

Governing by Network and Minnesota Human Services

Presentation to MACSSA Annual Conference
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Capitol Region Council of Governments
Nisswa, Minnesota, September 20 2006

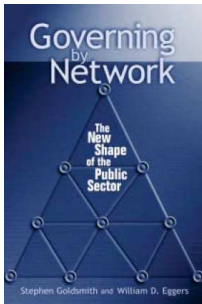
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Goals for Today

- Personal odyssey
- Governing by network
- Effective community governance: citizens as partners in performance management
- Community balanced scorecard
- Observations on the way forward: *outcomes* and *accountability*

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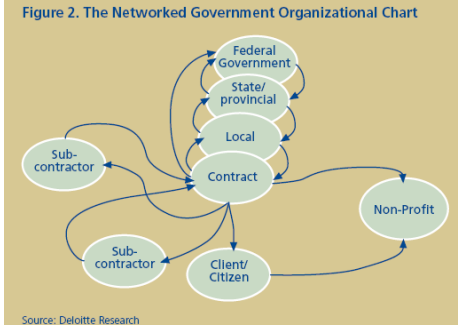
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Networked Government

Figure 2. The Networked Government Organizational Chart



Source: Deloitte Research

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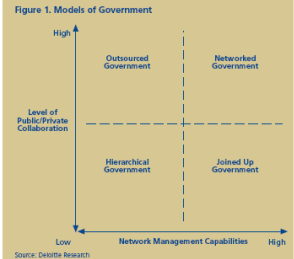
Elements of the Approach

- **Governance by network** typically includes measurable performance goals, assigned responsibilities for each partner and structured information flows across public and private boundaries.
- **Value-added:** The ultimate goal of these efforts is to produce enhanced public value exceeding the sum of what government or any of the other players could accomplish without collaboration.
- **Variety of Networks:** Public/private networks come in many forms, from ad hoc networks that are activated only intermittently often in response to a disaster to channel partnerships in which governments use private firms and nonprofits to distribute public services.

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Four Models of Government

Figure 1. Models of Government



Source: Deloitte Research

ResearchVah Institute at Harvard - The New Public Management Imperative: Government by Network Governing by Network

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When Is A Network Approach Appropriate?

Factors that favor a network model over a traditional, hierarchical model in the public sector:

- Need for flexibility;
- Need for differentiated response to clients or customers;
- Need for diverse skills;
- Many potential private players available;
- Desired outcome or outputs clear; private sector fills skill gap;
- Leveraging private assets critical; partners have greater reach or credibility;
- Multiple services touch the same customer;
- Third parties can deliver service or achieve goal at lower cost than government;
- Rapidly changing technology;
- Multiple levels of government provide service;
- Multiple agencies use or need similar functions.

Source: Eggers and Goldsmith (2004)

Skills for Network Management

Capabilities and Competencies Needed for Network Management

- Coaching
- Mediation
- Negotiation
- Risk analysis
- Contract management
- Ability to tackle unconventional problems
- Strategic thinking
- Interpersonal communications
- Project and business management
- Team building

Governing by Network Outline

Part One: The Rise of Governing by Network

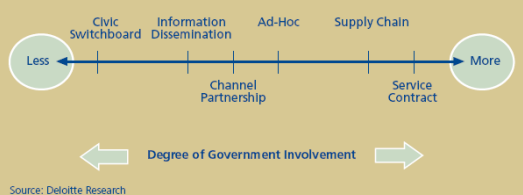
1. The New Shape of Government
2. Advantages of the Network Model
3. Challenges of the Network Model

Part Two: Managing by Network

4. Designing the Network
5. Ties That Bind
6. Networks and the Accountability Dilemma
7. Network Governance
8. The Road Ahead Notes Selected Bibliography Index

Intensity of Networks

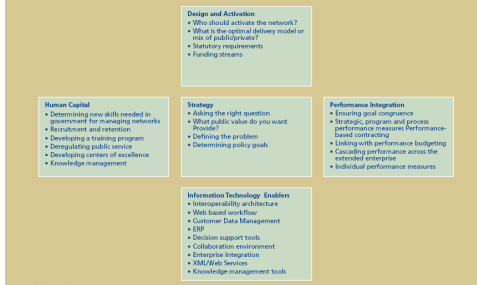
Figure 3. Types of Public-Private Networks



Source: Deloitte Research

Five Building Blocks

Figure 4. Building Blocks for Governing by Network



Source: Deloitte Research

Five Building Blocks

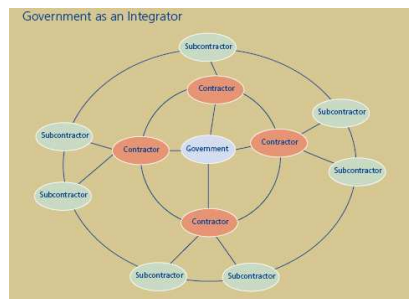
- **Strategy:** what is the right question, public value, defining the problem, determining policy goals
- **Design and activation of network:** Who should activate the network, delivery model, legal requirements and funding streams
- **Performance integration:** goal congruence, performance management across network

Five Building Blocks

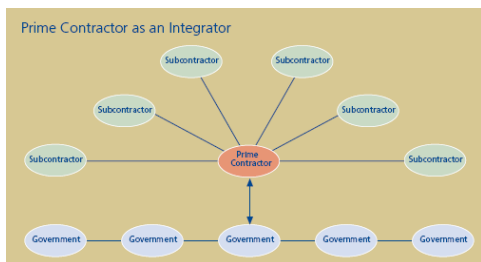
Human capital: new skills to manage networks, training, recruitment and retention, knowledge management

Information technology: architecture, web-based workflow, ERP, decision support tools, knowledge management tools

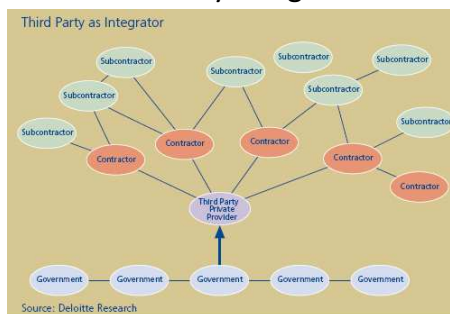
Integrating Networks: Government



Integrating Networks: Prime Contractor



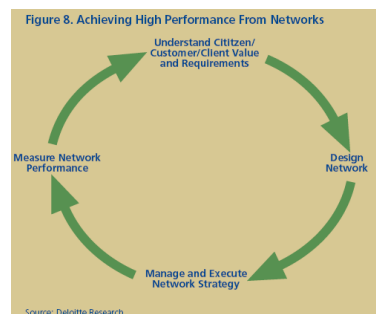
Integrating Networks: Third Party Integrator



Observations

- We are using two or three of these networked models now
- What is and is not working?
- What is next in fixing what is not working?

Performance Cycle



Performance Cycle

- Understand client value and requirements (self directed services, BC parks)
- Design the network
- Manage and execute network strategy
- Measure network performance

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Observations

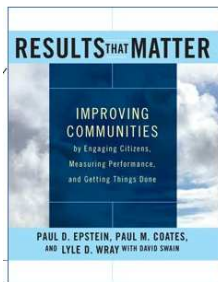
- The networked model offers a useful framework for assessing where we are in terms of strengths and weaknesses and for analyzing the way forward
- Design, execution and improvement (innovation) of the network: impetus for sustained improvement

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Results That Matter



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Results That Matter

1. Engaging Citizens, Measuring Results, Getting Things Done.
2. Citizens' Many Roles in Community Problem Solving.
3. Organizations Managing for Results.
4. Citizens Reaching for Results I: Key Ideas, Strategic Issues, and the First Three Case Examples.
5. Citizens Reaching for Results II: To Improve the Quality of Life in Their Region.
6. Communities Governing for Results I: An Introduction to the Practice and to Interpreting the Case Examples.
7. Communities Governing for Results II: Local Governments Engage Citizens in Results-Based Systems.
8. Communities Governing for Results III: Citizens Engaged in Results-Based Nonprofit Community Development.
9. More Ideas for Making It Happen.

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Three "Pillars" of Results That Matter

- Improving services
- Engaging citizens
- Measuring, learning from results and improving

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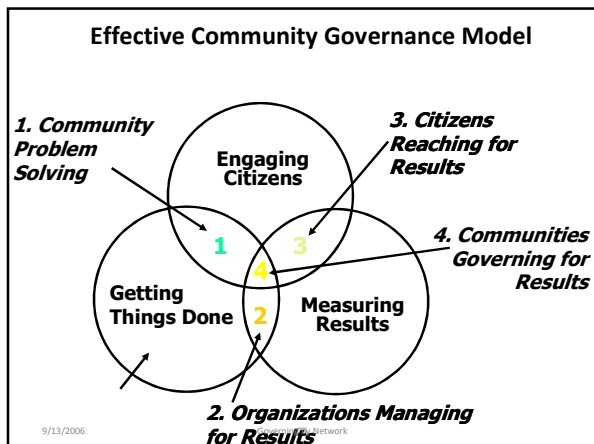
Punch Line

- Weaving all three together appropriately – service improvement, robust citizen engagement and results measurement – leads to better community outcomes over the long term

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How Do Communities with Effective Governance Improve Themselves?

- Robust engagement of citizens in multiple roles
- Use of performance feedback in organizational or community decisions
- Linking desired results to resources and accountable people or organizations
- Use of collaborations

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Five Main Ways to Engage Citizens

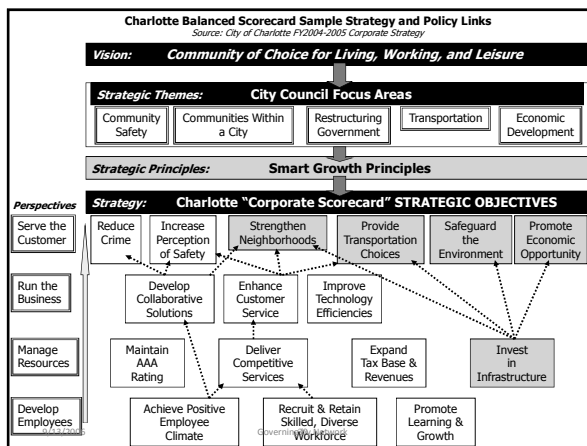
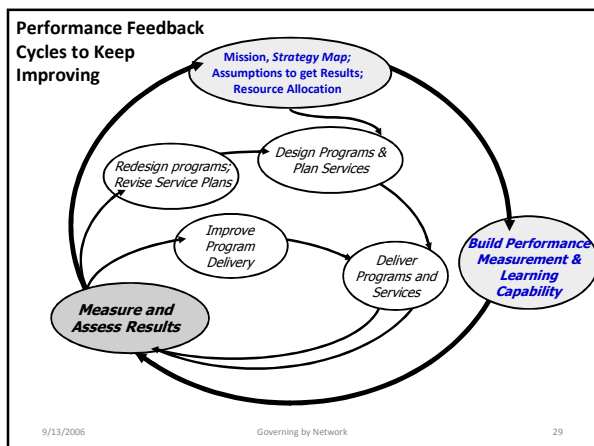
- Citizens as Stakeholders
- Citizens as Advocates
- Citizens as Issue Framers
- Citizens as Evaluators
- Citizens as Collaborators

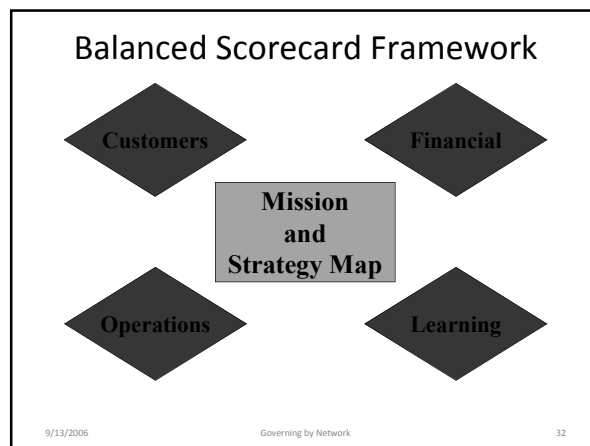
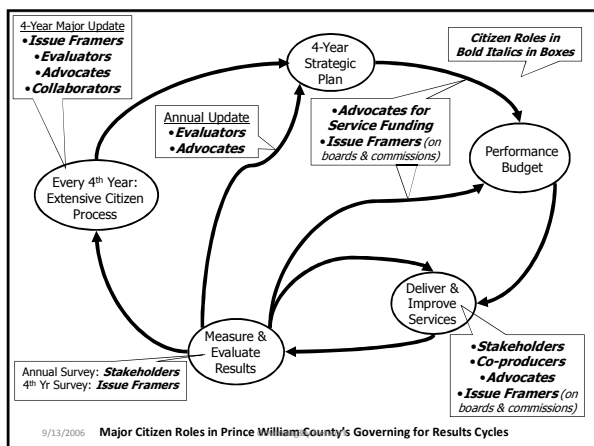
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The Essence of Managing for Results

- Use of performance feedback
- Systemic cycles of learning for improvement. These cycles are **feedback loops** that cycle back to keep adding value to an organization's performance.

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Knowledge Networks

Six Ways Collaborative Knowledge Networks Can Improve Networked Government

By providing a technical and social infrastructure for collaboration and knowledge sharing, collaborative knowledge networks can improve networked government in six ways:

- Help transfer best practices throughout the network.
- Develop new knowledge and enhance learning.
- Flesh out solutions to daily problems.
- Reduce misunderstanding and build trust between network partners.
- Help the network partners learn from each other's successes – and more importantly – from their mistakes.¹⁷
- Help government to better integrate and align the efforts of their partners with their strategic objectives.

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- ### Why Balanced Scorecard?
- The four domains or areas of outcomes are generally important and need to be in balance
 - Need a strategy or logic map or cause and effect map of how to get from strategic initiatives to outcomes in four areas
 - Need to track continuous improvement in the four areas generally to make corrections
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Observations

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- ### Observations
- Robust engagement of citizens in the human service process
 - Levels of performance cycle: individual, program, organization and system
 - Balanced scorecard: The Community Balanced Scorecard
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Resources

- 92 minute webcast on Governing by Network:
<http://www.uccs.edu/~csgj/egggers2005dec.shtml>
- www.resultsthatmatter.net

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Resources

- Balanced Scorecard Institute (2003) Building a government balanced scorecard.
http://www.balancedscorecard.org/files/BSC_Govt_Imp1_03.pdf
- US Foundation for Performance Measurement (2002)
<http://www.balancedscorecard.org/files/BSCFinalPresentation.pdf>

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