

# Freedom of choice or cost efficiency? The implementation of a free-choice market system in community mental health services in Sweden

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#### **ABSTRACT**

This case study investigates the implementation of a free-choice market system in community mental health services using the example of day centres for people with psychiatric disabilities. It was conducted in a major city that was about to implement a free-choice market system due to a new legislation that made it feasible. Eighteen semi-structured interviews were conducted. Agents situated in different parts of the organization were interviewed one year before and two years after the free-choice system was launched in 2010. Data showed a top-down political process. A majority of the intentions of the legislation advocated individual autonomy as the market system's main purpose; only one concerned organizational efficiency. Data reflected, however, that financial efficiency dominated the agents' experiences of the implemented system. The twofold market purpose was clearly reflected in the interviews. Front-line staff hoped for improvements mainly for the users, whereas managers mainly focused on the market as a resource allocator.

#### ARTICLE HISTORY

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#### **KEYWORDS**

Community mental health; free-choice market system; implementation

## Introduction

This article examines the implementation process of a free-choice market model in Swedish community mental health services. The intentions of the reform as well as its consequences will be discussed. The case focuses on day centres, a common service that aims to support people with psychiatric disabilities in their everyday lives.

Over the last few decades, political reforms concerning organization of public welfare have transformed bureaucratic administrations into models where relationships between state and society are less hierarchical (Denters et al. 2003). Models based on ideas of competing markets have been implemented worldwide (Brody et al. 2013; Finn 2009) in hopes that competition between providers would inspire more efficient organizational development and an attentive approach to customers. Public markets, known as quasi-markets (Le Grand and Bartlett 1993), are sometimes characterized by the policy objective of increased individual freedom of choice (Defourny et al. 2010). This is often accomplished by providing vouchers (Friedman and Friedman 1980) to allow individuals to make personal choices. Quasi-markets are financed by tax money, but the competitive market system opens up service delivery to for-profit and third-sector institutions as well as to the public sector (Defourny et al. 2010).

Research indicates that implementation of quasi-markets is complex. Dissatisfaction has been shown by users' experiences (Spall, McDonald, and Zetlin 2005) and the model has been questioned (Mol 2008; Rose 1996).

In 2009, freedom of choice was introduced into Swedish social welfare by means of a new Act on Free Choice Systems (2008:962). Documents preceding the passing of the Act showed that the primary intention was to address the quality of the service provided to an individual and secondly to improve the efficiency (SOU 2008:15). As a consequence of the new Act, major organizational changes in the Swedish public welfare have taken place.

The focus of this study is on day centres, a common community mental health service. Day centres support people with psychiatric disabilities in their everyday lives through social relationships and meaningful activities (Rosenberg 2009), and they complement specialist psychiatric inpatient and outpatient cares. Day centres offer different kinds of activities such as handicrafts, gardening or working in a café. Day centres can be characterized as work-oriented day centres or meeting-place-oriented day centres (Eklund and Tjörnstrand 2013; Tjörnstrand, Bejerholm, and Eklund 2011). Services are sometimes outsourced to ordinary workplaces where working conditions are set to a level that is appropriate for the user (Lövgren and Hamreby 2010). The services could also aim to increase the users' employability, for example, through the Individual Placement and Support method (Drake, Bond, and Becker 2012).

In the studied case, the free-choice market system meant that users who were allowed to attend day centres could choose among all the authorized providers available within the city. Prior to the reform, most users were referred to the service in their home districts. This restriction was removed by the reform. Within the new system, an economic compensation accompanied each individual using the services, and the providers were to deliver their services using that money. A report concerning day centres in the studied area (Saario 2010) found that half of the target group did not attend the services provided by the day centres, and the report concluded that there was a need for a wider range of activities to attract users.

Knowledge is scarce concerning implementation of choice in the general Swedish welfare system (Hartman 2011). However, research has been conducted concerning the free-choice system established in public schools in 1992. Dovemark (2007) found a social practice where a shift of learning resources from resource-poor to resource-rich pupils took place. Norén (2003) meant pupils' ability to choose school was not due to the market model, but settled by admission proceedings based on grades. Which consequences arise from implementation of free-choice systems in the context of community mental health services remains to be investigated, and no such studies have been conducted as far as we know.

There are many agents involved at the organizational level, and the experiences of local governing politicians as well as of executive managers and staff in different parts of the organization need to be explored. The example of day centres is only one of the areas within the field where the gap in knowledge implies a need for exploring differing options. Knowing more about the implementation of freedom of choice in one area might provide insights for others who are facing an implementation process of a similar kind.

The aim of this study is to describe and analyse the implementation process of a free-choice market system in the field of community mental health services from a pre- and post-perspective, by using day centres as the example. The reform was implemented in 2010 (freedom of choice) and was expanded in 2011 (authorization of for-profit and third-sector providers).

The following research questions are posed:

- What characterized the involved agents' expectations before and experiences after the launching of the free-choice market system?
- How did agents involved at different organizational levels experience the implementation process?
- How can the function of the free-choice market system be understood based on the agents' answers?



The term "agents" in this study refers to those working within community mental health services. The experiences of users will be addressed in a separate study, focusing on them exclusively.

# Implementation of free-choice market systems

To give a basis for the phenomena under study a theoretical framework has been used. We have been quided by a number of theoretical concepts regarding organizational change and marketization of welfare systems.

The field of policy implementation research has been developed to gain understanding of what happens between policy expectations and policy results (Sabatier 1986). While policy implementation research primarily focuses on internal organizational processes, organizational theories as a wider theoretical framework address how organizations relate to and interact with each other. Neo-institutional organization theory focuses on institutional norms, dynamics within institutions and the determinants of how organizations develop (Kondra and Hinings 1998). Within this research tradition, two concepts of particular interest for the study have been developed:

'Decoupling' (Meyer and Rowan 1977) is a concept explaining how organizations consist of both a formal structure (which tries to maintain social legitimacy) and an informal structure (which tries to maintain efficiency within the organization). Ideally, organizations attempt to maintain a close association between the formal and informal structures. However, sometimes formal and informal structures tend to diverge. A stable organizational solution is for the organization to remain in a loosely coupled, or 'decoupled', state. That means the formal and the informal structure manifest in different ways, separated from one another. What shows in one of them is not consistent with that appearing in the other.

'Mimetic isomorphism' (DiMaggio and Powell 1983) explains how uncertainty can cause organizations to start imitating each other. They could, for example, seek to provide all desired products or services they know of in the field. Insecurity becomes a driving force to develop more similarities than differences.

To further extend the analysis, concepts concerning quasi-markets are needed.

'Autonomy or allocation' (Brunsson and Hägg 1992) explains a contradiction noted, which implies different societies use markets for different reasons; they seek either to promote and ensure the autonomy of the individual or to allocate financial resources. In societies where individual rights are considered important, markets could be important tools for preventing the community from limiting individuals in various ways. In other societies, the market could play the role of an effective resource distributor. The entire system should thus benefit in terms of flexibility and efficiency by being organized as a market. Governmental authorities are ultimately responsible for the market and can, at any time, change the rules of the market or replace it with hierarchical solutions. Struyven and Steurs (2005) claim quasi-markets have a 'twofold aim', which includes to improve efficiency while also increasing individual choice.

In addition 'hybrid organizations' (Pache and Santos 2013) is a term used to describe how implementation of quasi-markets leads to a special kind of organizations, in which features from different sectors are combined. Competing demands and institutional logics interact. Institutional logics can be defined as dominating logics in terms of ways of acting and thinking that are embedded in the organization. These might include the logic of care in hospitals (Mol 2008) or the logic of advocacy in user organizations (Meyer 2010). Institutional logics can be both explicit and implicit. When a quasi-market is implemented in an organization, the market logic often challenges the institutional logic already present.

Finally, 'governing at a distance' (Rose 1996) refers to the interpretation that implementation of freechoice markets within public welfare works as a reconfiguration of the power of the state. The concept states that the state directs individuals and organizations toward political objectives through the instrumentalization of a regulated autonomy. By managing the quasi-market conditions, the state still controls the entire system. Meanwhile, individuals are made responsible for their own well-being by making their own choices as 'experts on themselves'. However, individuals are made responsible not only for their own well-being but also for that of others. By their choices, individuals affect the range of providers in the market. For example, providers that are chosen often acquire a strong market position and are, therefore, more likely to be chosen by others. Providers chosen less often are driven out of the market, which means no one can choose them. This mechanism makes individuals responsible not only for themselves but also for the direction in which the market evolves.

#### Methods

## Design

The implementation of a free-choice market system in community mental health services is suitable for a case study, suggested by Yin (2003) as appropriate when studying a complex phenomenon where the researcher lacks control over the event or process. Yin (2003) further means that by using the case study method, holistic and meaningful characteristics of real-life events may be maintained. Based on these claims, a case study was set-up to answer the aim and the research questions of the study.

The study covered the period during which the free-choice market system was implemented. The system was launched in January 2010, and interviews were conducted in 2009, when the system was still under construction, and in 2012 when the system had been running for about two years.

# Sample/selection

A major city, one of the first in Sweden to implement free choice in community mental health services, was selected because that case seemed to offer the most learning opportunities. Within the city, two districts (out of 14) were strategically selected to capture similarities and variations in socio-economic structure and geographical location. The first district (District 1) was a suburban area and the second district (District 2) was an inner-city area.

# **Procedure**

The heads in both of the districts' social services were contacted. They both accepted the study to be carried out, as long as the employees themselves consented to participate.

To obtain comprehensive data, interviews were conducted with agents in different parts of the organization (Figure 1).

In the first round of interviews in District 1, one politician, one social service manager, one social welfare secretary and two staff members in work-oriented day centre and three in meeting-place day centre participated, in total eight respondents. In District 2, another eight respondents participated: one politician, three social service managers, one community mental health service manager and three staff members in work-oriented day centres. During the follow-up interviews, we strove to include the same respondents. In District 1, we were able to re-interview four out of eight

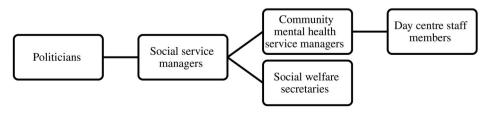


Figure 1. Organizational chart of the respondents.

respondents, and another three respondents were recruited to enrich the study. In District 2, we were able to re-interview four out of eight respondents as well, and one more respondent was recruited. The amount of material obtained by these procedures was assessed as sufficiently rich. In total, 20 respondents were interviewed.

A total of 18 semi-structured interviews were conducted, including 11 individual interviews and 7 group interviews. Group interviews were conducted with respondents in similar positions to benefit from the dynamics between individuals (Ritchie and Lewis 2003). Since group interviews meant less time for each participant, the length of these interviews was extended. There remains the question however of whether individually collected data would have led to the data being more in depth or of another character. An additional issue regarding group interviews concerns how respondents may influence one another (Ritchie and Lewis 2003). The interviewer's task in group situations is to facilitate the expression of a diversity of opinions among the respondents. With reference to these pros and cons, the group interview was considered to be the best approach.

Individual interviews were preferred with managers at different hierarchal levels of the organization, based on the assumption that the differences in managerial position would substantially influence the setting in an undesired way of the interview if these respondents were interviewed jointly.

The same questions were posed to all participating stakeholders. Depending on their responses, the follow-up questions varied, but the same area of interest was focused on and covered. All interviews were conducted in person except for one that was conducted by telephone to facilitate the respondent's participation (Social service manager in District 2, 2012). All respondents were given information about the study, and they all gave their consent to participate. The interviews lasted between 60 and 120 minutes and were recorded and transcribed verbatim.

# Data analysis

To analyse the data, conventional content analysis inspired by Graneheim and Lundman (2004) was used initially. The interviews were read several times to get an overall picture of the content. Data collected prior to and after the system change constituted a basic division in the analytical work. Meaning units were identified and sorted into clusters based on similarities and differences. Clusters were then given codes reflecting the overall key content. In the next stage directed content analysis as described by Hsieh and Shannon (2005) was used. Data were related to theoretical concepts.

The concept of 'decoupling' (Meyer and Rowan 1977) was used when contrasting agents' experiences with the stated intentions of the reform. Agents' experiences were also related to previous findings and claims concerning the function of the market (Brunsson and Hägg 1992; Struyven and Steurs 2005). Additional concepts (DiMaggio and Powell 1983; Pache and Santos 2013; Rose 1996) were a final help in analysing the data.

The NVivo 10 software package was used. In Table 1 the various stages of analysis are exemplified. The data suggested similar implementation processes in the two districts. In particular, similar patterns of experiences appeared among agents representing the same organizational levels. Therefore, agents and themes, not locality, were the basis for categorizing data. Two categories of agents were identified: managing agents (consisting of politicians and social service managers) and front-line staff

Table 1. Example of stages of the analysis.

Conventional content analysis (Graneheim and Lundman 2004)				Directed content analysis (Hsieh and Shannon 2005)	
Meaning unit	Cluster	Code	Category	Theme	
'Everyone (providers) double themselves. They look at others and wonder, "What do they have?" This makes everything turn out similar instead of a variety to choose from.' (Day centre staff, 2)	Decreased variety of supply	Decreased freedom of choice	Freedom of choice	The function of the market	



(consisting of social welfare secretaries, community mental health service managers and staff members in day centres).

Triangulation in terms of multiple analyses (Ritchie and Lewis 2003) was used in the research group. The researchers read and analysed the data independently and then discussed the data together until consensus was reached.

# **Findings**

# Prior to the system change

#### The initiative

All respondents said that the reforms were initiated by politicians. The interviews showed that managing agents and community mental health service managers felt they had been closely involved in the implementation process. The other front-line staff, however, did not consider themselves to be involved in the implementation process in either district. Frustration was caused by feelings of a lack of information and participation.

We get a desktop product from above to be taught! (Day centre staff member 2)

## **Future** expectations

Before the reform was launched, there were common hopes in both districts and among all agents; they all expressed enthusiasm about the users' upcoming freedom of choice and they all thought the competition would be beneficial for the development of the day centres. At the same time, however, all respondents at all organizational levels believed that in spite of geographical freedom of choice, most users would choose the closest day centre.

Many users find it a bit tough with either the subway or bus, or both. It's very important to be able to walk here. (Day centre staff member 1)

The interviewees emphasized that the new system did not give users total freedom of choice. Freedom of choice was restricted to choosing only among providers approved by the authorities. This was considered to be a potential reason for disappointment among users.

So I think there is a risk that these people won't think there has been a change, that they have any freedom of choice. It's just a name. (Community mental health service manager 2)

Prior to the launching of the new system, front-line staff in both districts were doubtful and worried about what consequences the reform would bring. Criticism of the design of the system was raised during the interviews, as well as criticism of the increased focus on finances. To develop the new system, the amount of staff resources required for each user had been measured, not the needs of the users.

Concerns were raised that the new system would decrease freedom of choice rather than increase it. These concerns were based on knowledge about the construction of the system. Prior to the new system, users were admitted to day centres on a monthly basis and they could decide themselves how much time to participate. In the new system, specific time units were to be introduced and each participant offered a specific number of units per week. That meant that users' time at day centres would be restricted. The staff thought these restrictions were introduced for economic reasons.

Before, they paid us a lump sum, and the user could attend nine units a week, or just one. And it cost just as much. But now each unit will cost. And they will try to cut back as many units as possible. And that's really unfortunate. Because the goal is that you should extend your time at day centres within the community mental health services. That's the political intent. (Day centre staff member 2)

Detailed scheduling of attendance time was to be introduced. Previously there was a greater flexibility about when to attend.



I think it's hard to push someone, like, "You have to attend Monday morning due to your schedule". If you miss it, I think you should be able to come another day. But now, if you have a morning scheduled you have to show up at that time. Before, it was a little freer. (Day centre staff member 2)

The new system was also expected to affect users because providers in the new system only received economic compensation when users actually turned up. In District 2, day centre staff members emphasized that plenty of time and energy was required to motivate users to come to the centre. In the new system there was no financial compensation for motivational work, only for attendance time.

# **Future cost expectations**

Interviewees were of different opinions regarding expectations of future costs. Politicians argued that the idea behind the reform was to get higher quality of services at the same or a lower price. There were no political expectations that many new providers would appear, rather that publicly run units would be sold to for-profit companies. Political expectations were also expressed about establishing partnerships between public services and non-profit organizations run by volunteers.

Social service managers, in contrast, believed that the new system would raise costs due to administrative expenses, but there would be no extra money allocated for implementation of the reform. This was considered a problem.

# System changes facing the market

Before launching the system, the organization of the day centres was to be modified to fit the new conditions. A structural distinction was made between work-oriented and meeting-place-oriented day centres. These different kinds of services were used to complement each other within the previous organizational structure. According to the political agenda, work-oriented day centres were considered professional services, and 'meeting places' were considered as support without qualified elements.

A meeting place is more to socialize ... to meet and have a cup of coffee. It's impossible to compare with a professional activity. (Politician 1)

Meeting places were decided not to be included in the free-choice market system, but to exist alongside it. This caused radically different financial conditions for the two types of day centres. It was unclear what future impact that might have.

# After the system change

## No increased diversity

Two years after the system change, one topic among most agents was a disappointment that no increased diversity was visible. Firstly, the competition, contrary to its intended purpose, seemed to have made providers more similar.

Now all providers are competing with each other. And then you start thinking that all places must contain everything. Everyone doubles themselves. Looks at others and wonders, 'What do they have?' This makes everything turn out similar instead of a variety to choose from. (Day centre staff member 2)

Secondly, fewer new entrants than desired had been authorized. Initially, all public-run facilities (22 units) that already previously offered day centre activities to citizens in the districts were included in the market system. In 2011, the market was opened up and non-public providers could enter. Three new providers entered the market in 2011, and another three did so in 2012 (Stockholms stad 2012a). Most interviewees had hoped for many more new providers, but the politician interviewed from District 1 said that it would take a while before the market could be expected to work properly and that it was too early to evaluate the system.



## Lack of competition

After the reforms were enacted, competition did not appear to exist in either of the two districts. Front-line staff from both districts said that they organized visits to other providers so that the users would get a chance to discover different opportunities. Staff members were happy and relieved also when users found a suitable service somewhere else. The view that day centres should complement each other rather than compete was exemplified by respondents from both districts.

# Focus on financing

Another shared experience among most agents was an emphasis on the economic situation. In terms of language, many interviewees felt that only resources were discussed and individual needs were never mentioned. 'Balanced budget' was a key concept mentioned several times, and concerns about time units appeared to have come true. Front-line staff in District 2 said that three time units a week were used as a guideline in their district due to a precedent-setting court decision. Some users were only allowed two time units a week, despite their wish for more.

Front-line staff in both districts expressed frustration about lack of interest from the management regarding new ideas because the focus was solely on finances and not on content.

This is very much about money. It's not really about how the participants are doing. It's about how much money there is. One suspects that the whole system is only about money. (Day centre staff member 2)

Under the reform, some of the financial control that was previously held by the front-line staff had been given to their managers.

Previously, we had a budget that would be enough for everything. End of story. Today, we don't know about the budget at all. We have absolutely no idea. (Day centre staff member 1)

At the follow-up interviews, managing agents said that money, or lack of money, was always the issue of discussion at central management meetings. In District 1, one manager said that she was so busy trying to solve urgent financial shortfalls that she could not engage in any other issues.

#### System restrictions of freedom of choice

One impression highlighted by front-line staff in both districts was that the geographical proximity principle still remained even after freedom of choice was introduced. One reason mentioned was the time unit limitation. To receive a public transport card, a user had to spend a certain amount of time units a week at the day centre. When a user was not allowed as much time as needed to get a card, mobility became an issue.

There is one (provider) on the other side of town, but my clients don't want to go there. And even if they did want to go there, they would get no public transport card because it's not enough time to get the card approved. (Social welfare secretary 1)

Another factor mentioned by front-line staff in District 1 concerned accessibility. One provider had set a maximum for the number of users they could receive. The maximum number had been reached, which meant no new users could choose to attend the provider in question.

## Reduction of meeting places

At the follow-up interviews, different agents' experiences of involvement in the implementation process still differed substantially. Front-line staff in both districts talked about large gaps within the organization. Lack of communication was illustrated by how the closure of a meeting place in the district was conveyed.

We read in the paper the other week that the meeting place would be shut down. We got information through the local newspaper! Our managers should have told us. (Social welfare secretary 1)

The closure was caused by the financial situation. Before the reform, there were two meeting-place-oriented day centres in District 1. At the follow-up interview, one of them had been closed down. In District 2, a meeting place that was run with a user association was reshaped to focus on wellness and culture. Users were now supposed to spend most of the time outdoors because there were no specific indoor facilities available (Stockholms stad 2012b).

On both interview occasions, there was great uncertainty among meeting-place staff members regarding the survival of their own meeting place. There was no budget for activities or to purchase materials. The budget would only cover salaries and rent. To be able to offer users relevant activities, the staff members collaborated with other agents in the community to solve the economic issues. For example, a partnership was established with an educational association to run study circles in cooking, guitar playing, etc.

To us it was a bit of sink or swim. This kind of activity only costs money, it doesn't generate any money. And it's not written anywhere that these activities must exist; it's only a recommendation. That means these kinds of activities are the first ones to be cut back if the financial situation is critical. (Meeting place staff member 1)

# Approach to users' ability to choose

Users' ability to make their own choices was considered to be problematic among managing agents who had initiated and developed the system.

The basic idea is that more and more groups of people should have the option to make their choices in life to the largest extent possible. And this (people with psychiatric disabilities) is perhaps the most difficult and complex group. (Politician 1)

You (the user) could be degraded in your health by having the option to select and deselect. (Social service manager 2)

Choice was never mentioned as problematic by the front-line staff, but they did describe strategies they used to try to make choices manageable for the users.

## Discussion

Before discussing our findings, we would like to consider the limitations of the study. One limitation was that the study covered only the first four years of an implementation process that was still ongoing. Nevertheless, this design offers specific opportunities to capture experiences of the process on a very early stage and by a wide range of agents.

Another limitation could be the restriction to two city districts out of 14. Additional districts might have enhanced the results. Nevertheless, similar patterns were identified in the two districts despite substantial differences in socio-economic circumstances. Based on this finding, the implementation process could be expected to look approximately the same within the city as a whole.

## Organizational divergence

When contrasting the intentions and the empirical findings, the concept 'decoupling' (Meyer and Rowan 1977) makes sense. In this case, the policy intentions could be considered as a formal structure, by which policy-makers tried to maintain social legitimacy in the society. The intentions could justify the implementation, and if the reform would be questioned, the intentions should offer credibility. The catchphrase used in the formal structure was 'freedom of choice'. Meanwhile, the empirical findings could be understood as the informal structure, which tried to maintain efficiency within the organization, conducting activities characterized by the key concept of a 'balanced budget'. The association between formal and informal structures appeared as poor concerning the first four policy intentions and the agents' experiences. Only in the fifth intention, increased efficiency of services, the association could be identified as strong. The finding thus suggests the relation between



the first four policy intentions and the empirical findings may be understood as decoupled. The first four policy intentions did not appear to have been put into practice so far.

# The function of the market under spotlight

By using concepts charactering the function of the market, the findings may be further explained. The first four policy intentions (SOU 2008:15) – increased freedom of choice, increased power, increased diversity of services and increased quality of service (Table 2) – could, according to Brunsson and Hägg (1992), be considered as intentions that aim to strengthen the autonomy of the individual. In the fifth intention – increased efficiency of service – the function of the market could be interpreted as a way to allocate resources. This intention thus concerns the benefit of the organization. Based on the empirical findings, the decoupling of structures regarding the intentions pertaining to the individual and the coupling regarding the intention of efficiency of the organization, the function of the market in these districts could be interpreted as mainly an effective resource distributor (Brunsson and Hägg 1992).

The agents had different views on the target group's ability to handle freedom of choice. Managing agents, who initiated and built the system, were most uncertain about it. Front-line staff, on the contrary, were disappointed. In their eyes the users' freedom of choice was too limited. This indicated different agents had focused on different market functions. The twofold purpose (Struyven and Steurs 2005) with implementing the market led to different views among agents about the outcome of the reform. Front-line staff focused mainly on individual autonomy as an end in itself, meaning that they cared about the everyday situation of the users. For example, their main focus concerned the quality of life among the users, irrespective of whether they chose to stay at the specific day centre. Statements expressed by managing agents regarding a lack of trust in the target group's

Table 2. Policy intentions and empirical findings contrasted.

Policy intentions (SOU 2008:15)	Expectations before the reform	Experiences after the reform
Increased freedom of choice	Enthusiasm about upcoming user freedom of choice (m, f)*     Assumed that users would stay with their local provider (m, f)	Too early to evaluate (m) Restrictions of individual freedom of choice in the system (f)
2. Increased power	<ul> <li>Feared that restrictions were going to decrease users' ability to influence how much time to attend (f), when to attend (f), and which providers to choose from (m)</li> </ul>	Limited change opportunities; few new providers (f)
3. Increased diversity of service	<ul> <li>Hoped for development through competition (m, f)</li> <li>No expectations of new providers (m) or changes in content (m)</li> </ul>	<ul> <li>Few new providers (m, f)</li> <li>Failure of profiling; duplication rather than specialization (m, f)</li> </ul>
4. Increased quality of service	<ul> <li>Hoped for higher quality at the same or lower price (m)</li> <li>Expected no development of public-run activities (m)</li> <li>No financial compensation for motivational work in the upcoming system (f)</li> </ul>	<ul> <li>Hard for non-public providers to survive financially (m)</li> <li>Complementation, not competition (f)</li> </ul>
5. Increased efficiency of service	<ul> <li>Hoped for increased cooperation between public and non-profit organisations (m)</li> <li>Worried about absence of money needed for the implementation process (m)</li> <li>Measurements of resources, not users' needs, to design the system (f)</li> <li>Cost effectiveness through time units (f)</li> <li>Focus on economy, not content (f)</li> </ul>	<ul> <li>'Balanced budget' catch phrase (m)</li> <li>Closure of meeting places (m)</li> <li>Limited number of time units approved (f)</li> <li>It is all about money (f)</li> <li>Budgetary control was moved upwards (f)</li> </ul>



ability to make choices suggest that their focus was not primarily on individual freedom of choice. In the studied districts, the system could be understood as designed and constructed mostly to improve efficiency and to save money.

This implies the way the market worked in practice could be discussed in relation to the concept 'governing at a distance' (Rose 1996). Rose considers implementation of quasi-markets as a way for authorities to gain control of economic situations and the constructed market's works as a reconfiguration of the power of the state. According to the concept, the state directs individuals and organizations toward political objectives through the instrumentalization of a regulated autonomy. This phenomenon could be discerned in the districts studied. Whether this was an unarticulated intention with the reform cannot, however, be deduced from this study. In the studied case, choice was pursued in theory, but in practice, it was limited by the economic framework. The question could be posed, then, of whether the system was truly implemented to solve economic issues. In fact, in addition to the closing down of meeting places, the work-oriented day centre in District 2 was also closed (Stockholms stad 2013).

Wahlbeck and McDaid (2012) claimed that the focus of mental health investments must change during financial crises and that during tough times there is a need for increased availability of mental health services. Our results show that this need is not always met, and easily accessed support, such as meeting places, was partly closed down as a consequence of the system change.

# **Disappointments**

In the studied districts, the reform was implemented as a top-down process (Hill and Hupe 2009), where politicians were the initiators. The degree of perceived involvement in the implementation process decreased with each level of the organizational hierarchy, and day centre staff members felt the least involved.

The respondents' enthusiasm regarding users' freedom of choice and the prospect for improving quality of service that was expressed prior the change was absent in the follow-up interviews. According to the findings, hopes expressed about increased diversity of services were not realized in the new system. Instead of diversity, uniformity had developed. This mimetic isomorphism (DiMaggio and Powell 1983) contradicted the policy intentions. Another disappointment expressed among the respondents was the reduced freedom of choice associated with issues such as fixed attendance times and limited access to public transport.

According to the respondents, the competition associated with the market system, which was supposed to have had a positive impact on the quality and range of day centres, could not be found in practice. The lack of competition could have many reasons. One reason might be the presence of competing logics that always occur in quasi-markets according to Pache and Santos (2013). Based on our findings, the dominating institutional logic among front-line staff was that of 'public social welfare'. Their priority was to help users find meaningful activities somewhere within the system rather than to try to hunt for customers to financially benefit their own organization. The institutional logic did not seem to have changed among front-line staff during the first years of the free-choice market system. Another reason could be that the new system was not compatible with the former organization, a crucial variable of policy implementation according to Hill and Hupe (2009). A third reason could be that the system was too restrictive and did not offer day centres sufficient economic support to evolve and specialize in different directions.

The current findings regarding the implementation of a free-choice model within the field of community mental health services seem to be in line with Swedish research conducted about free choice and quasi-markets in public schools. There is no evidence suggesting the reforms have been implemented in favour for the ones the reforms concerns, neither pupils (Dovemark 2007; Norén 2003) nor users of day centres for people with psychiatric disabilities.



#### **Conclusions**

Our findings show that the implementation process could be described as a top-down process derived from a political initiative, and the degree of perceived involvement decreased with each level of the organizational hierarchy. Expectations of improvement in terms of increased diversity and quality of services, which all agents expressed before the system change, were not met in practice three years later. The institutional logic did not seem to have changed among front-line staff during the first years of implementation even though the market logic was structurally implemented throughout the organization.

A majority of the policy intentions advocated individual autonomy as the market's main purpose, and only one intention concerned organizational efficiency. Experiences showed, however, that financial efficiency dominated the agents' experiences of the market system. The twofold market purpose was clearly reflected in the interviews. Front-line staff mainly hoped for improvements for the users. Managing agents mainly focused on the market as a resource allocator. This was also confirmed by the agents' views of users' ability to choose; front-line staff considered users' freedom of choice too limited but managing agents considered it as problematic. Based on these empirical findings, it could be assumed that the main function of the market in this case was to improve efficiency. To get a clearer overall picture, users' perspectives also need to be explored.

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