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Thanks very much for the opportunity to provide a presentation on Collaboration to this conference on contemporary governance issues. My perspective has been shaped by experience in both government and social research roles, and from considerable analysis and thinking about public sector functions and the changing ways in which governments relate to other social and economic stakeholders.

I will begin by outlining the background to the rise of collaboration and network governance; why these new approaches have been widely promoted and adopted; some of the potential advantages of doing business this way; and some of the potential risks and limits of collaborative policy and program arrangements. I will raise some questions about the evidence base for these developments, including the difficulty of undertaking thorough evaluations. I will conclude by noting some examples of complex collaboration in relation to ‘place management’, in relation to indigenous issues, in relation to environmental and natural resources governance, and finally, in relation to developing strategic coalitions of policy managers, research units, and professional practice groups.
Background

It may be useful to begin with some familiar history, concerning how and why the consultative and collaborative network models were gradually adopted by the public sector.

The background was a growing feeling of unease and concern about the previous paradigms for government and policy. By the mid to late 1970s, the traditional approaches were in crisis. Governments in the OECD countries believed that the role of the State needed to be renegotiated, and the way programs were designed and delivered needed to be re-thought.

This traditional welfare-state approach was seen as characterised by public sector monopolies in key services, a very large burden of regulatory compliance, and a lot of public sector debt. This became a narrative about ‘state failure’, a story about the need for major reforms. The ‘old regime’ was subjected to strong critique and the case for extensive change was made by policy analysts, business organizations and political parties.

These criticisms focused on the state-centred, hierarchical, over-regulatory, conservative and incremental nature of the traditional welfare state. This entailed a rejection of rigidity and inflexibility, and a critique of lack of choice in service provision. The old regime was seen as insufficiently flexible, innovative, agile and responsive.

There were calls for an improved focus on service outcomes, greater concern for efficiency and cost effectiveness, and better understanding of what actually happens in program implementation. It was implied that public sector managers had an aversion to competition and market efficiency, and had an incomplete understanding of what they were doing, other than spending money on activities that were not properly evaluated.
This critique was politically and intellectually successful and the old regime was dead. What replaced it? The first response in the 1980s and early 1990s was public sector reform, especially the varieties that came to be called new public management (NPM). NPM had a number of well known features, including a strong movement towards contract-based outsourcing of service provision. This broke down the previous monopoly of public service provision. Diversification of service providers, through competitive outsourcing, was intended to enhance quality and choice in service delivery. Another key theme in NPM was improved accountability for policy and programs, especially for results. NPM also promoted two kinds of responsiveness. It is important to distinguish between (1) enhanced responsiveness to service users, or the clients of programs; and (2) responsiveness to the government of the day, in particular to ministers and their ministerial offices.

Part of new public management involved experimentation with new policy instruments. NPM advocated a wider range of devices to deal with policy challenges, like market-based mechanisms, de-regulation in many areas, and encouragement of economic productivity. There was a forceful public discourse about the need to make the nation more productive, and the respective roles of the public and private sectors. And finally, NPM promoted tighter accountability, with much more concern for good corporate governance and the role of audit.

There was eventually some backlash against NPM. The concern with productivity and efficiency was acknowledged, but many critics were concerned about its strong economic rationalism, and its tendency to align closely with advocacy of markets and deference to the private sector. There was an important debate about where social equity fitted into the new public management. There was a concern about the possible reduction in the State’s capacity to steer, direct, and have clear
policy priorities, in a situation characterised by extensive outsourcing and contracting. Concerns were expressed about some aspects of politicisation, which might be seen by some as the dark side of the new responsiveness to ministers. Finally, there was some concern about new public management being overly technocratic, elitist, or managerial.

This analysis suggests that there has been a re-balancing over time between the spheres of the State, market and community, which represent different but overlapping sets of relationships. The argument is that with the welfare state of the 1960s and 1970s there was an emphasis on the state. Under the new public management and pro-market directions, there was a shift towards letting market forces have a more prominent role in regulation and choice. There is now a new argument that modern societies are moving back towards a better balanced view, somewhere in the centre of the triad, where community (and thus consultation or collaboration) has recovered some ground.

Emergence of community consultation

It is generally agreed that since the late 1990s there has been more emphasis by governments on community engagement and responsibility sharing. In Australia and other OECD countries we have been seeing a lot more emphasis on relationships with stakeholders, and many attempts to undertake partnering between the state, business and community sectors. This has been accompanied by very substantial rhetoric concerning collaboration, ‘joined up’ government, and networking among or linking with stakeholders of various sorts. The question is, why has this occurred?

I think there are in fact two broad groups of answers to this question. I have called them the idealist and the sceptic. If you think about it, most people will tend to be in one or the other of these two groups, or perhaps there is a third
category, the enlightened hybrid.

The idealist starts from a values premise and says that consultation, collaboration, and networks are inherently good things. Based on these values, the argument is that we need a new paradigm based on participatory governance where the role of community and stakeholders is taken much more seriously, involving genuine respect and a transfer of power. As democratic participation increases, people become better citizens and there is the added benefit of achieving better policy outcomes. The more specific benefits include enhancing the capacities, the skills and the social capital of the population. Moreover, better services and outcomes are likely to be produced because of extensive involvement among the people who receive and deliver the services. It is also claimed that the consultative and collaborative models are desirable because they tend to encourage long-term thinking, including issues about sustainability. Collaboration goes beyond the short-term tactics and the pragmatic deals that tend to characterise standard government thinking.

The sceptic, on the other hand, would say there are some limits and qualifications as to how consultation and collaboration are actually conducted. First of all, the new approach does not have universal application. Far from being a generalised new paradigm for how we conduct public life, the consultative and collaborative approach tends to be set up only for specific tasks. It tends to operate differently in different policy fields, e.g. in the health sector, in juvenile justice, or in business policy. Some areas are shielded from the trend entirely, such as defence and intelligence. Secondly, it is only realistic to acknowledge that a collaborative approach is usually very time-consuming. It can be exhausting for participants, and can take a lot of effort to get even a little gain. It requires a heavy investment of energy from several groups. A third limitation
is that consultation often tends to be concentrated among the same sets of organisations and officeholders, so there is a reasonable scepticism about whether it is really getting down to the grassroots. Is it mainly people who already have organisational positions talking to each other?

Another limitation pointed out by the sceptics is that governments might not be fully genuine about consultation and partnering: they may be more interested in capturing the political kudos, or the public relations benefits, than pursuing what the idealists would see as the long-term, substantial and real benefits. The sceptics also suggest that managerialism and new public management still remain largely undisturbed – in other words, consultation is a screen put around new public management rather than a substitute for it. Importantly, governments generally control the funding and accountability frameworks.

Motives and limits
Nevertheless, for all of the groups involved, there are some perceived real advantages for involvement in developing the new approaches. For government, the inclusive approaches are found to be well received. Firstly, governments find that they tend to be liked when they put forward an inclusive approach. This is consistent with their current rhetoric about being good at listening and being responsive to the community. It would be difficult to find a single western government that does not pride itself on doing these things. Secondly, governments have partly accepted the view that collaboration and consultative approaches are helpful in managing some really difficult, complex or ‘swampy’ issues. There is a lot of literature on so-called ‘wicked’ problems that seem to be endemic and defy obvious solutions. Collaboration can be seen as a way of dealing with complexity and messiness. A joint approach is also attractive in helping to share blame and responsibility. If there is no
progress, then the fact that multiple stakeholders are involved, means that the government gets off the hook to some extent.

Industry and business are very often strong participants in these sorts of models, it’s not just about relations between government and the community-based NGOs. Industry is often involved, and in my opinion should be involved as much as possible. Some sectors of industry prefer to see themselves as innovators, they like to see themselves as going ‘beyond compliance’, they like to be joiners, they like to be where the action is, and they like to build their reputation and their influence. Many of the businesses I’ve negotiated with in the last decade are businesses that are proud to take seriously the banner of corporate social responsibility, and thus they want to be seen as contributors to joint forums. Other parts of industry may want to be at the table to defend their traditional interests in various ways, they want be in a position to have a potential blocking or veto role, if necessary, and that can be (for some) a real incentive to participate.

For the community and not-for-profit groups, clearly they strongly welcome the prospect of greater voice. From a values position, they support the equity principle that people should be involved in the issues that affect them. The people they represent tend to have been the excluded, or the less involved, or the people who tend not to participate strongly in the existing social networks and patterns of influence. Therefore, building up social capital for these citizens through network arrangements is seen as very desirable. Better outcomes for the vulnerable are seen as possible and urgent. The community groups are very enthusiastic about the strong international (e.g. UN) encouragement for participatory models, and the NGOs take much comfort from having powerful friends legitimating their
outlook in that way. Participation for NGOs may also attract public funding, which may or may not be a real benefit or a major incentive. Public subsidies for community organisations can be double-edged; those which become dependent on public funding become aware of the down-side.

Governments are, I think, sceptical and measured in their enthusiasm. For, behind the rhetoric, they actually have quite a realist appreciation of what they can and can’t do, and the modality of their diverse engagement with stakeholders. I think this is because they fundamentally believe that they must not give away control.

Governments are averse to giving away control for three reasons. Firstly, governments have very substantial political needs. They want to optimise the political benefits of success for themselves. They want to make sure they control the agenda to keep the focus on their own political priorities and promises. Secondly, governments have a major interest in risk management, and therefore wish to minimise what might be called collateral damage caused by third parties. Thus governments would avoid establishing a forum which could be taken sideways by others or could be used to undermine government policies. Thirdly, they are wary of giving away control because of what can be termed the important audit requirements and the corporate governance needs of the State. Governments must be the defenders of probity, transparency and accountability for the use of public funds, and there are some very serious legal and regulatory requirements that need to be met by government. So they are extremely wary about devolving real power and responsibility to third parties in networked arrangements. The consequence is that governments generally limit or avoid full-bodied collaboration. They do participate in a variety of low-risk consultative forums and projects, but they do have sound political instincts for when they could be giving
away too much control.

As part of governments’ management of risk and their corporate governance requirements, governments ensure a strict accountability regime for NGOs and joint bodies in spending public funds. Thus, Australian governments have been very slow to consider practical ways of contributing to pooled funds, i.e. a mechanism in which various agencies and possibly non-government sources contribute funds into one funding pool that is made available to a multi-stakeholder group to prioritise and spend. (Governments have chosen to ignore international evidence that some stakeholder groups have made good use of pooled funds without financial scandal.) Governments often hedge risks by encouraging diversification and competition for the use of service delivery funds, rather than give an endorsed role to just one provider. This means that very often NGOs find themselves competing against each other. Governments seem to have a default position that using contracts rather than earning trust is a sound basis for policy and program business. A variation of this position is to impose contractual notions of mutual obligation and responsibility sharing.

For industry, there are genuine concerns in some quarters about joining in multi-stakeholder forums, because they worry about being outflanked and out-maneuvered by smart NGOs who are better at manipulating the media. So industry leaders do not give away their secure insider-status with government leaders. Big corporations will sometimes join in these collective projects and forums, but in so doing they do not relinquish their entitlement to continue quiet and perhaps more persuasive conversations through other channels.

The downside of network governance arrangements for the community groups may be summed up as the burden of participation without power. The NGOs generally complain
bitterly about what they call burnout and exhaustion. They often rely on volunteers. They are often stretched between pillar and post, they have too much to do and too few people to do it. Most community-based NGOs are under financial stress, with widespread problems of under-resourcing. Secondly, NGOs suffer from what I call the treadmill of micro accountability. This drives NGOs crazy. If a group is given $20,000 for administrative support, the amount of work required to account for that money can make it almost not worth receiving it in the first place. As an NGO becomes a participant in broader and more complex systems, then the accountability requirements from governments become correspondingly more complex and onerous. And finally, NGOs are put off by what they see as past experience of bad faith, disruptive change, and a short-term approach by governments. So the NGOs are not totally supportive of the current kinds of networked arrangements sponsored by governments.

**Forms of networked arrangements**

Rather than complain about the uneven nature of progress towards a new governance paradigm, we need to improve our understanding of the forms of joint activities. One step is to construct a continuum of different kinds of cooperative and collaborative participation. In simple terms, cooperation is the least onerous, coordination is a kind of middle position, and collaboration is the most complex position. So without legislating the meaning of words, there is considerable social science research which points to the need to separate out these basic concepts. Cooperation is common, it is endemic, and can be found in many networks where the work is task-focused, generally short-term, participation is voluntary, people can come and go, participants maintain their independent roles and identities, and they are not forced to coalesce or merge to a significant extent. They can come along to the joint activity and still maintain their independent goals and objectives. So cooperative activities
in a networked system, if successful, may give people an appetite for more ambitious projects. Cooperation can be confidence-building if it works well, with small achievements around tasks and a fairly informal governance arrangement.

If it is desired to try something a bit more complex, coordination is generally required among network participants. This normally involves a greater involvement in some form of joint planning or an agreed joint program, and can involve a medium-term perspective depending on the previous history of working relationships in the group. One cannot expect to go straight to medium-term projects without a previous history of engagement and interpersonal relationships. In a coordinated system there is a greater level of stability and formality among the membership. Organisations retain their autonomy, but there may need to be agreement on a central coordinating function. Very often it is government which does this, and potentially coordination can produce larger benefits for members.

Collaboration is a term that is unfortunately used with a wide range of meanings. I prefer to use it for robust longer-term commitments. This typically occurs where the members become more closely linked and connected; where the members recognise they must operate a little beyond their home-base in terms of organisational roles and functions, and begin to create new roles and functions that are specific to the collaboration. There is a genuine interdependence, and there is a genuine sharing of power. There are some purpose-built new systems and new practices which emerge. Collaboration can achieve some big wins, but in looking for big wins, as in the stockmarket, there can also be correspondingly high risks of failure if things go badly. An ambitious collaboration that fails may sour people's experience and their ambitions for quite a long time.
Here are a few brief thoughts about some key features in network governance (as against the features of state hierarchy or of market relations). Networks can be quite fluid, they can operate within one sector or across several sectors and policy domains. My view is they cannot replace bureaucratic authority, they supplement it. That is one reason why I am quite sceptical about the idealist advocacy that forecasts a new participatory paradigm for governance in the 21st century. As a social scientist, I don't believe that is accurate. I think the challenge is to make best use of this additional approach, that is, to make intelligent use of new techniques to foster innovation and better outcomes.

Different types of cooperation and collaboration are suitable for different challenges, and only some issues require full collaboration. In the light of experience, I would be very careful about recommending full collaboration as a method for resolving a wide range of policy and program issues. It is necessary to discern what kinds of processes are most suitable for what kinds of challenges, and to be aware that travelling too fast in some of these areas of joint activity can actually be very detrimental. One has to build up gradually towards collaboration.

Collaboration requires trust and a learning orientation. I agree with the sentiment that trust is something that is not a starting point, but is something to be earned, something that develops through a confidence-building process. Research has demonstrated that relationships have to be built as the basis for trust to develop. A learning orientation is central to that process, and becomes a productive feedback loop. Unless we take these learning and trust issues seriously, I think we cannot expect to go anywhere with collaboration.

In brief, what kinds of learnings are important? Learning to develop and review common goals, learning to build long-term
relationships, learning to provide sufficient time, learning to deal with the problem of dual identity (that is, each has a home-base sponsoring organisation, but also a very important role in the collaborative entity or project). Learning to deal with reform fatigue is one of the emerging key themes for the success of collaboration. Based on experience, I think reform fatigue is a big issue for organisational culture that is not sufficiently appreciated. And finally, learning to work through a clear business model for doing the collaboration is vital. The worst thing for collaborative work is a sloppy business model. It is a fantasy to hope that people can just turn up, trust each other, shoot the breeze and get results...this is the last thing that will deliver the results.

Evidence and evaluation
What do we know about ‘what works’? Is there a good evidence base concerning what kind of coordinated and collaborative activities actually get the runs on the board?

One of the difficulties with this field is that a lot of the literature comes from particular genres. I would just mention a few here. One is the values-based and aspirational literature, which reports some successes and encourages emulation. This leads into a second genre, the recipes and practical handbooks, focusing on how to set up a network, and the do’s and don’ts of organisational psychology, including some excellent experienced-based material about how to run networks, how to govern them and so on. And a third example is from public health (networked services for mental health, epidemiology and disease control, etc), which has probably spawned more literature on collaboration than any other sector. Analysts in this sector have closely examined forms of cooperation, coordination and collaboration between different service professionals in healthcare, social work and government.
Evaluating ‘what works’ requires attention to many issues. There is a lot of literature about the purposes and techniques of evaluation, and I only have a moment to say something about it. I think the important thing about evaluating collaborations is that they are different from the stock standard program evaluation. Fundamentally, I would want to distinguish between the importance of getting some good sustainable processes in place, and the importance of getting significant and measurable benefits for clients at the end of the day. We need both. I am concerned that unless we pay attention to the importance of the sustainable processes, then we will be missing half the picture. We need to build that into the way we specify objectives and the way we gather evidence, if we are interested in gaining long-term benefits.

If collaborations are doing something new, useful and important, they would probably be tackling really worthwhile issues – and for me, they should get ‘bonus points’ for tackling important and worthwhile issues. But the way in which audit and evaluation normally work is that there are no bonus points for tackling something hard; one merely awards points for the extent to which you did what you said you would do.

Complex examples
Some examples should be mentioned of really interesting areas where networks and collaborations are becoming quite significant. One is what I call ‘place management’. Many researchers and practitioners now have quite a bit of experience and knowledge in this area. There are now many examples in Australia and overseas of substantial projects that take a more holistic approach to multiple disadvantage in particular localities, and this approach is now generally called place management. I suppose historically a lot of the
impetus for this may have come out of social justice projects concerned with what used to be called urban regeneration and slum clearance. These days we talk about disadvantaged suburbs and we talk about disadvantaged rural towns. Part of the challenge for government has been to get its own act together, and this is where coordination within the public sector becomes so important. Partnerships cannot implement a good place management approach, if the government of the day cannot get its own agencies to cooperate and coordinate well. This is generally what is meant by joined-up government, namely a horizontal notion of getting relevant agencies (e.g. Health, Justice, Community Development, etc) to talk together in a productive and coherent manner. And depending on the nature of the problem, the solution might also have to include vertical coordination, that is to say, two or three levels of government in better alignment.

The place management approach, in my experience, requires numerous multiple stakeholders, not just government and a few NGOs representing local vulnerable sectors. Groups that have useful skills and resources need to be at the table. This diversity in itself raises difficult management and coordination problems. Aligning the perspectives of different kinds of groups, with different disciplinary approaches and organisational biases, can be very challenging. Two key requirements are of critical importance: one is a strong political mandate to find the solutions and to resource the effort – this is where politics and government leadership are indispensable. Secondly, the initiatives really must focus heavily on local capacity building, because otherwise the project will not build anything that is going to endure.

The second quick example is policy responses to achieve improvements in Indigenous communities – possibly the most intractable issue in Australian public policy at the present time. Certainly in the current debate about abolishing ASIC
and setting up more intensive local coordination groups to deliver services, this might be seen as a special case of place management and joined-up government as noted above. However, the overlay of cultural issues and remote area disadvantage makes this a particularly problematic example. It is one area where I think most Australians believe there should be a special coordinating role for the Commonwealth, despite the ongoing role of the states and territories in service provision. At the end of the day, the Commonwealth does have constitutional jurisdiction and it is the only level of government that can provide the necessary strength for coordination and perhaps funding. If running a whole-of-government program on any topic is difficult, running a whole-of-government approach in this area of Indigenous policy is particularly difficult.

There is huge frustration at the continuing poor outcomes for Indigenous people, both in rural and urban communities. The economists would call this a low rate of return on investment. This has been part of the reason the Commonwealth has rethought its position several times in recent decades. There have been a number of policy initiatives on specific issues such as health, education, housing, employment, drug abuse, etc. What do they add up to? And there has been a lot of research on the extent of disadvantage, recently summarised by the Productivity Commission. What does the documentation of disadvantage tell us about appropriate policy responses? Many people now say we now know enough about what the problems are, but we still have a poor understanding of how best to actually tackle the service delivery. This may be true, at least in part, because we have not yet fully considered how best to involve Indigenous people in the strategy development and implementation. Thirty years ago perhaps we did not understand the nature and extent of the problems. Now that we have extensive documentation about the nature of the problems, our main difficulties are
to do with implementing effective cooperative approaches, gradually building up to collaborative service delivery.

My third quick example is environmental and natural resource policy. In brief, I see some of the same patterns happening here. Governments and other stakeholders have recently become interested in multi-stakeholder forums. There has been huge interest in having fruitful dialogues among the scientists, the landholders, the public policy managers, various private sector industries, and the research community. A lot of volunteerism was encouraged some years ago under the rubric of Landcare and Catchment Management, and it remains very important to get down to the grassroots people who feel excluded by elite forums. In regard to the knowledge base, no-one can now say that we don't know what the problems are. There has been thorough and intensive documentation through State of the Environment reports, and a lot of special reporting through the Land and Water Audit. There are now very significant federal programs with state contributions on a number of fronts (Salinity & Water, Natural Heritage Trust, etc). What is most relevant and interesting for the theme of this paper, is that these programs have all come up with a new paradigm around so-called regional planning and delivery, including attention to representation of sectoral interests. Before these programs were created, most of Australia did not already have regional governance arrangements. They had to be negotiated and set up, with a range of interesting governance issues that I have been analysing elsewhere. If governments set up regional groups to do the important work of setting priorities, there is high risk that these groups may not have sufficient resources, skills, capacity, support and long-term guarantees to actually do the job properly.

The last area that I want to mention is my organisation (ARACY) as an example of what I call action-oriented research coalitions. This is a form of collaboration that I think is
becoming increasingly important. There is a lot of work underway these days to construct new ideas about useful or applied knowledge, relevant to the theme of evidence-based policy. There is an ongoing debate about national research priorities, which typically have a science and technology emphasis. Some of this work is in the area of new R&D relevant to finding fruitful linkages between people who could commercialise inventions. The increasingly commercial thrust of cooperative research centres is part of that emphasis. But for the social sciences, the corresponding challenge is to deliver some evidence-based pathways for better social outcomes. And there is actually an opportunity in Australia for people to do first-class evidence-based work on applied social issues and business issues, and to attract the ear of government and other funders to do further work. The example I am using is the Australian Research Alliance for Children and Youth (ARACY). You can see their website at www.aracy.org.au. In a word, it tries to bring together five groups – researchers, policy makers, practitioners (service professionals), community groups and industry groups that have a stake in the well-being of young people. The stakeholders in this new consortium seek to make some strategic impacts on social policy in Australia.

Conclusion
So what does all this add up to, in conclusion? Well, it's been an interesting journey moving from old-style government to new public management to the new consultative, more collaborative engagement models. There is considerable support and goodwill, and there is indeed a lot of experimentation going on. I think the vast majority of consultative projects are well motivated and conducted in good faith. There is also quite a lot of resistance to these new directions that should be acknowledged, and this resistance stems from a combination of ideological preferences, the persistence of territorial silos, and fear
of losing control or influence. Governing through networks, and governing over networks, requires new skills. It particularly needs some leadership skills of a new kind, and it needs some diplomatic skills and negotiation skills.

Accountability has to remain the bottom line, wherever there is public funding involved in problem-solving and rolling out new strategic programs. If we lose sight of the accountability bottom-line, all these experiments will be a failure. Collaboration is not just about social relations, it is about changing the world, making a difference, and accountability for results is absolutely critical. The early indications, I think, are that network approaches have much to offer, but we need to appreciate that this is really hard work because it takes time, it takes special energy, it takes new skills and requires persistence over time. Building capacity and trust are essential, and strong political leadership, the mandate for change, is essential. Without that, network governance is not going to work.

References


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