Introduction

Australian governments at all levels now embrace collaboration as a core organising principle guiding the implementation of policy, the design of program architecture and the delivery of services. Even so, collaboration continues to represent a challenge for many public sector organisations. As the APSC observed in a 2012 report:

It is clear that existing public sector institutions and structures were, by and large, not designed with a primary goal of supporting collaborative inter-organisational work. It can be challenging enough to implement governance arrangements and foster cultures that facilitate collaboration across internal organisational boundaries within hierarchical, vertically structured organisations.
(APSC 2012: 17)

Authorisation, governance and assurance are important aspects of building and sustaining collaborations. However, the governance frameworks traditionally used by public sector organisations might not necessarily meet the needs of collaboration. Insofar as it tends to emphasise assurance through demonstrated compliance with rules-based systems, traditional hierarchical governance might not offer the kind of latitude that multiparty collaboration demands. Whereas traditional governance tends to emphasise upwards accountability framed around fidelity to process,
Collaboration governance emphasises reciprocal flows of accountability framed around fidelity to collaborative purpose. To put it plainly, the former is rules-based and the latter is mission-based.

To be clear, fidelity to mission does not preclude accountability for good process; it is not a case of ‘any means to an end’ nor a case for cutting corners. Rather, good collaboration governance is framed around the principle of pushing leadership and authority down to the collaboration front line within an overarching framework of collective accountability. This entails an acceptance—indeed, the embrace—of three pillars of collaboration: distributed leadership, decentred authority and collective accountability.

The meaning of ‘trust’ in a governance context

Trust is one of the most important elements of any successful collaboration (see Chapter 10), where ‘success’ is, in part, a function of: 1) partners’ shared understanding of, and commitment to, the collaboration’s rationale, purpose, aims and means; and 2) the obligations and possible benefits that flow from/to each partner (Jupp 2000; Corwin et al. 2012). Trust is also an important factor in collaboration governance and, in this context, it has many dimensions:

1. Intra-organisational trust: Trust between authorisers, frontline collaboration workers and key personnel/business units providing operational support to the collaboration (for example, information technology, financial management, human resources, communications).
2. Interorganisational trust: ‘Zippered’ peer-to-peer relationships between partner organisations (see Chapter 5).
3. Trust between individual partners and key external constituencies including clients/customers, policy communities, representative organisations and/or professional bodies/trade unions; this involves questions of reputation, capability, reliability and legitimacy.
4. Trust between the collaboration itself, as a forum for goal-setting and decision-making, and authorisers as well as external stakeholders.
In general terms, trust involves notions of honesty, reliability, truthfulness and safety. The same qualities of trust also hold true in the context of corporate governance and can be re-expressed in terms of the core attributes of good governance. To better appreciate this point, it is useful to refresh our understanding of the meaning and function of ‘governance’. The Governance Institute of Australia defines governance as:

the system by which an organisation is controlled and operates, and the mechanisms by which it, and its people, are held to account. Ethics, risk management, compliance and administration are all elements of governance. (Governance Institute of Australia n.d.)

Using the above definition as a starting point, we can readily see that, from a governance perspective, trust is fundamentally concerned with accountability and assurance. For example:

1. **Ethics**: Authorisers ‘trust’ that their people, and those employed by/representing their partner organisations, will conduct themselves according to the highest probity standards.

2. **Risk management**: Authorisers ‘trust’ that their people, and those employed by/representing their partner organisations, have: identified all material risks (financial, operational, representational and political); put into place appropriate strategies for risk mitigation and risk response; and have systems in place to keep authorisers apprised of any changes in the risk environment.

3. **Compliance**: Authorisers ‘trust’ that their people, and those employed by/representing their partner organisations, comply with all relevant guidelines, policies and legal requirements and, where necessary and appropriate, seek a formal documented variation of those requirements to meet the particular circumstances of the collaboration.

4. **Administration**: Authorisers ‘trust’ that their people, and those employed by/representing their partner organisations, apply best-practice standards when administering the collaboration to provide a high level of assurance in relation to the documentation of decision-making, financial controls, payments, agreement-making and contracts, human resource management, communications, data storage and sharing, and communications.
Collaborative/network governance

Over the past dozen or so years, policy thinkers have argued for the advantages of collaborative or networked governance as a means for realising greater nimbleness and adaptability in the delivery of public programs and services (Goldsmith and Eggers 2005; Eggers 2008; Smyth 2008). A countervailing view is that governing through networks can make already difficult policy problems even harder to address (McGuire and O’Neill 2008: 239–40; Wanna 2008: 9–10). Public policy aims can be difficult to achieve even within organisational and domain boundaries, despite governance structures that exhibit strong vertical integration and mature systems for internal control. Consider, then, the inherent difficulty of managing multiple relationships in networked systems characterised by asymmetries of knowledge, power and authority, as well as variegated cultures, values, business systems and capabilities (Huxham and Vangen 2008).

Provan and Kenis (2008: 234–36) identify three basic forms of network governance:

1. **Participant governance**, which is described as ‘the simplest and most common form’ and is governed by network members. Participant governance entails no separate or unique governance entity and can be accomplished either formally (for example, through regular meetings of designated representatives) or informally (for example, through the ongoing but uncoordinated efforts of those who have a stake in the network’s success). Participant-governed networks can be highly decentralised or they may be highly centralised, governed by and through a lead organisation that is also a network member (although, in theory, no single entity represents the network as a whole).

2. **Lead organisation governance**, in which all major network-level activities and key decisions are coordinated through and by a lead organisation. This form is ‘highly centralised and brokered, with asymmetrical power’. The lead organisation ‘provides administration for the network and/or facilitates the activities of member organisations’. Network goals ‘may be closely aligned with the goals of the lead organisation’, which may underwrite the cost of network administration on its own, receive resource contributions from network members or facilitate access to external funding through grants or government funding.
3. **Network administrative organisation** (NAO), in which a separate and centralised administrative entity is set up specifically to govern the network and its activities. The NAO coordinates and sustains the network but, unlike the lead organisation model, the NAO is not another member organisation. Instead, the NAO is established for the exclusive purpose of network governance. The NAO may be a government entity, an existing not-for-profit organisation or a unique not-for-profit organisation or for-profit corporation established for the express purpose of governing the network. An NAO may be modest in scale (for example, consisting of a single individual acting as network facilitator or broker) or it may be a formal organisation, consisting of an executive director, staff and board operating out of a physically distinct office.

Provan and Kenis (2008: 238) suggest that shared governance is most likely to be effective when ‘trust is pervasive throughout the network’:

> Trust need not be deep, but it cannot simply be a collection of dyad-based relationships. Rather, trust ties must be dense, so that perceptions of trust are shared among and between network members. As with the density of connections, trust density means that many people in the network trust one another, thereby providing a dense web of trust-based ties. In the absence of this, shared governance will not be effective since there will be little basis for collaboration among network members.

Finally, as discussed in Chapter 4, working collaboratively in multiparty settings requires a skill set different to that traditionally found in the Australian public sector (Bourgon 2008; Edwards 2001; Considine and Lewis 1999; Stewart 2007; Gazely and Brudney 2007). Former Australian prime minister Julia Gillard (2013) summed up the situation neatly:

> [W]e are so far beyond the command and control models of the past: now it is about collaboration, about delegation, about seeking and getting people’s consent about mobilising teams. I think it is those skills that will be the really precious ones in the future.

There is clearly a need to further develop the skills necessary to support and sustain collaborative governance (Edwards 2001; Shergold 2008a, 2008b). However, barriers to effective multiparty work sometimes arise as a result of conflicting values (Stewart 2007), failure to recognise shared values (Moore 2000) and tensions between ‘top-down’ (directive) and ‘bottom-up’ (participatory) approaches to policy formulation and implementation (Dollery and Wallis 2003: 169–72).
Collaboration frequently occurs in secondary operating spaces (Kotter 2012). These are semiformal or informal operating environments that are less tightly bound by the normal requirements of the dominant primary operating spaces. Secondary operating spaces allow partners to establish operational norms and ways of working that meet the needs of collaboration and provide assurance to authorisers. Secondary spaces coexist in dynamic tension with—and at the discretion of—dominant traditional organisational cultures (see Chapter 4). The pre-existing operating culture could be thought of as a primary operating space in which long-established systems, norms and rules govern what can and cannot be done.

(Kotter 2012: 48) observes:

Hierarchies and standard managerial processes, even when minimally bureaucratic, are inherently risk-averse and resistant to change. Part of the problem is political: Managers are loath to take chances without permission from superiors. Part of the problem is cultural: People cling to their habits and fear loss of power and stature—two essential elements of hierarchies. And part of the problem is that all hierarchies, with their specialized units, rules, and optimized processes, crave stability and default to doing what they already know how to do.

Secondary operating spaces are presented as a solution to this problem as they can be built on a set of different processes that are more agile and based on relationships rather than transactions. They can be discrete and isolated from the primary operating spaces—those that are more archetypal of modern corporate management structures—thus allowing for increased experimentation without authorisers becoming concerned that the atypical processes and behaviours of value in collaborative environments will be seen to threaten the traditional structures valued by most managers.

Although Kotter is in this instance referring to private sector enterprises, his observations also hold for the public sector, whose traditional modus operandi continues to be challenged by changing environmental conditions and political/societal expectations—in particular, the expectation that organisations will work collaboratively for the public benefit. In many ways, traditional bureaucratic systems are inimical to working across programmatic, organisational or sectoral boundaries—particularly where there are misalignments of priorities, outlook and norms.
What the cases tell us

Each of the collaborations investigated for this study exhibited a set of arrangements that enables collective deliberation about:

- the rationale for and purpose of the collaboration
- the risk environment in which collaboration will occur
- how the collaboration will operate
- what the collaboration seeks to deliver
- the contributions of partner organisations
- how best to engage internal and external stakeholders
- the provision of assurance and the demonstration of impact.

Some form of written instrument, such as an MOU or a contract, might prescribe the governance framework. Or the framework might be far less formal and operate through implicit reciprocal arrangements. The framework might take the form of a dedicated governance group, a steering committee or a partnership group.

Whatever form it takes, governance, like collaboration itself, is about managing. Our observation is that collaboration appears to occur within something much like Kotter’s secondary operating space. Importantly, this secondary operating space connects to the hierarchy through people who populate both spaces and, ideally, works to liberate information from ‘silos and hierarchical layers’ and enable it to flow with far greater freedom and speed (Kotter 2012). This secondary operating space creates spaces in which to be transgressive (see Chapter 2). Often, participants (and collaboration leaders in particular) find themselves in the position of forcing operational or cultural change in the face of institutional or organisational resistance. Individual participants in collaborative forums typically transit back and forth between primary and secondary spaces—an experience that can be disorienting and conflicted.

Formal governance provides a mechanism for authorisation to collaborate and assurance that collaboration is occurring. Although formal governance is indispensable, informal governance also serves important purposes. Whereas formal governance is usually exercised via agreed protocols or rules of engagement, and might be guided by terms of reference agreed among the parties, informal governance is more ‘relational’ than ‘procedural’. Informal governance is concerned more with maintaining
communications, listening to concerns, modelling behaviours and creating legitimacy. Formal and informal governance were strongly in evidence in each of our five cases.

In each of the cases, collaboration is subject to formal governance through a backbone group and/or a governance group consisting of partner organisations and, in some cases, organisations representing principal stakeholder interests. A governance group comprising all collaboration partners is an indispensable forum for sharing information, managing expectations, anticipating and mitigating risk, providing assurance to stakeholders and taking stock of the environment in which collaboration is occurring. As one interviewee observed:

One of the reasons why the steering group is so important [is] because at that level the steering group talks about such things as different triggers within a community, different personalities within a community, people who are ready to take on a new idea as against those that aren’t. So, having a bit of an idea of how people work is a really important tool. (WHO STOPS, SEA Change)

Governance as a conduit for authority

The governance framework allows for the authority to collaborate to flow from partner organisations to those charged with making collaboration happen. The governance framework might comprise delegates from partner organisations and might even include other stakeholders, such as representatives from particular communities of interest. Although it is not unusual for the delegates to have differing levels of seniority, it is important that members have a commensurate level of authority, legitimacy and experience that enables them to engage confidently and contribute to decision-making. As one interviewee observed of their governance group:

It was mostly very senior people, but there were some more junior bureaucrats there, and that’s okay because they can build some corporate knowledge. Often with those things it’s very senior people that participate in them, and it’s good to have some depth. (Throughcare)

Another interviewee described a difficulty associated with delegates whose authority to collaborate is conditional or unclear, or who have insufficient seniority or confidence to act with authority:
They feel inhibited, plus they often don’t have the incentives. Most public servants still have their line responsibilities through their agencies, which goes to a budget requirement in an outcome statement for their portfolio. (Throughcare)

In addition to participating in deliberation and decision-making, delegates to any governance framework also play a role as collaboration champions or ambassadors within their organisations and constituencies—defined succinctly by one interviewee as ‘people that hold key influence, just influence and pull within the community’.

Collaboration partners need not only be able to maintain the confidence and goodwill of people around the table, but also to provide appropriate assurance to their executive and board (and support the executive and board, who might themselves be called on to provide assurances to ministers or other constituencies). Partners also need to be outward-looking and able to offer assurance to a range of external stakeholders—some of whom might have perspectives that are not fully aligned with the organising themes of the collaboration. Formal pathways for authority and assurance can be enhanced by the appointment of senior collaboration champions.

**Locus of decision-making**

The capacity of governance frameworks to facilitate decision-making might vary according to circumstances. Some governing frameworks primarily support advisory functions, although, depending on the seniority and formal authority of the delegates, it might be argued that the provision of advice amounts to de facto decision-making, as illustrated in the following quote:

Well, in terms of what the authority was, the terms of reference of the … governance group … [stated] very clearly that we were advisory. We didn’t have decision-making authority. It was about recommendations and suggestions.

That said, I think we were in the best of both worlds in that, because of the very good relations around the table, we were, in a sense, doing a bit of policy co-design tweaking as we went so that [the lead agency CEO], who was virtually at every meeting, would take quite seriously what was being discussed and proposed. She’d actually push back when she needed to and say, ‘Well, that’s not going to fly with the minister’, or whatever. She would be quite frank. (Throughcare)
Other governance frameworks—particularly those that are part of a more distributed collaboration process (see Chapter 5)—take a more directive role:

That was the thing in those meetings that I thought was refreshing: we’d go to the meeting, we’d make a decision and it would happen. It wasn’t that we’d go to the meeting, there’d be a discussion and then a decision would happen somewhere else later on, which may or may not be what the community people were looking for. (Throughcare)

**Bottom-up or top-down?**

Good governance provides collaborators with an idea of how the collaboration will operate, what the collaboration seeks to deliver and what the contributions of partner organisations will be. When governance is not clear, however, it leads to questions about whether the collaboration will use a centralised or localised approach—otherwise expressed as a bottom-up or top-down approach. Although both approaches are valid, it is important that collaborators make it clear what kind of approach they will take.

In cases such as WHO STOPS or CBEM, there is an evident emphasis on locally empowered and locally led initiatives. Each is steered from below—either from the community or from a community of interest—while using top-down processes to moderate community views and shape a practicable path forward. One of the architects of the Australian Capital Territory’s Throughcare initiative offered the view that frontline staff sometimes know best:

When you engage with the people who are at the service delivery end, in my view, they’re more practice-exposed so they have a sense for innovation, learning lessons from what they do on a day-to-day basis—things like that.

By contrast, in the case of the Children’s Action Plan (CAP), there was an evident tension between the local Children’s Teams and governance groups and the CAP directorate/ministry in Wellington. As one Children’s Team member expressed it:
I think the Children’s Team approach seemed to go through a bit of a phase of being very, very prescriptive on everything, and that hasn’t sat particularly well with a desire to do things that are more aligned with an indigenous approach. So, I think that is also something where we’ve got a rub … it’s a challenge for collaboration in any space with prescriptive elements—the need for flexibility and agility.

A similar view was offered by a member of a Children’s Team governance group:

I think we had a number of kicks back around: ‘No, don’t accept that. That’s not how we roll here. This is what we want to do.’ I think [the Children’s Team director] was continuously going back and saying, ‘Yeah, no’—‘Yeah, I hear what you’re saying, but no, that’s not going to work.’

A member of another governance group described a situation in which the local Children’s Team successfully pushed back against the prescriptive elements of the model:

We actually went back and instead of reporting negatively to Wellington, we said: ‘We’re not going to do this. We’re not going to achieve those. We’re not going to stick to those KPIs [key performance indicators] for these reasons. But look at the fantastic work we’ve done. We’ve engaged with all these families, all these kids, all these success stories.’ It was at that point that we were given a bit of a free rein to go for it and operate independently of what all the other Children’s Teams were doing, who were still working to their prescriptive, centre-led regime.

However, one former official offered a candid appraisal of the tensions involved:

I think there were shifts at a policy level around the degree of prescription versus the degree of flexibility. And I think that caused mixed messages for teams on the ground. So, that kind of desire to be prescriptive as a means of driving the momentum, I don’t think it had that effect. I think it served to confuse and cause people to resist a little bit where it didn’t work at a local level. That has been a bit of a journey, really, of trying to capture almost a cookie-cutter prescription that would allow rapid rollout and then a realisation that that wasn’t actually achieving its purpose and that we needed a great deal more flexibility in what suited each location.
Some officials working in the CAP directorate in Wellington took the view—for essentially sound reasons—that there needed to be some consistency between the practice and operational elements of the Children’s Teams to support the collection of data and to compare social impacts. Within this consistency, they felt, there was ample room to tailor local responses and build on local strengths. This tension was neatly encapsulated by one former CAP official:

“There was too much say from the centre about how things had to be done, but there were reasons for that that the communities couldn’t see. So, we came with templates and we were telling them that they must do this, they must do that, they must do the next thing. At a local level, they really resented that. But what they couldn’t see at that local level was the pressure that the centre was under to make sure that whatever you did there, you were recording it in a nationally consistent way. So, there was always this tension between the two.”

**The importance of unambiguous executive management support**

It is essential to establish strong management pathways to enable formal authority to cascade down to the collaboration and assurance to flow up to executive management. Where there are many groups working in collaboration, these groups often have different expectations or goals. These can act as barriers to working collaboratively in some settings. It is important to be able to communicate with collaborative partners to create common goals and expectations. To create common goals, some compromise may be required. This can only be enabled by inclusive leadership and with a supportive authorising environment.

The functions that support collaboration need to be formally recognised and appropriately resourced. Sadly, declarations of collaborative intent are not necessarily accompanied by the reallocation of existing resources. To the extent that resource allocation is often a function of programmatic rules formulated in primary operating spaces, authorisers might be constrained in their ability—or willingness—to exercise discretion about how resources are deployed. It is one thing for governments and senior executives to give rhetorical support for collaborative working, but if that support is not matched with appropriate authorisation and resources, it becomes meaningless and, worse, dispiriting.
Corporate memory and knowledge are tremendous assets in the collaboration space. Owing to the dynamic, volatile nature of collaborations, collective memory is often not recorded or accorded its true value. Changes in personnel and administrative structures can result in a loss of corporate memory and the substitution of operational orthodoxy in place of the collaborative ethos. Appropriate systems need to be established for the purpose of capturing, documenting and sharing knowledge that might otherwise be lost through bureaucratic ‘churn’.

**Final observations**

Collaborative action cannot be effective or sustained in the absence of an appropriate and robust governance framework. As the conduit for formal authority, legitimacy and assurance, governance is an essential element in the provision of surety for collaboration. Whereas authorisation establishes a licence to collaborate and confers authority, the governance framework establishes the mechanisms for accountability, a forum for the assessment of risk and the ratification of decisions, and pathways for the provision of assurance to authorisers and stakeholders.

Ideally, governance frameworks should be benchmarked against other frameworks established for similar purposes. Although there is no single template for sound governance, governance nevertheless entails core functions such as strategic direction, relationship management, risk management, financial control, operational oversight, etc. Above all, any governance framework established to guide collaborative endeavour must be ‘fit for purpose’ and must engender the confidence of authorisers, participants and stakeholders.
Practice considerations

1. Distributed leadership, decentred authority and collective accountability are the three pillars of effective collaboration. Assess the degree to which these principles are consistent with the mission, values and operating culture of each partner organisation. Identify potential impediments (for example, inconsistent understandings about what these principles mean in practice) or constraints (for example, the statutory framework within which partner organisations are obliged to operate) and possible solutions.

2. Undertake a comprehensive risk assessment that addresses:
   - the risks (reputational, industrial, operational, legal or political) that might arise as a consequence of entering into a collaborative arrangement
   - the risks that might arise as a result of not collaborating (for example, continuation or worsening of existing problems)
   - the levels of trust prevailing between partner organisations and within organisations (for example, between business units or program areas affected by the proposed collaboration)
   - the legacy of past relationships between partners, especially where there is a history of mistrust or conflict
   - any policy gaps or misalignment of priorities and approaches that have contributed to the problems the collaboration is intended to address
   - the respective risk appetite of partner organisations and any differences in their respective risk management frameworks that might affect collaborative action.

   It is essential that all collaboration partners contribute to the exercise in an open and forthright manner, even if the conclusions drawn from the assessment make for uncomfortable reading.

3. Prepare an analysis of the advantages and disadvantages of competing governance models, including (but not limited to) participant governance, lead organisation governance or the establishment of a networked administration organisation (or some combination of the three).

4. To the extent that the proposed collaboration will exist in a secondary operating space, consider the implications for each of the partners with a special emphasis on the delegation of authority for decision-making and the provision of assurance.

5. Identify any skills, knowledge or information gaps that might in some way affect the capacity of partner organisations to engage in the collaborative endeavour and propose strategies to address these. Specify how preferred strategies will be resourced and implemented. Identify any existing internal capability within partner organisations that can be deployed to address the problem, and/or indicate whether external expertise will be required and how it might be sourced.
6. Specify how and where decision-making will occur with respect to the collaboration and the level of authority and delegation capable of being exercised by the representatives of partner organisations. Set out clear protocols stipulating the manner in which the governance/backbone group advises authorisers about decisions taken and/or requests approval from authorisers for recommended actions. These protocols need to be able to identify points of disagreement between partner organisations, timely communication of approval and/or pathways for the timely resolution of disagreements.

7. Set out the expectations that will apply to each partner organisation and to delegates participating in any governance/backbone group. These might include expectations about financial contributions, the provision of operational support (for example, operating premises, payroll, financial management, human resource management, information technology, and so on) and ‘behavioural’ expectations (for example, ethical conduct, conflict resolution, internal and external communications and sharing of information and knowledge).

8. Consider the need to codify the governance framework for the proposed collaboration in the form of a written instrument, such as a contract, head agreement or MOU. Also consider whether to set out the same expectations and processes in a ‘mission statement’ for the purposes of providing assurance to a wider range of stakeholders.

References


