

BUILDING REGIONAL ADAPTIVE CAPABILITY THROUGH A LOCAL GOVERNMENT INSIDER-RESEARCHER NETWORK

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ABSTRACT: This paper reports on the development and early deployment stages of an on-going local government ‘insider-researcher’ network. This represents *a new model for research engagement and development* between regional universities and local councils. It serves as an infrastructure to generate multi-level benefits to the parties involved. That is: the development of knowledge and skills for the individual council employee participant; research and action on strategic projects for the councils involved; and, collaboration, knowledge development and exchange between councils and local tertiary institutions. This model may provide impetus to other councils seeking ways to build their internal capabilities and capacities to be able to respond effectively to the diverse challenges faced in the regional government sector. Over time, the numerous and multidisciplinary research outputs generated from such an initiative contribute to sector knowledge and councils’ abilities to initiate and lead effective changes in policy settings and sector practices.

Keywords: Regional capability development; Local Government; insider-researcher network; knowledge development.

1. INTRODUCTION

Regional centres not only need to build adaptive capability to survive and recover from traumatic events but also the capabilities to deal successfully with strategic and environmental challenges that persist and which require effective and more often than not, proactive and systematic attention. Like many other regional authorities worldwide, local councils in Australia and New Zealand are under continual pressure to lift performance in response to their constituents’ needs and expectations of efficiency, sustainability, participation and social equity. Regional councils are thus at the forefront of

dealing with a raft of complex local social and economic issues, higher level government impositions concerning new policy development and deployment and fiscal income constraints, while managing challenges from multiple community groups to their decision-making activities. An example of this is the decreasing funding support from State or Federal governments and increasing restrictions on local government capacity to raise revenues from ratepayers e.g. the NSW State Government cap on yearly rates increases. Within this contextual fabric the work of government and associated agencies has thus become more knowledge oriented which relies heavily on the human capital involved to exchange knowledge, learn and solve issues and become performance focused (Agranoff, 2008). To state that local government is a difficult and challenging proposition when confronted with such complex and diverse matters is perhaps an understatement.

In dealing with such issues, local government authorities seek to source and engage appropriate technologies, establish structures and processes to aid efficient and ethical decision-making and recruit and develop the necessary skilled human resources. These actions, whilst intended to always be appropriate and successful are often less so. As seen by specific events in the local government area, sometimes technologies don't work effectively in their context, organizational structures and processes do not always support efficient decision-making or detect unethical activities and training and development of employees is frequently limited to generic coursework programs provided by educational institutions and consultant bodies. Such typical cognitive learning focused training and development programs are most often quite valuable but do not provide a means to deeply develop the in-house investigative and critical management knowledge and skills so important for people at the forefront of leading activities in the local government sector. With such higher-level skills employees are able to exhibit a better capability to adapt to new situations and indeed, be able to embrace those new situations in a formative way rather than simply remaining reactive or subject to them. Moreover, despite the multifaceted activities that councils are involved in, there is a significant lack of research about many issues specific to or as applied to the sector. Perhaps by introducing a research program that jointly focuses on the development of critical staff within councils and the development of knowledge and actions on important strategic projects for each council, one might effectively achieve two outcomes. These involve the growth of an individual's

knowledge and skills and council's knowledge, and the capability for both to confidently and competently act. Critically, this may be underpinned by a coupling to the research expertise of a local tertiary institution to guide and inform such activities. Thereby, adaptive capabilities of the individuals and their employer are enhanced directly through research. Added to this, if a number of local government authorities interlinked their various researchers' efforts in a knowledge creation and knowledge sharing situation over time, participants may develop a communal capacity for handling change and also provide a series of knowledge inputs to the sector more generally, that will help the sector to progressively become more adaptive. Thus, such a network [to be considered as an embedded network substructure as opposed to a freestanding cluster (Isett *et al.*, 2011) in this paper] would provide a venue to develop and harness the social capital within and between participant councils and in positively deviant ways, enhance sustained organisational and intraorganisational learning (Casebeer *et al.*, 2009). Hence, as Agranoff (2008) indicates, such networks become important platforms for activating individuals and for deepening and broadening the knowledge pool through facilitating formal and informal social exchange (Isett *et al.*, 2011). In large part also, such an approach aligns with Hagen and Liddle's (2007) call for more and improved attention to the executive development and education needs of public sector management.

Consequently, the purpose of this paper is to simply report on the development and early deployment processes of a new and formal network of local government 'insider-researchers' supported by a local tertiary institution, and to articulate the core structural elements of such an innovation. This network commenced operation in August 2011 and given its primary aim, the paper does not present a deep theoretical elaboration on such a development. In essence, it provides an initial insight into a revelatory case study (Yin, 1994) of such a research network and thereby furnishes one account of how local government authorities may develop their human and technical systems capabilities and performance through leading-edge applied research activities professionally undertaken by council staff. It also indicates an alternative way for local government authorities to connect with local tertiary institutions and with each other in order to generate collective knowledge and build communal adaptive capabilities at the local level in the first instance, and then through dissemination practices across the sector.

Beyond the immediate case study, the insights/outcomes generated likely represent untapped opportunities and value in many other regional centres.

To achieve its aims the paper's following section elaborates on the opportunity and the context in which the network and its development is embedded and thereafter, articulates some specific features of the reported case. The section that follows then identifies the core structural aspects of the case study model. Following this, the paper articulates the practical implications of this new model for local government practice and then provides some concluding remarks and outlines opportunities for further research.

2. THE OPPORTUNITY AND THE CONTEXT

The author of this paper had previously been involved with a local council in undertaking some small contract research projects and in jointly developing a major research grant application. Through those activities a number of further collaborative projects within that local council were jointly identified. The author recognised that some of those possible research projects may have utility in or at least some interest for other councils and started to speculate that perhaps there was a larger opportunity here. He further conjectured that quality 'in-house' research skills and well supported applied research projects more generally in the sector appeared to be somewhat lacking – despite the potential practical benefits to the sector and to knowledge development within and beyond it. Hence, the genesis of this research network initially was the relationship the researcher had developed with one council and thereafter, the further investigation and creative development of a proposal and subsequent discussions held with other councils.

In pursuing this opportunity, the researcher was made aware by senior management people from across seventeen councils that: councils' acknowledged they had difficulties freely sharing information between them; their internal capability retention and development was deeply important to them; and, most councils genuinely sought to improve their lot and equally also, inform and improve the sector and its reputation. The research network (as proposed to them) offered an alternative and exciting way to help address those issues. The participant councils subsequently indicated that they considered this innovation as: highly beneficial to council and their employees and the university; providing opportunities to genuinely engage

and share knowledge with each other to everyone's mutual benefit i.e. to enhance the knowledge quotient of those involved and to learn how to span the boundaries between agencies (Agranoff, 2008); and beneficial to the sector and its progressive development over time. Of course there were alternate views expressed by some councils which, while genuinely supportive of the program, highlighted some constraints they had about participating themselves. These included: small council size and thereby not having the resources available to cover those doing the research projects; no-one or too few employees interested in pursuing post-graduate research degrees; no employees possessing the minimal qualifications to enter the research program; major cost reduction pressures (e.g. not replacing staff as they leave and rate hikes) acting as a curb on discretionary expenditure on these perceived 'nice to do if you can afford it' opportunities; and a perception that they currently support enough staff training and development activities. These perceived constraints are reflected in what Krueathep *et al.* (2010), refer to as the dimensions of network formation i.e. local government networks may emerge [or not] as a result of the institutional settings (organizational size, years of existence and community complexity), tasks difficulty (resource dependency, task complexity), management capacity to act (managerial experiences and responsibilities and attitudes), local political climate and the socioeconomic context in which they operate.

In broad terms then, the local government (LG) context [of the participant councils] in which this program is located is one consisting of diverse and challenging pressures [from within and from without] continually confronting and impacting councils operations. These conditions encourage these councils to either seek out or be receptive to new potential ways to manage their 'empire of operations' and to change – whilst remaining highly cognisant of fiscal responsibilities to their constituencies. The LG context in this story perhaps at a foundation level, underpins the enthusiastic reception of participant councils to this initiative and also their active engagement.

3. DESCRIPTION OF A NEW MODEL FOR 'APPLIED RESEARCH' ENGAGEMENT BETWEEN COUNCILS AND A TERTIARY INSTITUTION

This case study model for research engagement with regional councils has two principal formative elements. The first being the development of

councils' own staff as qualified researchers and the second being the University of Wollongong (UOW) acting as an independent facilitative hub for the research projects and candidates and for knowledge exchange between the participants. This model offers a fresh and engaging way to build local innovation capacity and capability which is significantly beneficial to all the stakeholders involved. Figure 1 depicts this rather simple network model.

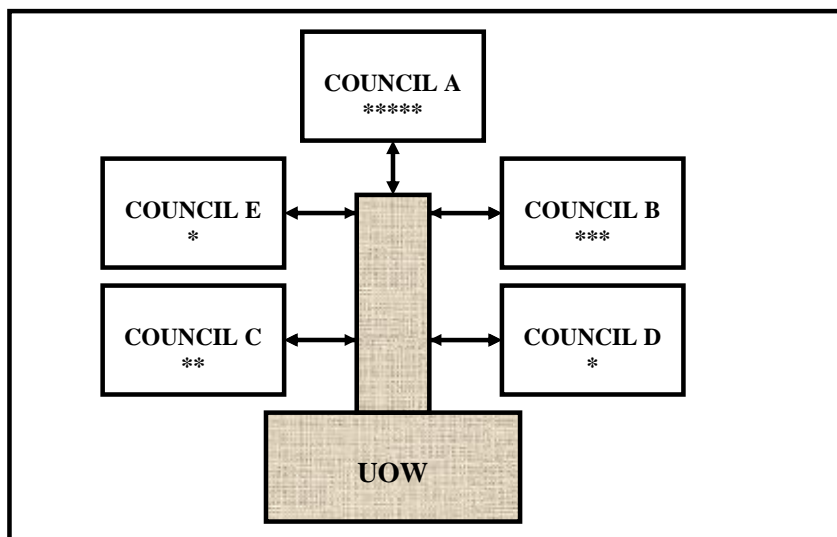


Figure 1. The Case Study Consortium Research Network.

As shown, UOW is acting as a significant foundation hub for the communication and organization of the network and its research activities. Given this consortium has recently formed and commenced operation, this degree of influence is not surprising. In time the necessity or expectation of UOW to serve as a principal means of communicating between the councils on research may shift as research relationships between those participants consolidate and grow. However, given the research emphasis inherent in building these relationships and its fundamental capabilities in research and research skills development, UOW will always be at the core of the facilitation of the research projects and knowledge sharing and dissemination practices for the consortium. The stars depicted in each council box represent

the number of first cohort research candidates from that council now engaged in research projects through the consortium.

Features of the Case Study Model

- (a) Five councils are committed to participation in the consortium with UOW.

As intended, these councils are a mix of Sydney city based and regional councils (approximately within a 120 km radius of Wollongong or 1.5 hours travel time to the main campus) that would bring to the table a raft of different and also related issues for research and practice development. This expected diversity-similarity issues dialectic was considered very valuable for the consortium as it would add to the richness of the exchanges and the learning and knowledge development of the participants. Two of the councils involved can be classified as Sydney urban based, another is urban based but also a major regional centre outside of Sydney, and two others demonstrate both rural and also urban characteristics and are undergoing significant urban growth. These councils and 12 others that were approached were within that catchment zone which was determined to be logistically practical for the face-to-face connections and exchanges desired in the consortium's activities. In approaching those other councils who did not initially partake of the program, it has opened up the potential for them to become passive participants in the program through the provision of additional and accessible research sites for the research candidates' to use.

- (b) Initial cohort of twelve research students consisting of senior council staff.

The councils had the freedom to nominate strategic projects across any discipline area and potential candidates to UOW to join the program. This however was not done in isolation to UOW expectations and minimal entry requirements for research degrees. The Director of the consortium worked with each council in briefing, supplying and preparing material to publicize and recruit participants (which each council adapted to their own internal processes), in auditing the proposed projects and discussing and clarifying them with each candidate, and in aligning potential supervisors with

candidates and their projects. Hence, identification and confirmation of the individual projects and candidates to undertake them, while driven by a council's expressed needs/desires, was also a collaborative activity with UOW. Moreover, the fact that research degrees are HECS free and the flexibility in time afforded in undertaking a research degree were indicated as a strong incentive for these candidates to engage with this program – as opposed to coursework degrees that require regular attendance at lectures often at inconvenient times and at a financial cost to the individual.

As shown in Figure 1 above, the number of candidates and projects at each council varied considerably. The guideline initially provided to each council was a desire to see at least one or two candidates per annum from each council, but in the first year of the consortium that guideline would be relaxed on the basis of how many councils ultimately joined. Consequently, some councils made a determination that they only wanted one or two key projects commencing in the first year and others more than that. In future years of the consortium, and in recognition of the supervisory resources at UOW and council resources, this number from each council will be prudently capped to a maximum of two per council. That way, the quality of the processes and the outcomes to be realised will be maintained. Even at that capped level, over the initial 3 year period, 24-30 research students from across the 5 councils are expected to have commenced their research degrees through the program. As an example of the diversity of these projects and the candidates, three are Doctoral level projects and the remaining nine are Masters by Research level – with some of those capable of being converted to a Doctoral study at a later time. The discipline areas involved range from management, human resources, asset management, social science, marketing to urban planning. Some example project foci include: 'Developing a new model for infrastructure planning in new urban growth areas: A systems thinking approach', and, 'Measuring the success of cultural precincts: The development of key performance indicators'. Thus the program also fosters cross disciplinary knowledge generation and sharing between participants. All projects pursued have received the full endorsement and active support of the senior leadership in each council. That being, councils have agreed they will provide the necessary time to their employees involved in a consortium project to successfully complete it, to attend showcase seminars and conferences and any other situations that assist their project and, as appropriate, provide financial assistance or resources to do so. Since these

projects are considered of significant importance to councils, it is not surprising that councils clearly demonstrate a substantial commitment of in-kind and direct support to their candidates.

- (c) The consortium is intended to be an ongoing and increasingly more expansive collaboration between the parties involved.

This feature whilst appearing to simply reflect the general aspirations of any tertiary institution that wishes to connect with industry organizations is actually quite important to the direction and functioning of the consortium. That being, decisions made by the Director such as the timing of review committees, allocations of funds, and many other operational aspects, take a medium to long term view, particularly since the research projects are not short term i.e. they are completed over 3 to 6 years. Over the initial three years of the program, as the research relationships further develop between the councils and between the councils and UOW, there will be opportunities identified to generate new projects that may require funding from external bodies such as the Australian Research Council. In addition, there are possibilities to also utilise other full time research students or academic staff from UOW to address specific operational problems a council may be confronting. In these different but research focused ways, the consortium will underpin an expansion of relationships between the participants that otherwise may not have evolved.

- (d) The Consortium has a Director who conceived, developed and is now managing it.

The author of this paper is the Director of the consortium. The continuity of his participation from conception to delivery has meant that he has considerable ownership invested in its success and in developing it further. Consequently, it has his ongoing purposeful attention rather than it being a cursory or assigned administrative academic role. His intimate exposure and knowledge of preceding formative actions assists him in being an effective leader of the program. The implication here clearly suggesting, that having ownership and knowledge of such a developmental process may be one key to successfully forming and launching such a network. To further support the Director in his work in this case study, a Review Committee consisting of a

senior representative from each participating council and a similar number of senior academic researchers from UOW, including the Director, will regularly review the functioning of the full consortium program and seek to initiate the development of further collaborations and future projects that generate mutual benefits.

- (e) Involves regular forums for networking, knowledge exchange and relationship building based on research activities.

This feature is crucial in assisting the consortium members to build their relationships and their collective knowledge over time on research related matters. One early example of such actions, involves the operation of a customised research methods development program for the researcher candidates at the start of their candidature. This nine session long program runs on Saturday mornings over five months and provides the candidates a good exposure to essential research methods skills. Much of the student work involved is performed outside of the actual sessions. At the end they are required to present a coherent research plan based on the knowledge gained through the coursework program and on their deliberations with their supervisors. This course is primarily intended to inform and guide their development as researchers while recognizing their skills as competent industry practitioners. It also serves to provide the initial impetus to build their relationships as all parties involved are moved beyond their traditional comfort zones as practitioners. In the near future, regular showcase events will be held that highlight these candidates projects and also some university lead research that may have utility in the sector. The invited guests to those events will be all the researchers in the consortium, appropriate council representatives and the supervisors involved. It is intended that these events involve an intimate expose of the projects where exchanges between guests and researchers are encouraged.

- (f) All direct costs associated with the program are funded through small annual contributions from participant councils.

This feature of the case model recognizes the fiscally constrained context that councils are forced to work within but also that there are expenses involved in running a high quality targeted program that will appropriately

support their staff's research skills development and the development of research collaborations with other councils. It also reflects a financial critical mass to adequately support those consortium activities and an orientation of the Director to astutely manage consortium expenses – reflected in the provision of administration support for only one day per week. It is intended that there will be sufficient funding available each year to also support the dissemination of research outcomes at international or national conferences by a number of candidate researchers. In addition to managing direct costs, the parties also make substantial in-kind contributions. UOW makes a large indirect contribution to the program through research supervision, endorsements, Director representations and visitations to participant councils and other bodies, organization of and participation in forums, provision of venues for forums and meetings, provision of research facilities/tools for the candidates and other administration support for items such as conference and journal paper preparations. The councils make similar in-kind contributions through endorsements, representations, staff released for research and forums participation, staff attendance at conferences and support facilities for their staff researchers. In all, each council makes a minimal cash contribution to the consortium each year which is prudently managed to ensure the quality of the program and that stakeholder expectations are met.

4. CORE STRUCTURAL ASPECTS OF THIS NEW MODEL

Solely based on the development and recent deployment of the case study reported on here (as discussed above), and in its rawest terms, the core structural aspects of this model relevant to other settings include the following:

- *A critical mass of councils* – Identify a critical mass of target councils for funding capabilities and knowledge exchange potential.
- *The staff insider-researcher is at the core* – All parties involved require a continued focus and commitment and undertake clear and supportive actions towards developing nominated council staff to achieve Doctoral or Masters by Research degrees.
- *Projects must be relevant and valued* – Research projects must be concerned with important issues facing councils' operations.

- *Communal knowledge management processes are essential* – Establish communal knowledge generation and sharing processes throughout the network life cycle.
- *Research supervision capabilities and capacities* – progressively confirm the availability of research expertise in the tertiary institution to guide research projects and the development of council staff as researchers.
- *Long-term and collaborative perspectives* – Take a long term collaborative relationship view for the program and treat that as a core value.
- *Establish a champion early to own the process* – Embed a Director early to facilitate and guide such a program’s actions and relationship building with councils.
- *Share the financial costs involved* – Fund the program through equitable and small cash contributions from participant councils with all parties contributing in-kind support.

Notably these eight structural aspects are interacting and complementary and therefore if any one structural aspect is overlooked then the success of the initiative may be less than desired. Overall, this model promotes industry based and context relevant insider-research which generates empirically grounded knowledge and tools to assist council employees and their organizations to adapt and change. Therein, UOW as the participating tertiary institution in this case, is a very important and very active participant in the functioning of the consortium and in generating and disseminating outputs from it.

5. IMPLICATIONS FOR THE LOCAL GOVERNMENT SECTOR

The practical implications of this model of research engagement between local councils and tertiary institutions, for the local government sector are quite significant. The first concerns councils’ investment in developing their own people through a research channel. This approach is clearly different to the standard training and development packages which arguably deliver more immediate and normative outcomes. A research orientation places a sharper focus on the longer term and progressive development of individuals which

may not produce immediate results and may be comparatively more chaotic and challenging in process for the individual and the council involved. Hence, councils will need to be receptive to such deviations and differential expectations.

A second implication concerns councils becoming more actively and directly involved in the generation of new knowledge for the sector. As their 'insider-researchers' undertake their research on important issues confronting their council employer, their council and indeed additional councils necessarily provide the sites and the access to information sources to help better understand phenomena in their contexts. This means they will need to be explicitly and implicitly supportive and tolerant of their researchers probing their organizations and at times, revealing and reporting on matters that may be uncomfortable but necessary if one is to address issues appropriately. In being such active players in the research process, councils can become the generators or exporters of new knowledge to the sector rather than remain as just recipients of knowledge from other research external to their regional contexts or even the sector itself.

A third implication concerns councils' purposeful research engagement with local tertiary institutions and other councils. Whilst there are many examples of engagement processes between such entities across the sector, this model specifically opens up new relationship opportunities for councils and their staff to regularly access or 'tap into' knowledge and research expertise residing in our tertiary institutions and to access knowledge in other councils. The challenge for councils (and also the tertiary institutions and their staff) is to build and maintain such externally focused relational activities so as to ensure the highest quality of any research project outcomes and to stimulate new projects/possibilities that may benefit all. A final implication for councils involves their preparedness to more broadly expose matters relating to their operations through the research projects and through the dissemination of the research findings across the sector. In participating in such a network, councils need to accept that information on their functioning may be explicated and shared (in sensitive and aggregated ways) with other councils, and also to the sector and beyond through academic publications. Hence, any high sensitivity to such matters may be problematic for their successful engagement in such a program.

6. CONCLUDING REMARKS

The relevance of research to practitioners' real problems is highly desired in the public administration sector internationally (Isett *et al.*, 2011). The model presented in this paper is an excellent example of one way to systematically achieve such an outcome where the research projects and the candidates pursuing them are intimately related to strategically important operational matters for the organizations concerned. In one sense, who better to investigate a real practitioner problem than the practitioner themselves, provided they are equipped with the research and analytical skills and the academic guidance and support necessary to ensure both theoretical and practical robustness. The network to-date has spawned twelve new, diverse and applied research projects in the sector that will generate new knowledge across a number of discipline areas and whose findings will have relevance across the sector and beyond. This research network is clearly one that is highly approachable and practically oriented for those involved. Through their human and social capital invested in the network operation over time, it will facilitate and promote the building of local government internal capabilities and capacities to be able to adapt and lead change in their practices.

In essence, as shown in Figure 2 below, the reported network presents a win-win-win situation for the participants involved. For example, UOW will benefit from additional research students and publications. Councils will benefit from new research linkages with other councils and from having work performed on strategic projects of value to them with the development of new methods or tools to address those challenges. Individual researchers will benefit from obtaining new skills and knowledge and links to others in the sector as well as achieving a formal high-level research degree. Consequently, little wonder the model presented in this paper has received such strong support from the sector. Drawing on this case alone, some core structural aspects of the network have been postulated. These structural keys may have utility and relevance for other regional councils that seek to improve their adaptive capabilities through an emphasis on research.

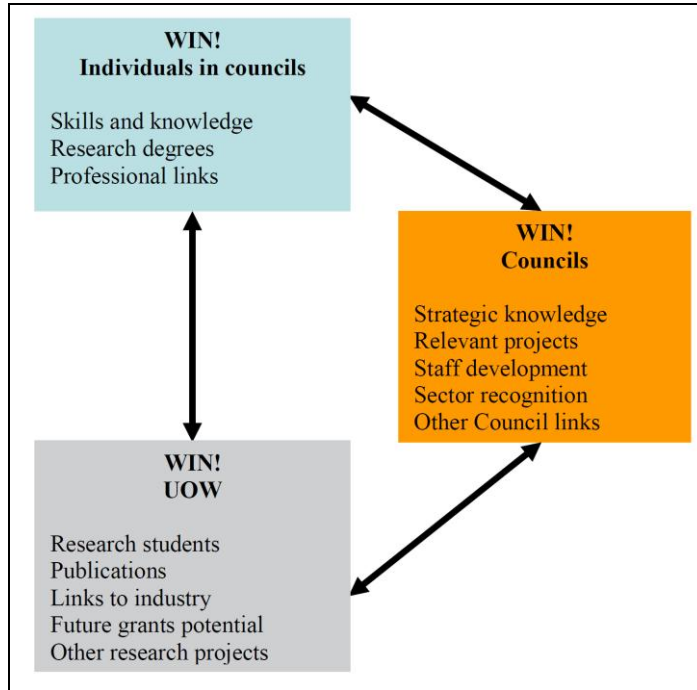


Figure 2. Benefits to the Stakeholders Involved.

Limitations of this Paper and Further Research

As stated previously the purpose of this paper was to report on one case study of a new and formal network of local government ‘insider-researchers’ supported by a local tertiary institution, and to articulate the core structural elements of such an innovation. Subsequently, the paper did not attempt to provide a deep theoretical analysis on such a development. Any deeper theoretical and more expansive evaluation of this singular case will be the subject of further research and publication activity. Also, the core structural aspects proffered in this paper are not intended to be viewed as always universally applicable to any research network in the local government sector as this is an exemplar study of a unique singular case. Thus, the possible applicability of those outcomes in other contexts should be interpreted wisely from that perspective.

In respect to further research building on this study, there are a couple of more apparent options to progress. Firstly, this original network will be under ongoing research scrutiny by the author over the next three years. As such, a process study which captures the intimate perspectives of all the players involved may offer further and deeper insights into the functioning of the human actors in such a network organization and how that relates to or impacts its success. Furthermore, assessing the uptake and impact of the findings generated from potentially some 30 research projects across the participant council organizations may also prove informative for the industry organizations and the academic institution involved.

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