.

Using the concepts of confidence, trust, and distrust, we analyse the process of how various systems' inner representations of the environment become disturbed and how this is observed. The analysis follows the longitudinal process and takes place in three steps: (1) Documenting and explaining how confidence is disturbed and distrust is selected in the first place; (2) Documenting and explaining the genesis of the free municipality experiments. What role did they play in the process of establishing trust, and why? and (3) How does the need to recreate and shift the semantic reservoir come about?

Step 1

As shown in Table 1, two documents in particular clarify that distrust between the political levels of the national and local governments (the municipalities) was selected.

Municipal budgets had been exceeded for a number of years (Ministry of Finance, 2010).This could potentially create distrust in Danish public finances and result in a debt crisis, as in Denmark, municipal budgets account for a very large proportion of public finances. The political system, speaking in codes of power¬no-power,

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[3] Luhmann (1979) defines trust as a risky investment with positive expectations, whereas Möllering (2013) discusses whether 'trust as testing' is actually trust at all, as positive expectations may be lacking. This is also discussed in Neisig (2016).

[4] Local Government Denmark is the negotiation partner representing the municipalities towards the national state.

observed the economic system. By this time, the global financial crisis had turned into a debt crisis in many European countries. The financial system, as a subsystem of the economic system (communicating in codes of payment⌐no-payment), relies upon trust in the form of doubly contingent expectations: expectations towards other people's expectations (Luhmann, 1995:127). Observing this caused the national political level to select distrust towards the local authorities as a result of the budget overruns, and the national political level chose to use power in order to re-establish trust in public finances.

Concurrently, as the quote reveals, local municipalities criticized the increasing governmental micro-management of the municipalities (Institute of Local Government Studies, 2009)—and refused to take responsibility for managing the budgets when the national government was applying too much coercion.

In step 1, the various social systems are thus observing through their own codes and are unable to find common ground. The semantic reservoir only allowed for basal self-referentiality, which leaves the systems with distrust and barriers to change.

Step 2

Our analysis is that because distrust is an inefficient way of reducing complexity, the political system becomes irritated, and the idea of the free municipality experiments was formulated as a test[5] of trust relationships between national and local government. This is particularly revealed by the following quote from an address to the annual party meeting by the chairman of the Danish People's Party, which formed part of the parliamentary support for the right-wing government at that time:

'We wish to create an experiment in which we say to the municipalities that if you truly believe you can solve the tasks better under a freer framework, then we will take you at your word ... It is your responsibility to show that

you can get the money to go further and secure better quality for citizens.' (Dahl, 2010).

The 'free municipalities'[6] were subsequently established, although the actual meaning of the free municipality experiments was selected differently by different systems, as we shall see. At local level, the meaning of the free municipality experiments was selected from the point of view of various systemic perspectives. The Labour Market Director had a firm vision for the experiment:

'As mentioned, from process to impact to a holistic administration process. What we want to achieve is... respect for professionalism within the employment service, and respect for evidence, and respect for the experience and knowledge that you know works...' (Interview, Labour Market Director).

However, at the level of national policy, no semantic development took place ascribing new meaning to public management. In the first place, the experiments were not part of an overall innovation strategy for public welfare. No external advisory support systems were in place to back up the individual experiments, which were conducted solely on behalf of the municipalities that applied for this status.

Different function systems, speaking in different codes, play different roles in the process of observing. Not only are the political and economic systems in play (the public debt crisis was in political focus, and the Danish Public Employment Service has a large budget under the annual Finance Act), but the mass media also played a role. The following quote from the team leader at the job centre shows awareness of how the mass media speaks in codes of information⌐no-information (Luhmann, 2000). If, for example, productivity decreased for a period due to the experiments, the media would find that it is 'information' and get interested.

'We are much more exposed, in managerial terms. And it shows, because every time a story appears in the media, our local media and so on, well, then we have to go out and find data

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[5] Luhmann (1979) defines trust as a risky investment having positive expectations, whereas Möllering (2013) discusses whether 'trust as testing' actually is trust, as the positive expectations may be lacking —this has also been discussed in Neisig (2016).

[6] Nine (out of 98) municipalities were given the right to apply for exemption from national legislation during the trial periods.

and find new ways to generate data, and then we are in a bit of a cross-field…' (Interview, job centre team leader).

As no external support system would 'guarantee' or 'defend' the experiments, the individual experiments were vulnerable to mass media exposure, which had negative consequences for risk-taking and the implementation of the objectives of the experiment, The Job Centre Manager quickly reinstated process measures, and as a consequence, a decoupling took place, as the entire aim of the experiment was formulated under the heading: *Focus on impact rather than process*.

For the Job Centre Manager, process intervention made sense, so as to set limits. For him, the semantics of the experiment involved giving consultants the latitude to prioritize their own contributions—*within certain limits:*

> 'So as not to have total anarchy, I have defined minimum cadences [of contact conversations], after all, (…) they're just minimum cadences.' (Interview, Job Centre Manager).

The Job Centre Manager was trained in using process interventions, and he continuously chose to actualize the old form of intervention—also noting that the experiment was vulnerable towards the mass media, who might not yet have changed *their* inner representations of efficiency¬effectiveness at a job centre. This was observed by the Job Centre Manager, and he reduced complexity by using his confidence (the old form of intervention) in such a way that the system, as observed by the employees, was not changed at all. As one of the employees described it:

> 'It may well be that in theory 'we' have an idea that we are a free municipality, but in fact we have to hold the same number of conversations as before. That is the reality … so what we can learn from this is that we certainly should not reduce the cadences [in contact conversations].' (Interview, employee)

This statement draws on the semantic reservoir concerning 'the free municipality experiment', and meaning is ascribed from the perspective of the employee by drawing the distinction: 'theory¬reality'.

A decoupling thus took place, and the free municipality experiment did not produce the latitude needed to refocus from process to impact intervention, and thus no new experiences of creating reflexivity or reflection in the management of the employment service were gained through the experiment at that time.

The various social systems, observing through their own codes, were unable to find common ground—the order of observation remained *basal* self-referentiality. The absence of a semantic reservoir allowing for reflexivity or reflection left the systems with distrust, barriers to change, and no real alternatives. Our analysis is that this made the semantic reservoir a functional equivalent of coercion, in order to sustain 'business as usual', as the semantic reservoir provided no shared understanding of alternatives to process intervention. The distrust at the level of 'Government (trustor)–Municipality(trustee)' was therefore reproduced at the level of 'Municipal leaders (trustor)–Municipal employees/citizen/media (trustee)'.

Step 3

In 2011, a centre-left national government took power, and the semantics of trust shifted. The observation of the need for a development of the semantic reservoir in order to recreate trust appears, as trust was now considered strategic and as articulated in the new governmental programme (Government, 2011), the new government aimed at a trust reform. The intention was:

> '… to create a new dialogue of governance, partnerships between the state and individual municipalities, and what has been termed a trust reform for the public sector.' (Government, 2011)

The experiment under examination was not born under such a semantic framework, but a framework of governmental distrust of the municipalities. The need to shift the semantics was recognized by the new government.

However, within a year, a new shift in the semantics of public trust relationships had already appeared. In November 2012, the Minister of Economic Affairs and the Interior admitted in a

press release from the Ministry that a comprehensive trust reform was extremely difficult:

> 'The Minister of Economic Affairs and the Interior, Margrethe Vestager, has said in an interview with avisen.dk [a Danish online newspaper] that after her start as a minister she has seen that the task of creating a trust reform is greater than first anticipated.' (Ministry of Economic Affairs and the Interior, 2012)

It was recognized that the management was reducing complexity through process intervention (imbued with distrust). Trust as an alternative mechanism for reducing complexity would require a comprehensive development to restore trust through clear expectations (transparency) towards all parties (trust as double contingent expectations (Luhmann, 1995:127)).

Only much later was a mini-tripartite agreement reached, stating seven *general principles* of a Trust Reform (Government *et al.*, 2013), which have since been on the agenda. At the time our case study was carried out, a reflexive governance dialogue was not yet in place, which was an important missing part in the semantic reservoir. However, *now the systems observe what they do not observe* (i.e. apply second-order observation).

Luhmann (1979:64) underlines that '*an element of social control is built into relationships of trust*'. What we see in this case is that for as long as the semantic reservoir was not rebuilt in order to allow for this new kind of social control (or commitment), the social control produced by process control could not be replaced by a new type of trusting. A trust reform is something that had to be learned (by not only reflexivity, but also reflection)—it is a process of institutionalization (as explained in our theoretic framework), not a reform to be negotiated and decided upon from one day to the next.

What might also be learned is that as distrust was not effective, trust as a test (the free municipality experiments) was selected, and a strong local vision of how to improve productivity was formulated. However, when the different systems are 'out of calibration', decoupling can easily take place if the objectives are not part of a shared development process, taking different systems codes into account. The inner representations of external systems remain uncalibrated,

and the semantic reservoir may not develop sufficiently. This also explains why the Minister of Economic Affairs and the Interior had to scale down her ambitions towards the Trust Reform. This, however, also illustrates that a recursive process has taken place, by an observation of the need of the semantic reservoir to develop in order to recreate trust.

(b) A new semantic of public productivity (shifting of the semantic reservoir).

From the beginning, as mentioned above, the trials were linked to a semantic of efficiency (Dahl, 2010).

This semantic was also observed differently in each of the systems, and by the change of government in 2011 the semantic of efficiency had shifted. One dilemma relating to the Trust Reform was the modernization agenda initiated by the Ministry of Finance, aimed at budget management and goal compliance (Ministry of Finance, 2013). In contrast to this, the Ministry of Economic Affairs and the Interior provided the Trust Reform, which lacked some embodiment, and had difficulty measuring the economic benefits. In other words, the two ministries as organizational systems did not have preferences for the same function codes with which to observe the notion of efficiency. This was creating distrust at the level of 'Ministry (trustor/trustee)–Ministry(trustor/trustee)'.

Even before the Minister of Economic Affairs and the Interior announced the difficulties of the Trust Reform, the Minister hoped that the Danish Productivity Commission would create a new language and tools to enhance the semantics of the concepts of productivity in the public sector and address a broader spectrum of dimensions of this notion (Lindholm and Bendix, 2012). The need for new semantics was thus noted by the Minister of Economic Affairs and the Interior. The report from Danish Productivity Commission identified four key factors required to increase productivity in the public sector: clear leadership, motivated staff, clear performance requirements, and more autonomy regarding how to solve tasks (Productivity Commission, 2013). This may be understood as providing re-entries into the concepts of productivity (See Figure 2).
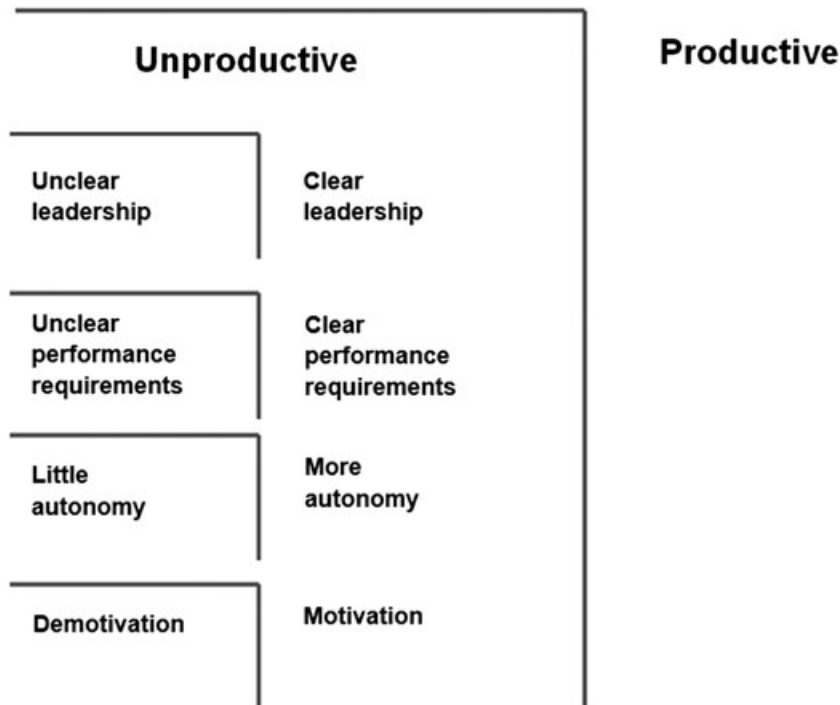
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Unproductive   **Productive**

Unclear
leadership   Clear
leadership

Unclear
performance
requirements   Clear
performance
requirements

Little
autonomy   More
autonomy

Demotivation   Motivation

Figure 2 The concepts (and counterconcept) of productivity with re-entrees

Danish Productivity Commission dealt with the difficulties of measurement in the public sector and pointed to the requirement of using impact objectives (instead of process intervention: process¬impact intervention), which were also targeted in the experiment examined (Productivity Commission, 2013: 26–32). Danish Productivity Commission also addressed an inherent tendency for bureaucracy to increase bureaucracy (Productivity Commission, 2013: 9)—almost as expressed by Luhmann (Luhmann, 1979, 1989), as explained in our theoretical framework. This also made the distinction bureaucracy¬productivity. From this perspective, the issues touched upon are not just those of the difficulties of a trust reform and the continued deterioration of professionalism, but apply to productivity in the public sector in general. They also apply to the overburdening of national government by micro-management, as revealed by a lack of productivity. In this way, the different semantics observed by different systems were bridged by a higher-order observation through a shift of the semantics of productivity.

The semantic reservoir concerning 'trust' is thus now linked to a shift in the semantics of 'productivity', being much more than just 'getting the money to go further' and 'ensuring better quality', but also 'providing specific impacts' (politically determined). The market orientation is thus softened, and the distinction unproductive¬productive also develops into a distinction of efficiency¬effectiveness.

From a Luhmannian perspective, a new language concerning productivity in the public sector was a missing link in establishing a new social commitment and trust. When the pilot project was introduced, a new management dialogue had not yet been clearly defined, and the semantic reservoir was limiting communication and commitment, and hindering the evolution of trust. The lack of a new language relating to productivity was constraining reflexivity and reflection, resulting in the lack of an ability to transform. As the semantic reservoir allowed no possible alternative actions in order to establish a new social commitment and trust, the semantic reservoir formed the functional equivalent of

coercion, recreating the pursuit of efficiency through process intervention imbued by distrust.

(c) IT architecture—another functional equivalent of coercion. Could IT create empowerment?

This section addresses how the IT architecture forms part of the semantic reservoir and may function as either coercion or an enabler of empowerment. As a recurring theme, IT systems were criticized for maintaining specific workflows, constituting a process intervention. This resembles what Tække (2009) describes as computer networks conveying the coercion.

The Labour Market Manager outlined a vision for cross-functional and holistic administrative procedures. Despite this, the IT systems promoted at the time neither this vision nor impact objectives, but maintained the separation of sectoral systems (with preferences for different function codes) as a coercion conveyed by the need to comply with registration and IT work procedures.

'It's about the Public Administration Act and the Personal Data Protection Act—access to exchange information directly, and access to IT systems about what information we have concerning citizens having problems other than unemployment, and therefore about having an active case in several places in the municipal administration. This was not provided for as a possibility [for this free municipality experiment], but a committee has now been appointed.' (Interview, Labour Market Manager).

This means that IT systems prevented the organizations from becoming multifunctional to a wider extent, as described by Roth (2014).

Later, Local Government Denmark published its 'Proposals for an impact-based business architecture in the field of employment' (Local Government Denmark, 2013), which described possible solutions to some of the challenges described above.

The aim of the proposal was to align the efforts of the employment, education, social, and health services. The strategy was for each of these organizational systems to have ownership of its own terms of language and *mutually recognize each other's terms*.

'In all cases, a citizen who has an issue (described with concepts from each discipline attached to each sectoral system) is provided with

an intervention that results in a new state, which hopefully meets the objectives of the effort.' (Local Government Denmark, 2013:12)

The proposed IT architecture thus helps to create evidence for different patterns of initiatives towards different patterns of conditions, enabling coordination and a common assessment of performance and outcome/impact (Local Government Denmark, 2013).

Through this proposal, the semantic of productivity and impact measures was meant to become *multifunctional* (as described by Roth (2014)) and also *polycentric*. A pathway could be paved for inter-sectoral, inter-disciplinary, and cross-professional communication—and maybe respond to codes ruling several hitherto separate function systems.

Through this proposal for a new IT architecture, a third-order perspective (mutually observing the codes used by each system) was adopted towards the sectorally differentiated systems, enabling them to apply a second-order perspective to each other. The proposal should enable differentiated systems to cope with complexity by communicating using a multifunctional semantic reservoir, thereby allowing them to mutually align their inner representations of each other.

In other words, the experiment studied lacked the IT tools to support its vision of creating a holistic (multifunctional) administration. Obviously, this was a barrier to the transition. The IT architecture has only now been drafted as a proposal, and thus the data foundation to create a common commitment as a prerequisite for a new type of social trusting and control was not yet available across sectors. In order to protect the privacy of citizens, however, such architecture also implies many ethical considerations regarding how transparent personal data should be between branches of the public sector.

This part of the analysis shows that IT architecture plays an important role in the development of the semantic reservoir, allowing multifunctionality, reflexivity, and even reflection. According to the theoretical framework, this is important in order to 're-calibrate' the many systems' inner representations of each other. In other words, IT architecture has the ability to

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play a role as a functional equivalent of either coercion (leaving no alternatives) or (em)power (ment) (providing shared information for cross-functional, cross-disciplinary, local decision-making). IT also has the ability to enable either trust or distrust: trust, if the IT architecture secures transparent processes to which confidence is attached, and distrust if that is not the case.

CONCLUSION AND FUTURE RESEARCH

A Luhmannian interpretation of the lack of success in fulfilling the vision of the pilot project must consider the range of external systems communicating in codes that divert the pilot project away from its intention of intervening by impact measures and abandoning process interventions. The case study reveals that the many conflicting meanings of documentation and evaluation make it difficult in individual cases to break with the current norms of practises (process regulation) without creating insurmountable complexity.

The complexity, the contradictions within the pilot project, the increasing bureaucracy, and the locally induced reduction of employees' autonomy were noted from various perspectives by both the employees and management in the job centre, resulting in a reduction of complexity through a lack of trust and commitment to the free municipality experiment.

The case study thus reveals the pilot project to have been vulnerable, due to the lack of internal commitment, which in turn can be explained by the lack of support from external systems.

This study has been in line with existing system theory and process-based trust theory as described by, inter alia, Andersen (2001, 2011), Andersen and Born (2000), Assche *et al.* (2009), Borch (2005), Holmström (2005, 2006, 2010), Jagd and Fuglsang (2016), Möllering (2013), Roth (2014), Tække (2009), and Villadsen (2012). However, as illustrated by Figure 1, it has also contributed by linking together different parts of the Luhmannian theoretical elements, and underlining the pivotal issue of creating trust out of distrust.

In our theorizing, this topic is at the centre of our framework and is linked to the critical issue of developing a multifunctional semantic reservoir in order to recalibrate the inner representations of all the structurally coupled systems. In this way, it also reveals that transition processes can be mechanisms for reprogramming the multifunctional 'decision-machines' (Roth 2014).

In summary, a paradox emerges because a systemic transition in a complex polycentric context needs the capability and the tools to allow organizations and systems to perform reflection on themselves as reflexive. This requires a multifunctional semantic reservoir developed for this purpose, enabling meta-communication and the possibility of seeing the system's own reflexivity from the perspective of others. However, as a paradox, it is only through the process of transition that this shift in the semantic reservoir emerges—in the first place as observations of the lack of such a semantic. The aim of the experiment was not fulfilled, as the semantic reservoir did not allow for the transition, but instead acted as a functional equivalent of coercion, sustaining 'business as usual', as no alternatives were available. Trust in the change was not achieved. As the employment service is currently regulated, autonomy is only first order, and the system only performs basal self-referentiality. However, the case study also reveals that the shifting of the semantic reservoir emerged along with the transition initiated by the pilot project.

Transition in the sense of change and movement from one societal state to another (Assche *et al.*, 2009) requires active co-evolution across many political levels and across a differentiated public sector with preferences for different function systems. This also requires a co-evolved recreation of inner representations. As the case study reveals, the problem of how to create trust out of distrust appears to be a major part of this pivotal paradox. Accordingly, this topic has been maintained at the centre of our theorizing.

The Luhmannian framework developed and applied in this analysis seems to help to explain why the process intervention continued despite the exemption from governmental legal regulations and the attention and support of an active senior management. It explained the mechanisms

that were helping to maintain the process intervention and form distrust and barriers to systemic transition, and how to draw learning points from the case as an example of systemic transition in a complex polycentric context.

The learning points for managerial practitioners are as follows: to be aware of the systemic context of which pilot projects are a part, to be aware of confidence and trust as important factors for the reduction of complexity, to be aware of the need for all structurally coupled systems to recreate their inner representations of each other, and that this involves a development of the semantic reservoir, allowing for multifunctional reflexivity or even reflection, and to be aware of the role of IT architecture as an enabler of multi-functionality (Roth, 2014) and empowerment, but also the opposite. Finally, to be aware that no omnipotent management exists, but that all parties must play a role in constructing *a new way of trusting and a new social commitment*.

This research has been built on theoretical reasoning, which has also been challenged and improved by an abductive, single-case study. However, future research into different types of cases may enrich these findings and explore the strengths and weaknesses of the theoretical framework. This could for example include studying successful transition cases, as well as revolutionary transition processes.

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