2011

Is the public sector ready to collaborate? human resource implications of collaborative arrangements

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**Publication details**

Waterhouse, JM & Keast, RL 2011, 'Is the public sector ready to collaborate? Human resource implications of collaborative arrangements', *5th Annual Conference of the International Research Society for Public Management (IRSPMXV)*, Trinity College, Dublin, Ireland, 11-14 April, IRSPM.
Is the Public Sector Ready to Collaborate? Human Resource implications of Collaborative Arrangements

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Relational governance arrangements across agencies and sectors have become prevalent as a means for government to become more responsive and effective in addressing complex, large scale or ‘wicked’ problems. The primary characteristic of such ‘collaborative’ arrangements is the utilisation of the joint capacities of multiple organisations to achieve collaborative advantage, which Huxham (1993) defines as the attainment of creative outcomes that are beyond the ability of single agencies to achieve. Attaining collaborative advantage requires organisations to develop collaborative capabilities that prepare organisations for collaborative practice (Huxham, 1993b). Further, collaborations require considerable investment of staff effort that could potentially be used beneficially elsewhere by both the government and non-government organisations involved in collaboration (Keast and Mandell, 2010). Collaborative arrangements to deliver services therefore requires a reconsideration of the way in which resources, including human resources, are conceptualised and deployed as well as changes to both the structure of public service agencies and the systems and processes by which they operate (Keast, forthcoming).

A main aim of academic research and theorising has been to explore and define the requisite characteristics to achieve collaborative advantage. Such research has tended to focus on definitional, structural (Turrini, Cristofoli, Frosini, & Nasi, 2009) and organisational (Huxham, 1993) aspects and less on the roles government plays within cross-organisational or cross-sectoral arrangements. Ferlie and Steane (2002) note that there has been a general trend towards management led reforms of public agencies including the HRM practices utilised. Such trends have been significantly influenced by New Public Management (NPM) ideology with limited consideration to the implications for HRM practice in collaborative, rather than market contexts. Utilising case study data of a suite of collaborative efforts in Queensland, Australia, collected over a decade, this paper presents an examination of the network roles government agencies undertake. Implications for HRM in public sector agencies working within networked arrangements are drawn and implications for job design, recruitment, deployment and staff development are presented.

The paper also makes theoretical advances in our understanding of Strategic Human Resource Management (SHRM) in network settings. While networks form part of the strategic armoury of government, networks operate to achieve collaborative advantage. SHRM with its focus on competitive advantage is argued to be appropriate in market situations, however is not an ideal conceptualisation in network situations. Commencing with an overview of literature on networks and network effectiveness, the paper presents the case studies and methodology; provides findings from the case studies in regard to the roles of government to achieve collaborative advantage and implications for HRM practice are presented. Implications for SHRM are considered.
Networks, the Role of Government and HRM

Large group interaction methods, particularly the growth of networks and the involvement of the voluntary sector, have been used to increase stakeholder and public involvement in both policy formation and the delivery of public services (S. P. Osborne & McLaughlin, 2002). The use of such methods has increased in recent times due to a number of factors identified by Bryson and Anderson (2000), including (1) increasing pressure for responsiveness and accountability, (2) a recognition for the need to take an holistic view of complex problems, and (3) a shift towards democratisation associated with a desire to empower citizens. Multi-agency working, joined up government, organisational collaborations, inter-organisational arrangements and networks are all terms that have been used to define a variety of arrangements aimed at utilising the capacity of multiple organisations. It is acknowledged that there has been a confused use of terminology and that this has often failed to sufficiently differentiate collaborative arrangements in practice. For pragmatic reasons the term ‘network’ will be used in this paper as a pseudonym for multiple agency, joined-up arrangements. Networks can be considered as a form of governance or social organisation, contrasted to bureaucracies and markets. At their most basic, networks are the ongoing and relatively stable pattern of relationships that occurs between people, organisations and sectors (Klijn & Koppenjan, 2000).

Networks have come to the fore as a means to overcome the deficiencies of bureaucracies and markets. Bureaucracies operate on the basis of hierarchy and strict adherence to policies and procedures as a means to control opportunistic behaviour and to ensure impartial decisions and outcomes. Bureaucracies are rational and efficient because ideally all action, including the organisation of labour, is directed towards problem-solving to achieve pre-determined goals (Scott & Davis, 2007). A major criticism, however, is their dehumanisation (Weber, 1922) and, in the late 20th century their inability to control opportunism. Market competition became viewed as a means to address both the lack of responsiveness and inefficiencies of bureaucracies. Unlike bureaucracies markets are controlled by the combination of self-interest, competition and supply and demand - described by Adam Smith (Smith 1759), as ‘an invisible hand’ which self-regulates market behaviour. Arms-length contracts underpin the operations of markets and under market governance government becomes a buyer rather than a provider of products and services. Yet markets suffer inefficiencies in that incomplete contracts frequently lead to costly renegotiations, haggling and self-interested attempts to take advantage of looseness or lack of sufficient detail in the contract (Williamson, 1971). These circumstances lead to market inefficiency and ineffectiveness. Networks are seen as one means to address such inefficiencies and ineffectiveness.

The successful operation of networks requires a very different approach to bureaucracies and markets. In particular, the nature of the boundaries between organisations in networks is unlike those found in other governance modes. Both bureaucracies and markets maintain clearly defined boundaries between organisations, the former through administrative rules and structures and the latter through competition. The behaviour expected at the boundaries of bureaucracies is that of impartiality and de-personalisation, whilst in markets individuals operate on the basis of competition and serving self-interest. By comparison, networks blur the boundaries between organisations and rely on trust and relationships as the basis for organisations working together.
Network governance and networks have been promoted through a concerted push by governments in countries as a means to achieve closer cross-agency cooperation and for public and non-public organisations to work together. This purposeful shift towards network governance has occurred because of an acknowledgement of a significantly complex environment and the pursuit of collaborative advantage which Huxham (1993) identifies as being the creative outcomes that require more than the capability and capacity of single agencies to achieve. In particular, networks are increasingly viewed as capable of addressing complex or ‘wicked’ problems that have defied the capacity of single organisations to address. The main reasoning behind their implementation therefore is that through collaboration, the resultant creative outcomes can meet the objectives of each organisation better than could be met by each of the organisations working alone. The primary differences between bureaucracies, markets and networks can be defined as those in Table 1.

Table 1: Bureaucracies, Markets and Networks Differentiated

<table>
<thead>
<tr>
<th>Governance Modes</th>
<th>Bureaucracy</th>
<th>Market</th>
<th>Network</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Relationships</strong></td>
<td>Hierarchical Dependent</td>
<td>Contractual Independent</td>
<td>Social/Communal Interdependent</td>
</tr>
<tr>
<td><strong>Strategic Focus</strong></td>
<td>Efficiency</td>
<td>Efficiency and Effectiveness through Competitive Advantage</td>
<td>Effectiveness through Collaborative Advantage</td>
</tr>
<tr>
<td><strong>Integrating Mechanisms</strong></td>
<td>Legal Authority, Formal Rules, Regulations, Mandates, Policies, Procedures</td>
<td>Arms length contractual transactions, price, supply and demand</td>
<td>Social exchange, common vision, trust, reciprocity</td>
</tr>
<tr>
<td><strong>Opportunism</strong></td>
<td>Limited by rules</td>
<td>Encouraged through short term arrangements</td>
<td>Mediated by long term relationships</td>
</tr>
</tbody>
</table>

Collaborative advantage is closely associated with network effectiveness which has largely been considered in terms of outcomes achieved for clients. Network effectiveness, however, is highly complex and extends beyond measures of outcomes. In a meta-review of the literature on network effectiveness Turrini, Cristofoli, et al (2009) identify four further broad categories of network effectiveness. The first two of these categories – community effectiveness and capacity to achieve stated goals relate to outcomes external to the network itself. Community
effectiveness is concerned with developing community engagement capability while network capacity to achieve its stated goals is achieved through developing or commandeering requisite capability and resources. The last two network effectiveness categories relate to internal outcomes and concern the sustainability and viability of the network and the capability of networks to innovate and change.

The nature of the outcomes and the means to achieve these is different in networks compared to markets and bureaucracies and as a result of these differences the role of government organisations or agencies changes under network arrangements where government becomes an important actor within a horizontally oriented arrangement. Lovseth’s (2009, p. 273) study of social networks identifies that to achieve network effectiveness requires government to be willing and able “to position itself in the centre of social networks and thereby become able to structure actions, communication and knowledge flow”. Rather than government determining and directing action, government therefore becomes a facilitator of collective action (Newland, 1999, p. 639) through introducing new ideas and actors into the process, breaking through barriers of resistance and working at altering perceptions and expectations (Keast, 2003). Networks therefore require new ways of working in which traditional ways of working, including leadership style, require a fundamental reassessment.

With some notable exceptions, there has been limited investigation of the role of leadership and the form that it should take within networks. According to Huxham and Vangen (2000:1160) leadership in networks is about “making things happen”. Traditional concepts of leadership have tended to focus on leadership in organisations, however, research into leadership under joined-up governance arrangements has begun to view leadership in terms of the leadership capacities of organisations and that such capacities reside, not just in individuals, but also in the structures set up to foster collaboration. Leadership in networks therefore occurs through structure, process and participants and these mediums are often outside the control of the network members (Huxham & Vangen, 2000). Traditional leadership models of hierarchical control and formal lines of command are not appropriate to network arrangements.

A major focus of the roles of leadership in networks has been on ‘boundary spanning’. In his study of boundary spanning behaviour within the UK policy environment, Williams (2002) identifies that the literature on boundary spanning is, however, neither comprehensive nor coordinated. At their most basic, boundary spanners are key actors who manage within organisational boundaries. In networks boundary spanning operates across boundaries (Williams, 2002). A number of traits and activities are characteristic of effective boundary spanners including the ability to foster interpersonal relationships through an understanding of structural interdependencies, the ability to be entrepreneurial and innovative, to be able to appreciate difference and to think and act outside one’s normal roles and circles, to build trust, to possess desirable personality traits and be able to exercise collaborative leadership (Williams, 2002).

In her research on central government agencies within networks, Keast (2003) identifies that central agencies operate at two levels. First, at the strategic level, government takes on the three roles of direction setting, providing legitimacy and risk taking. These are the overarching strategic roles that are needed to provide a foundation for any of the networked arrangements to be able to proceed and be sustained. Second, at the operational level, central agencies adopt more
finely tuned functional roles. Here the roles include enabler, facilitator and catalyst. Enabling refers to a ‘hands off’ role in the setting up of the conditions that allow others to develop outcomes. Facilitating is a ‘hands on’ role where government brokers relationships and breaks through barriers of resistance. A catalyst role is where government temporarily adopts a ‘hands on’ role in network operations only becoming involved in their operation when absolutely necessary and as a means to initiate action and change. Following the initial intervention government steps back to allow the process of change to occur. These different roles for central agencies do not occur in isolation meaning that a major consideration for government operators within networks is to determine the appropriate format of their engagement to ensure network effectiveness as the context, operations and circumstances of the network change.

According to Turrini, Cristofoli, et al (2009) there are four main functioning characteristics of effective public networks: - buffering instability/nurturing stability, steering network processes, traditional managerial work and generic networking. Buffering instability/nurturing stability involves being able to solve tensions among partners in order to strengthen ‘bridges’ among the participating organisations. This may involve negotiating changes to the network structure and processes where these are not functioning well. Steering network processes is akin to Keast’s (2003) role of direction setting where government plans the direction and establishes the overarching mission of the network. Traditional managerial work when related to networks requires public managers to be able to implement systems and motivate staff to perform within the network environment. Generic networking is the ability to effectively interact with individuals outside a manager’s direct line of control.

In summary, the literature suggests a very different role for government when operating across organisational boundaries in networked arrangements. The focus of attention for the research presented here is on the roles public servants undertake or are considered as needing to undertake in network settings. There are implications in this regard for public sector human resource management in terms of which employees are placed at the interface of organizational boundaries and what organisational capacity and capability are required to undertake these interface roles.

The Warwick model of HRM (Hendry & Pettigrew, 1990) proposes an outer organisational context where the political, economic, socio-economic, technological, legal and environmental context influences the internal operation, structure, leadership and culture of organisations and where internally HR policies are influenced by the organisation’s strategy in response to its external environment. Through linking HRM to the resource based view of the firm (Barney, 2001), Strategic Human Resource Management (SHRM) is concerned with human resource practices that lead to competitive advantage and thus looks to the development of planned human resource policies and practices aimed at managing people in a way that assists organisations achieve their goals (Pfeffer, 1998; Sparrow, Schuler, & Jackson, 1994). In dynamic and complex environments, long-term investment in core competencies through the attraction, retention and development of human resources is considered critical to organisational success (Leonard, 1992).

Networks are dynamic environments in which the organisational roles change as the network expands and contracts over time and as new players enter the arena and others exit. Networks also require a new way of working and thinking about outcomes and seek to achieve
collaborative advantage through the combined efforts of organisations working across boundaries (Huxham, 1993). Networks are part of the strategic armoury of government in seeking to achieve its outcomes however; the focus is on those outcomes that defy the capability of single organisations to achieve. Consideration needs to also be given to outcomes that meet the needs of all organisations in the network. SHRM, with its focus on the competitive advantage and outcomes of single organisations, needs to be reconsidered when applied to network settings.

The Case Studies

This paper is developed from research conducted by the authors over a decade. The research has largely been concerned with researching the level of integration and identifying the structures and relational characteristics needed to achieve collaborative advantage. The research has itself been conducted on a collaborative basis with a number of government agencies involving the participation of the researchers in cross-sectoral working groups that set the overall direction and focus of the research. As such, the research process for each project is a case exemplar of the research focus.

The paper draws on data generated from a suite of eight initiatives conducted within and across the Queensland government and nongovernment sectors between 2000 and 2010. The case studies, all broadly defined as having a collaborative focus, include the Chief Executive Officer’s Human Services Committee, a strategic network established at the senior levels of government with a focus on broad scale policy issues; a child safety partnership established to deal with specific regional issues in a single location in Queensland; a group of three regional case studies of homelessness service systems integration Part 1 (2008) that can be described as ‘service implementation networks’ (Provan & Milward, 1995) in that their main purpose is to deliver and manage a public service, and, a more particularly focused service implementation network, “Reconnect” which is a homelessness service network formed to address issues for homeless young people and their families in the Gold Coast Region of Queensland. These cases were located at different levels of operation: strategic, administrative/managerial and practice, allowing for variation in perspectives and experiences.

A variety of data collection instruments including semi-structured interviews, focus groups, questionnaires and network linkage surveys were used to construct the cases. The focus and type of questions remained uniform across all cases, enabling comparative consistency to identify both similarities and differences between programs. The semi-structured interviews tapped into the respondents’ experiences and expectations of integration, perceptions of successes and failures, and core competencies. While the focus groups provided greater detail on respondent experiences. The dynamic interaction made possible through the focus group process allowed for greater disclosure and for opinions to be challenged. All interviews and focus groups were fully transcribed, coded separately by two people working independently and categorised to distil key thematic areas. Leximancer was also used as a supplementary textual analysis tool to confirm the manual thematic analysis.

Questionnaires soliciting additional background information on the demographics of the participating organisations, the specific operational characteristics of the initiatives and relationships as well and the perceived barriers and successes were also administered. Embedded within the questionnaire was a network linkage survey which provided empirical data
on the level of connection between organisations in terms of key integration variables: information, resources, planning and referrals (Milward and Provan, 1998). Social Network Analysis (SNA) was also used to measure and statistically analyse the connections between entities. Unlike conventional research and analytical approaches SNA does not focus on the attributes or characteristics of individuals or organisations, but on the relationships between them (Scott, 2000). Three core SNA measures were applied: density (level of connectivity); centrality (level of concentration of resources) average path distance (efficiency in navigating the system). SNA data was analysed using UCINET6.

Finally, a comprehensive array of documentation (public policy and service reports, evaluations and academic publications) was examined. Textual content analysis was conducted via Lexemancer to draw out key themes and integration foci. This mix of data gathering instruments allowed for results to be triangulated, with the findings from one tool testing and confirming the results of others. In total 181 interviews, 17 focus groups and over 200 questionnaires were completed. The resulting rich data set provides the basis for the findings and discussions which follow.

**Findings**

The case studies used for this research include a variety of networks set up to undertake different tasks, achieve very different outcomes and which were set up either indefinitely or for a pre-determined time period to address a specific issue. Regardless of these differences in the case studies the findings overall indicate that respondents viewed government roles as occurring on three network dimensions – strategic, operational and service delivery/practitioner. The findings indicate that although these dimensions are a feature of all the networks investigated, there is greater emphasis on some dimensions more than others dependent on the purpose for which the network is established.

**Strategic Dimension**

In terms of identifying a role for governments in networked environments there was a considered view held across respondent groups that government had a primary responsibility to provide the overall policy direction within which the broader public sector and network would operate. A key aspect of this was the specification of the outcomes that were to be achieved. An example of this view of government as the direction setter is the following statement:

> I think fundamentally the role of government is to outline what outcomes it wants to achieve. And where government policies have been most successful is where realistic and achievable targets have been set for changes and that provides a focus for the bureaucracy to provide the substance – the meat on the bones – that can be achieved.

There was also a strongly held view that, having set a strategic direction there was a need to change existing systems and for government agencies to create an environment that provided networks with permission and legitimacy. Such an environment required government to provide sufficient infrastructure, conceptual space and the time necessary for network initiatives to be fully and adequately implemented:
Government has to ensure that adequate infrastructure support such as research, and it needs to be a formative ... style of research where you are researching and informing as you go. And the courage that if things don’t actually work to be able to say that and identify and make those changes as you go and actually move that back up.

However, government’s need for timelines and the need for stringency in accounting for the use of public monies means that it is difficult for them to “step back and let go enough” to create a shared space for problem solving and experimentation.

For some respondents there was an acknowledgement that in moving to networked arrangements, government would have to be become greater risk takers. Indicating that governments need to be involved in systems change is an extremely risky political decision to make requiring government to take a stance against well-established and entrenched political machinery. It is much easier to fall back on the traditional bureaucratic, top-down methods of doing business in government. The Chief Executive Officers’ Human Services Committee presents as an example of this phenomenon where it was identified that working against entrenched practices carried the risk that the changes may or may not prove to be more effective:

I think that first of all government has to be sufficiently brave to say we’re actually going to build and trial and work a completely different style of government service delivery and it may work and it may not. So I think government has to have the courage and confidence to go down this road.

The view that government needs to act strategically by taking risks and moving away from strict policy adherence and hierarchical direction was also noted by service agencies as important to network efficiency in terms of outcomes. On the release of a major policy and funding initiative, a government service agency empowered to administer the funding distribution and network arrangements commented:

It’s about taking risks from the outset – seeing the thing (policy initiative) coming, thinking about the consequences and tying in with who needs to know immediately without waiting for the detail – this is one reason [this network] has been so successful.

The importance and relevance placed on the strategic dimension and the roles government played within it were highly dependent on the main purpose of the network. Perhaps not surprisingly the service delivery networks did not strongly identify with the strategic environment needed for networks to effectively operate. The exception to this was the acknowledgement that risky behaviour, antithetical to the certainties of bureaucracy, was required for network success.

Operational Dimension

The operational dimension involves roles for government aimed at providing the mechanisms by which networks function on a day to day basis. Keast (2003) identified that at this level central agencies of government undertook three primary roles – enabler, facilitator and catalyst. The
qualitative data obtained through focus groups and interviews of the case studies presented here indicates that both government agencies and non-government service providers consider that these roles apply also to government service agencies where these play the lead role and/or are the funding agency in networked arrangements.

In the role of enabler, the key is to move away from tight control and regulation to a situation in which government agencies set up the conditions necessary for others to develop outcomes. A government service provider commented:

> We do hear stories … about some successes… but we also hear of the blockages that still exist. They often relate to access to other services that we have no control over. It might be the [other government department named] or something. You know, but we’ll take time to work through that and build everybody’s confidence in the service system.

> We [govt department] were able to establish some sound governance structures around that [issue] and some good service integration and collaboration around that process, which I now maintain, so I can speak kind of reasonably well about that area of service delivery. I suppose what I identified is … the need to strengthen the relationships across the traditional government silos

Networks operate under what Scharpf (1997) refers to as a negotiation rationality, in which processes, policy and products are shaped and reshaped in and through recurrent negotiations between actors. How network issues are defined, discussed and responded to depends on the negotiated agreements among the actors in the network—not outside of it. The rules of the game—the norms, roles, rules and behaviours—that guide the way the network actors interact with each other are produced through ongoing discussions and negotiations (Kickert et al. 1997). These largely self-regulating processes convey the standards for behaviour and shape the way members act towards each other. In the role of facilitator government was seen as a means by which these conditions were developed and provided to set the stage for collective action to occur. As such government actively intervenes to facilitate the negotiation exchanges between the various actors in a network:  

> In this environment they [government] need to be facilitating cooperation, setting directions, providing resources and permission to act.

Acting as facilitator also included dealing with relationships that pre-dated the formation of the network. This was particularly pertinent where more than one government department or agency was involved with a long history of siloed behaviour. Much of the network literature to date has focused on the establishment of new relationships and then the maintenance of those relationships within a network. Little attention has been focused on agencies that are familiar with each other from past experience or by reputation. The findings indicate that the traditional government department structures and the accountability models that drive them are seen to be a significant barrier to integration, thus preventing more effective service delivery. One agency commented that there was a ‘mythology’ that had been constructed about another department involved in their network. Therefore, unlike the establishment of new relationships, changing perceptions about organisations closely resembled the first phase of Lewer’s (1952) change process – that of unfreezing:
… so struggles early on working our way through the political quagmire as well as internally working through the relationships that we needed to establish with our agency partners. In the end we’ve managed to work our way through all of that.

As the next step in this unfreezing process, respondents identified that there was then a need for government to be a catalyst for change:

There was a position in [named] department. That position was integral with setting up the [named] group, which has been a major breakthrough; the networking and the interagency collaboration and the case management.

In this catalyst role, the emphasis was on government to become involved, but only where necessary. Whereas in the enabler role the government’s responsibility was to set up the conditions by which collective action could occur, the catalyst role is one in which government is more proactive at the point of intervention. This role occurs because the government needs sometimes to step in to initiate a change and ensure action commences, but then there is a need to step back and allow processes to occur. This catalyst role was observed to occur in government at both central agency and service level:

Realistically they [government central agency] should only be involved by exception. If things are going well they don’t add much value by intervening.

We [government service agency] thought it was a good idea to bring new services in to try and shake it all up a bit, because we knew some changes had to come if we were going to get a broad coordination over all the services and have an inclusive network of services and we’ve charged the [named non-government agency] with developing that network.

An important pre-requisite of the catalyst role is the need to recognise when and how to act and withdraw. This requires an extensive understanding of the network, its history and how it operates. The introduction of new services, outlined in the comment above, created unexpected fractures in the network with negative implications for integrated service delivery. Ideally, networks are horizontal arenas of action. In practice networks are pluralistic with power unevenly distributed through the positioning and the resources available to the different actors. Before undertaking the role of catalyst, there is therefore a further role for government agencies to act as information gatherers and analysts of how the network fits together, the key roles different actors play and importantly which organisations or individuals are highly central and have high levels of inter-agency connectedness. In networked situations this role is far more difficult than in markets or bureaucracies where the positioning and rules of engagement are well understood. The following demonstrates a situation where government was not fully informed resulting in a poor outcome for service integration:

That’s the thing we were ahead of the government … and then they [government] come out with this ooh collaborative. [This service system] has got a whole history of working collaboratively.
Service Delivery/Practitioner Dimension

Whereas the general trend has been for government to ‘steer, not row’ (D. Osborne & Gaebler, 1992), government continues in many instances to also operate as a provider of products and/or services and this is increasingly being done as part of a network. In network settings government agencies act as providers in partnership with other government agencies – both service providers and central/administrative/funding agencies - and with non-government service providers. Keast’s (2003) work on the role of central agencies in networks identified both strategic and operational levels at which central agencies function in a network. Where government agencies also act as service providers an added level of complexity emerges in that network participants, both government and non-government, articulated role expectations in relation to government service providers that exceeded mere service provision.

There were two identified roles of government as a service provider within the service networks. Government was either a specialist collaborative provider or a processual service provider. The specialist collaborative provider provides specialist services as a discrete part of the total service package. The networked arrangements mean, however, that specialist collaborative providers do not act in a siloed capacity. They need to be active in both the formal and informal arenas in which the network operates and share information, specialist knowledge and frequently resources to maintain their legitimacy both from a service provision and network member point of view:

The [name] team … they are really the only ones that outreach like they do. They are part of [name] department and it is great to have them on board, they actually work with people … and make sure people are being looked after.

Someone from [name] department was going to come down to the centre, which we’re still going to do at some stage, and roll out a number of training courses which are designed at helping my staff identify clients [that require their services].

Processual service providers are those that provide a step in the overall service provision process. This is not a new role for government who, under traditional service approaches were responsible for putting policy into action by adherence to set processes. In networked arrangements the processual service activities of public servants not only have implications for service delivery overall but, where processes are seen to not add value and/or actively work against the network system there are implications for the relationships that underpin networked arrangements. Arguably, the most important reason put forward for the shift to networked ways of working is the achievement of creative outcomes that require more than the capability and capacity of single agencies to achieve. It is at the service level that such innovation was seen to most often occur among non-government providers. Government was identified, however, as often being inflexible. One government respondent identified that the public sector tended to be conservative and could not be considered “terribly innovative”. At the service provision level failures at the strategic level become obvious. Where strategic action fails to create an environment that is conducive to individual decision-making and action the generation of ideas and innovative practice in service delivery are difficult to achieve. At the service level, government workers need also to have the requisite skills for individual thought and decision-
making and the permission to act. Where this occurred government service providers
demonstrated how they could contribute to innovation through both ‘pushing the boundaries’ and
idea sharing:

… the police are actually working with us … so they’re not just picking them up and
moving them. They’re acknowledging that they need to do more.

I’m sure the magistrates are sick and tired of the same people … we [Government
Department] took it out of the adversary system and put it into [social services].

One of the ladies from [government department] had actually worked in an art gallery.
She had this idea that maybe we could get people to come along to have a little exhibition
… and it actually turned out really good.

Where failure to achieve this innovative capacity occurred, processual government providers
were seen to actively work against the network achieving the overall capability to act innovately
and change so as to provide a better service:

Where there’s a lack of will to deal with it [homelessness] on a proper basis which there
has been here, the response has been a targeted and discriminatory response. Most of the
laws that deal with homeless people are targeted at Aboriginal people who are
intoxicated.

Discussion: Implications of Network Roles for Human Resource Management

Working effectively across organisational and disciplinary boundaries calls for expertise in
relationship building, facilitation and negotiation, as well as the ability to take part in and shape
shared planning and action (Williams, 2002). Organisations that have experienced working in
successful collaborative arrangements are generally able to bring those skills and experiences to
new initiatives. There is a need to gain an understanding of the current workforce capability to
achieve the necessary expertise to undertake the roles required in successful collaborations. This
may require the development and use of a collaboration skills assessment instrument. Such an
instrument may include a review of the organisation’s previous behaviour within collaborative
endeavours to assist in identifying capability gaps leading to the possibility of a need to either
recruit capability externally or develop that capability in-house. The NHS in Scotland, for
example, has developed the Knowledge Skills Framework which has enabled the NHS in
Scotland (NHSiS), to take an integrated approach to job evaluation, job design, recruitment,
selection, employee development and career management (Beattie, Waterhouse, & McVicar,
2008).

The determination of a skills assessment may be that government agencies lack the collaborative
capability to achieve collaborative advantage. Arguably, the most difficult and most important
aspect and one which cuts across all dimensions is the development of trust. Trustworthy
organisations are those able to sustain mutually beneficial relationships over long periods of time
(Haugen, 2006). Developing trustworthy organisations requires a comprehensive and holistic
approach that extends beyond the function of Human Resource Management. Nonetheless, HR practices are critical in building the workforce needed to meet these demands including the recruitment of employees who are “philosophically aligned with and embody and reflect qualities of ethical decision-making, personal integrity, fairness in the treatment of others and commitment to superordinate goal” (Haugen, 2006).

Leadership in networks is about “making things happen” and leadership capacity is considered to occur through structure, process and participants (Huxham & Vangen, 2000). It is evident from the findings that to make things happen successful collaborations have been those that ensure government representatives have the necessary environment, authority and skill to make decisions. Decision-making is therefore an important leadership role. Failure to address decision-making capacity and capability has been shown in the findings to result in delays in decision-making with resultant loss of faith in government’s ability to enable, facilitate and to act as catalyst and collaborative provider. The level of each individual member’s decision-making authority in their parent organisation is indicative of the organisation’s broader commitment to the collaboration’s purpose. In making agreements, delberating issues, negotiating interests or taking action, a representative’s ability to directly make decisions was evidenced as critical. This does not mean that organisational representatives will not be required to consult or confer with their parent organisations from time to time. Indeed, the support of the parent organisation at the strategic level in setting up the necessary environment and infrastructure is critical to the sustainability of the network. In deploying individuals to engage in networks a critical HR consideration is that appointees have both the skills and authority to make decisions. Leadership in each of the dimensions is an essential requirement for sustained integration. Joint leadership training and peer monitoring and support may be required to achieve this.

Correct deployment and job design are central to network success. Time is demonstrated in the findings as a critical collaboration resource. This includes both the time invested in reframing existing relationships, building new relationships and sustaining existing ones and time redirected from other organisational activities to the collaborative activities. Collaborations also demand a high level of intellectual energy from the contributing staff members to participate in creative efforts leading to innovation and network effectiveness. These activities have the potential to reduce the employee’s focus on their parent organisation’s activities. This means that there is a need to weigh the organisation’s needs against the needs of the collaboration and decide whether the time expended by staff on collaborative activities also meets the organisation’s needs and strategies.

By far the most central and valuable integration mechanism that works across all dimensions is the relationships that are forged over time by workers. The social capital generated by these relationships allows for more coherent and collective action within groups as well as affords links to other agencies for additional resources and support. These relationships, however, take time to develop and have implications for the assessment of both network performance and employee performance.

The implementation of strategic management systems including performance management and performance related pay was considered central to public sector reform processes undertaken during the 1980s. Both the Australian Federal Government as well as all state governments
implemented performance appraisal and financial reward systems as a means to achieve improved organisational performance (Marshall 1998). In practice, their implementation has been problematic due in part to their conflict with merit-based systems and the collectivist industrial relations environment of the public sector. Outcome-based performance assessment in networks is also problematic due to the time needed to establish relationships and negotiate the processes by which the network will operate as well as the subjectivity of what constitutes successful outcomes. Furthermore, employees operate in environments over which they may have little control over outcomes. Role performance, rather than outcome performance, may present as a more meaningful measurement system.

The findings of the case studies presented in this paper suggest that horizontal operating does not imply equality in regard to power and influence. A number of smaller agencies identified an unequal distribution of resources and the ability of larger organisations to influence decision making. Furthermore, there were instances where government was considered to mandate systems rather than negotiate agreement around the network structure and processes. These observations suggest that networks in action are pluralist systems with the power inequalities such systems suggest. The major challenge for government is to recognise when power differentials are adversely affecting network relationships and to identify when to engage and disengage in influencing network operation. The roles identified here can be largely grouped into ‘hands off, hands on and hands holding’ outlined in Table 2. The implications for HR in this table are not exhaustive and further research is recommended to extend this model.

**Table 2: Network Intervention: Hands Off, Hands On and Hands Holding**

<table>
<thead>
<tr>
<th>Hands off</th>
<th>Hands on</th>
<th>Hands Holding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Example:</td>
<td>Example:</td>
<td>Example:</td>
</tr>
<tr>
<td>Government involvement is limited, for example they set the context for network working in terms of policy, capabilities, etc. but leave it to the networks to do the work.</td>
<td>Used mostly in crisis – when government needs to take a central role and drive network operation and performance – this requires an active facilitative role.</td>
<td>Government realises that problems are complex and that they cannot deliver alone. They have to work in partnership with other organisations both government and non-government to achieve good outcomes.</td>
</tr>
<tr>
<td>HR implications:</td>
<td>HR implications:</td>
<td>HR implications:</td>
</tr>
<tr>
<td>Limited</td>
<td>Medium</td>
<td>Significant</td>
</tr>
<tr>
<td>Selection and deployment of policy and training resources Often fits within current job design</td>
<td>Collaborative skills assessment needed at operational level Recruitement/deployment of collaborative capabilities –</td>
<td>Collaborative skills assessment needed at all levels Recruitment/deployment of collaborative capabilities covering all roles</td>
</tr>
<tr>
<td>Performance evaluation based on quality of policy design</td>
<td>boundary spanning</td>
<td>Job design – extensive restructuring of jobs to fit network requirements over the long term</td>
</tr>
<tr>
<td>---------------------------------------------------------</td>
<td>-------------------</td>
<td>--------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Limited impact on recruitment</td>
<td></td>
<td>Performance evaluation based on role delivery and process outcomes.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Human Resource Development extensive – cultural change requirements.</td>
</tr>
</tbody>
</table>

There are broader, theoretical implications for HRM resident in the findings of these case studies and in previous network research. Networks have become a strategy of government to meet its objectives, particularly when addressing complex or ‘wicked’ issues. This paper has suggested that HRM practices needs to be aligned with this new strategy. SHRM is concerned with achieving the objectives/competitive advantage of individual firms through aligning HR policies and processes to the broader strategy of the organisation. These recommendations at first appear consistent with the tenets of SHRM; however inconsistencies with pure SHRM frameworks are evident. The resource-based view of the firm that underpins SHRM aims at differentiating organisations on the basis of heterogeneous and non-replicable resources. These two factors – competitive advantage and resource non-replicability, imply that SHRM is not a good theoretical fit for considering HRM practice in networks. In networks resources, including human resources, are shared. Time invested by employees in networks draws their focus away from single organisational concerns. Furthermore, the main purpose of networks is to achieve collaborative advantage. Network effectiveness extends beyond outcomes for the single organisation and its clients by seeking to also achieve community effectiveness, development of network capacity, sustainability of the network and the capability of the network to innovate and change (Turrini, et al., 2009). SHRM has largely been focused on HR practices aimed at employees working within organisational boundaries whereas in networks, employees work across boundaries requiring the adoption of a range of different roles, outlined in the above findings. Networks require a different way of working, a different way of thinking about the deployment and utilisation of government human resources, but more importantly, require a focus on outcomes that are not those of the individual organisation.
Conclusion

Networks have come to the fore as a means by which government can address complex or ‘wicked’ issues that are beyond the capabilities of single organisations to achieve. They have found a place in the strategic armoury of government in that they address the non-responsiveness of bureaucracies and markets. The findings from this paper suggest that networks function across three dimensions – strategic, operational and service delivery. Within each of these dimensions a number of governmental roles have been identified that interplay with one another to create effective networks. These roles point to implications for many aspects of human resource management including staff deployment, recruitment, staff development, performance management and job design.

Dependent upon the extent of involvement in networks and whether the role is ‘hands off’, ‘hands on’ or ‘hands holding’ will depend upon the extent to which HRM practices may need to be adjusted to meet the needs of public sector organisations operating within network arrangements.

The paper has also presented some theoretical issues in regard to the alignment of HRM practices with organisational strategy. It is proposed that current understandings of SHRM are not sufficient to frame the HRM response to networked situations. Further development of SHRM frameworks to address the achievement of collaborative advantage and which extends beyond the confines of single organisations is required.

References: