THE RELATIONSHIP BETWEEN
GOVERNMENT AND NON GOVERNMENT
SECTORS: THE CASE OF TASMANIA

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Declaration of Originality

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Signed: ...........................................................................................................

Date: 4 June 2014............................................................................................
I would like to thank the hard work and valuable support and supervision from my supervisor, Dr Megan Alessandrini. I have had the good fortune to have had Dr Alessandrini supervise both my Honours and PhD dissertations and her guidance throughout my university and early working career has been invaluable. Thank you Megan for your time, support and mentorship during my career.

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Thank you as always to my parents, family, friends and work colleagues who have been so supportive.
LIST OF ACRONYMS

ACOSS- Australian Council of Social Services
APS – Australian Public Service
ASF – Agency Sector Forum
CSO - Community Sector Organisation
DCHS – Department of Community and Health Services
DHHS – Department of Health and Human Services
DPAC – Department of Premier and Cabinet
NPM - New Public Management
NGO - Non Government Organisation
NCP – National Competition Policy
RCAGA- Royal Commission Australian Government Administration
TasCOSS – Tasmanian Council of Social Services
The Plan – Tasmania’s Community Services Industry Plan
TPA – Trade Practices Act
TSS- Tasmanian State Service
UK - United Kingdom
NZ- New Zealand
The role of Government in the 21st century has been dynamic and is rapidly changing beyond conventional understandings of public administration. Widespread reform to public administration across most developed countries has occurred, with Australia no exception. Whilst changes driven under ‘new public management’ (NPM) are well covered within public administration literature its transformation has not been limited to these restructuring efforts.

This thesis examines the mechanisms available for actors and non-government organisations to participate in the policy process. In doing so it considers whether bureaucratic traditions are fundamentally resistant to consultative changes. Despite the span of literature on the increasing use of consultation in policy making, there is limited applied investigation of consultative changes. This thesis bridges the gap between theoretical understandings of consultation and its practice. In doing so it provides critical scrutiny of the challenges and barriers facing government and non-government sectors.

Tasmania’s Health and Community Sector provides an illuminating example of the challenges facing government and non-government organisations. This sector has undergone significant changes in the business of policy making with several attempts made by the State to move towards partnership style arrangements. In doing so policy makers in both government and non-government sectors have faced significant challenges as they move into a new realm of policy making, one where each sector is increasingly reliant on working with the other.

Overwhelmingly this thesis illustrates significant challenges and barriers faced in the new policy paradigm. Whilst consultation has indeed brought forward higher levels of trust and reciprocity in the policy process, there remain significant structural barriers to an effective working relationship. Key issues include organisational memory and long term policy planning. The case of Tasmania illustrates that consultation appears to be embraced in spirit if not in practice. These findings provide significant lessons to policy making; lessons not simply confined to Tasmania. With governance increasingly perceived as a 'balancing act' between government and community sectors, the findings of this dissertation are noteworthy. This thesis highlights challenges facing consultation and collaboration between these two sectors.
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INTRODUCTION

The role of Government in the past thirty years or more has been dynamic; rapidly changing beyond conventional understandings of public administration. Widespread reforms in this area have not been ignored in Australia. Traditionally public administration in Australia has been delivered through the Australian Public Service (APS). Theoretically, the APS acts in an apolitical manner. The phrase of ‘full, frank and fearless’ advice is one that is familiar across Australian public administration literature. ¹ This depiction of the administration and delivery of public policy in Australia is somewhat dated. Where the domain of the public service once lay, considerable transformations of this sector have been undertaken. Within Australia we can clearly identify the

impact of Managerialism or New Public Management (NPM) style reforms. These reforms adopted the approach of the business or private sector and applied it to the typically bureaucratic public sector. The public service has transformed from a central bureaucracy to a hybrid of traditional approaches with market mechanisms.2

Whilst market based changes to the public sector have been well covered in public administration literature, reforms have not been limited to this area. Over the past decade or more, there has been a move towards more collaborative ventures.3 There is an emphasis on collaboration between government and non-government organisations; and an increased importance within the public sector on the need for consultation within public policy making. Indeed, it seems increasingly prevalent in current policy literature to explore the rise of consultation and participation in public policy-making.

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In light of recent trends, public administration can no longer be perceived as the domain of government alone.

Increasingly government and non-government sectors are required to work together to deliver policy reform. There is a demonstrative change towards collaborative and consultative approaches to policy making; approaches that often encourage partnership between government agencies and external stakeholders. 4

Conventional understandings of government administration have changed. Alongside these changes, the non-government sector has also experienced significant reform. Traditionally, non-government organisations (NGOs) are understood as independent organisations “neither run by government nor driven by the profit motive like private sector businesses.” 5 However it is clear that conventional understandings are no longer applicable with NGOs often receiving government funding and developing clear corporate identities in their own right. 6


5 D. Lewis and N. Kanji, Non-Governmental Organizations and Development (London: Routledge, 1999): 2

6 Ibid
Issue raising or advocacy may have once been perceived as the traditional domain of NGOs. This understanding, however, is increasingly perceived as outdated. NGOs are frequently more referenced as private organisations that do not make a profit. The emphasis is often on the role of NGOs as organisations concerned with socio economic or political change – be it local, national or international. Common themes in the literature include a focus on helping disadvantaged. This key distinction immediately paints NGOs differently to other organisations like business, union groups or other professional organisations.  

Whilst debate remains over the role and definition of NGOs, it is clear that the sector has moved beyond merely issue-raising and activism. NGOs increasingly work collaboratively in the policy process with government policy makers. This is indicative of a policy arena where problems are often too complex to be limited to government resolution. With the increasing density of political issues, government agencies may now seek

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perspectives from actors on a range of issues; networks are increasingly used to provide policy expertise, feedback and service delivery.  

Public administration has moved beyond the bounds of government agencies and now routinely connects with other organisations and actors to engage in the delivery of public services. These have been initiated to create a more collaborative approach to policy development and are intertwined with the rise in public participation and participatory policymaking.

Exploring Tasmanian Policy Processes

Collaborative changes to policy processes are reflected in the case of Tasmania. Tasmania embodies a changing public policy paradigm; one that increasingly emphasises notions of partnerships and participation. This thesis explores the challenges facing government and non-government sector relationships. It utilises current trends within policy literature and applies it to a specific case study of Tasmania. Research within this thesis indicates that, over the past decade or more, the Tasmanian Health and Human Services sector has seen a number

of attempts to move towards consultative policy making between government and non-government sectors. Aims of eventual partnership style arrangements have also been identified in this area. This dissertation particularly focuses on a pivotal initiative in Tasmania – the Changing Relationships project.  

In 1996 the Hon Peter McKay MLC, the then Minister for the Department of Community and Health Services (DCHS) initiated a strategy that became known as Changing Relationships or the Changing Relationships project. Changing Relationships was a process aimed at commencing a new partnership; to smooth the progress of communication between government (and government agencies) and community service provider organisations. It outlined a new strategy for consultation within policy making that was to occur between government, government agencies and the non-government sector. It was to provide for greater community sector participation in the policy process– moving policy making out of a strict, all bureaucratic process. The Changing Relationships project was designed to develop a more fruitful relationship between government and

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non-government sectors, with eventual aims of partnership arrangements.  

This dissertation focuses on reforms from the mid-1990s onwards, a time that marked a turning point in policy making. The *Changing Relationships* project provided a catalyst for a new dynamic in policy making. It articulated a desire for market notions of efficiency and effectiveness, but simultaneously indicated steps towards policy making that is more effective by being ‘engaged’ with the community: a clearly defined partnership between the government and community sector. The findings of this dissertation’s research explore the ongoing relationship between the two sectors and the challenges faced for policy making.

**Argument of Thesis**

This thesis places Tasmania within a wider context of participatory policy literature. Participatory policy making, social

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18 Office for the Community Sector, ‘Draft Strategic Plan’: 4-6; Department of Health and Human Services ‘The Agency Collaboration Strategy’: 2-10
capital and community policy making have been increasingly popular in public policy literature. As the literature review in this thesis will illustrate, public administration in Australia has gone through significant reforms over the past forty years. It has moved from a system largely based on traditions of bureaucracy to a system embracing business principles of competition, efficiency and effectiveness. Public administration has evolved and this thesis serves to illustrate present public policy processes.

One of the strongest changes in public administration is the emphasis given to consultation. Indeed, consultation now appears to be the ‘watchword’ of policy making. Within the current literature reviewed, credence is given to the sharing resources, rules, norms and values. However the current literature significantly overlooks power dimensions. This thesis argues that network approaches are inherently based in power and cannot be ignored. Government continues to have a significant role within policy networks, and interactions between actors and groups prove pivotal – particularly where government funding and resources are critical.

This thesis argues that concepts of participation and consultation in public policy need more rigour. Often the theoretical field and the practical method differ greatly. This
thesis engages instead engages with this growing field of literature in a practical way. There is little research on how consultative measures operate in practice. Tasmania is a particularly under researched area within Australian literature, and discussions of the practice of policy consultation are particularly under theorised in this area. This case forms a focus for this thesis, with specific consideration to the critical changes in the Health and Community sector.

By engaging with the practical dimension of consultative policy making, this thesis illustrates a number of key trends. These findings provide significant insight into Tasmanian policy making. However they also prove integral to providing comparative analysis across Australia (and indeed internationally). Governments in all areas are increasingly moving into forms of partnership, collaboration and consultation with the third sector. This research provides a case study in which to focus some of the challenges facing the way government and non-government organisations ‘do business’.

This thesis argues that there have been positive changes to Tasmanian public policy making as a result of the Changing Relationships project. Since the inception of Changing Relationships the Health and Community sector has evolved from
a problematic and volatile arena, with ‘ad hoc’ policy processes, to a sector with demonstrably high levels of trust and reciprocity between government and non-government sectors. This has been identified a critical change in the Tasmanian health sector and shows a remarkable departure from the fraught and frustrated relationships identified by the Changing Relationships project in the mid-1990s.

Despite some positive reforms brought forward through Changing Relationships, aims of partnerships have largely been neglected. Changing Relationships spearheaded a number of changes in the Health and Community sector. It was a project that showcased Tasmania as an innovator; a state leading the move towards partnership between government and non-government sector. This leadership was short lived. Whilst there have been some advances, key obstacles to policy making also remains. These obstacles have hindered original aims of partnership between the two sectors. This thesis argues that Tasmania no longer leads partnerships processes in Australia, with commitment to these aims waning significantly over time.
Research Aim, Scope and Significance

The future of public administration is a topical and relevant issue in the current public policy arena. Future trends in this field are poignant for both government agencies and non-government organisations alike. Internationally the growth of government and non-government collaboration is a growing trend, particularly driven by compact and strategic planning arrangements led by the United Kingdom (UK) and Canada. The influence of partnership arrangements overseas has been keenly felt in Australia, both nationally and at State and Territory levels of government.  

At a national level, greater development towards aims of partnership have been identified. Changes in this is area were formalised in 2009 when the Rudd Government commissioned a report on reforming Australian Government Administration. Amongst a swathe of recommendations this report illustrated a desire to include greater participation in policy making.  

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19 I refer to examples such as the National Compact (Commonwealth), Victoria’s Strategic Plan ‘Growing Victoria’ and South Australia’s ‘Strategic These are discussed and referenced in more detail in Chapter Four of this thesis.

Similarly prominent Australian leaders including former WA Premier Geoff Gallop and the Business Council of Australia have referred to rising trends in public administration involving more collaboration between the two areas. 21 Thus, it is clear that the relationship between government and non-government sectors is ever prevalent. It is a relevant and topical issue that is only confirmed by the sizeable literature on consultation in policy making. These trends are well discussed in current policy literature. It is clear that the non-government sector has moved beyond political activism and agenda setting, to a role involving more collaboration with government and policy makers. 22

The primary rationale behind this thesis is to bridge the gap in the vast amount of literature on participatory policy-making and the somewhat limited investigations to date in applying these ‘trends’ to Tasmania. More specifically, this thesis intends to examine the mechanisms involved in policy making and how they facilitate consultation and involvement of actors in the policy process. Thus, this dissertation’s objectives are twofold: to consider whether policy making in Tasmania enables consultation between NGOs, individual actors and government. This thesis, however, also seeks to understand the mechanisms of

policy making and what barriers government and non-government sectors face when working together.

In demonstrating the challenges facing government and non-government sectors, this thesis provides a focused case study: the case of Tasmania and the Health and Community sector. To provide a case study on policy consultation the scope of this thesis is necessarily limited. It therefore purposefully chooses to focus solely on Tasmania, seeking to ensure deep and meaningful research with a select number of key informants, rather than pursuing a wide ranging and potentially more superficial study. Moreover Tasmania has been chosen because of its significance in leading national partnership arrangements under the *Changing Relationships* project. This project was informed by international movements, particularly in Canada and in Oregon, and was one of the first States in Australia to develop these trends. 23 Tasmania as a State is therefore significant in examining progress towards consultative policy arrangements.

This thesis is significant in its discussion of Tasmania as an early adopter of consultative policy arrangements. This dissertation firstly has importance within the broader research

23 M. Alessandrini and B. Ryan, ‘Changing Relationships. A Case Study in Reform of Government/Community Sector Relations’: 1
context, as there is very little in depth research on the policy processes that occur within Tasmania. This thesis also distinguishes itself from other research in this field through its focus of the facilitation of consultation processes as a whole, rather than providing a specific analysis of existing policy initiatives. Through this in depth examination, this thesis highlights the notable barriers to effective policy-making as observed by key informants from government and non-government sectors. These observations are significant beyond the state of Tasmania. With the public policy sphere today emphasising concepts of partnership and participation, policy making is often perceived as a ‘balancing act’ of government and community sector interests. The issues faced by these sectors in Tasmania are transferable at a national and international level with the initial findings of this research significant for future research in this policy field. The challenges faced by Tasmania are not exclusive to this state alone.

**Research Approach**

This thesis uses an interpretive approach, derived largely from Bevir and Rhodes’ theory and research in this field.\(^{24}\) This

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thesis uses multiple research methods in an interpretive approach to explore the processes involved in Tasmanian policy making. It provides a framework for analysing the existing literature within this field of research and for providing a secondary analysis of a number of primary sources. Interpretivism is encompassed within the non-positivist perspective and operates from the assumptions within the non-positivist position. Interpretive research argues that there can be no ultimate ‘facts’ and truths’ - all are relative depending on our various individual perspectives.

The interpretive approach strongly emphasises the importance and value of understanding beliefs, ideas and values. It seeks to interpret meanings. The emphasis given to primary, qualitative research places value on others’ interpretation, understanding and reaction to changes to policy consultation within Tasmania. The interpretive position is therefore pivotal to the way in which this dissertation then interprets and analyses primary research.

Research Methodology

This thesis purposefully administers mixed research methods involving a combination of semi-structured interviewing, participant observation and secondary analysis. A qualitative research approach is taken with in-depth interviews undertaken with ten key informants. Key informants were selected from government and non-government sectors and a balance between the sectors were maintained. There were some variability’s in the roles key informants played within their respective sectors as all held different levels of expertise and service in their current occupations. The overwhelming majority of key informants had more than a decade’s experience working in the Tasmanian health sector and had much expertise in this field. Thus, all informants chosen were highly skilled and professional workers enabling a balanced power relationship and professionalism between the interviewer and interviewee.

In Tasmania, data was collected by invitation to participate in a voluntary interview. No participants were coerced into participating in the interview process and were given full anonymity. All interview material remains confidential and their identities remain anonymous in the reported data.
Primary research gathered through the interviews of key informants was critical to this thesis. However this did not form the sole basis to the evidence base collected in this dissertation. Secondary analysis was also incorporated. Secondary analysis is essentially defined as an analysis of data that was not conducted through primary research. It allows for analysis of primary research collected by another researcher. Utilising secondary analysis allows for analysis of existing information and compilation of existing research. ²⁸ To incorporate secondary analysis into this thesis, a number of primary sources were analysed and dissected, enabling triangulation and confirmation of findings to occur. This built on the review of literature and theoretical framework adopted for this dissertation, whilst simultaneously providing much needed context in the - often under researched - arena of Tasmania.

**Structure of Research Project**

**INTRODUCTION**

The introductory chapter of this thesis introduces the overarching argument and key themes of the research. It provides

a brief summary of the literature reviewed and an overview of the research approach and methodology employed. The introduction also provides a chapter outline and an illustration of how the dissertation will unfold structurally.

CHAPTER ONE

Before discussion on the scope of Tasmanian research into consultation and policy making and other thematic areas of significance can be outlined, the framework of analysis for this dissertation is outlined. The first chapter of this thesis therefore illustrates the research approach taken within this thesis. It sets out the research methodology and research design undertaken within this dissertation. Given the importance placed on primary research in this thesis, an overview of the ethical considerations taken into account when conducting this part of the thesis is outlined. This chapter then sets out the methodology selected (namely semi-structured interviews) and its application and relevance to this dissertation’s research.

CHAPTER TWO

This thesis has purposefully chosen to divide its examination of literature and relevant field research into two distinct chapters. Chapter two focuses on the national and
international narrative. This will eventually provide context for the decisions and strategies adopted within the State level in Tasmania. The wider themes form the focus for this chapter with the attention specifically on the evolution of public service and public administration in Australia. The ‘spheres of society’ are used as signposts to unpack Australia’s traditions of public administration. It examines the establishment of the traditional bureaucracy and the public service. It then turns to the pivotal changes in this institution. It particularly focuses on the evolution of the public service in light of criticisms of its ‘red tape’ attitude, inflexibility and lack of service delivery. Thus, there is concentration on the market-oriented reforms of the public service emerging in the 1980s and 1990s. Said reforms are well covered in Australian public administration literature. This lends itself to examining the impact of these reforms, and the rise of community and participatory oriented decision making in Australia.

**Chapter Three**

Chapter three advances the theoretical perspective to this thesis. This chapter illustrates the convention that public policy making is increasingly complex, often now involving consultation. This particularly speaks to a multifarious relationship between government and outside stakeholders,
particularly NGOs. In doing so this chapter examines policy network theories. It demonstrates how the concept of policy networks can be utilised to examine and explore the process of policy making. This chapter illustrates a networks as a way of understanding and unpacking the relationships and interactions involved in the policy making process. Thus, policy networks are highlighted not just as literature on a changed approach to governance, but as a tool of analysis to be employed. They provide a framework of analysis for understanding the relationship between government and non-government sectors and examining the primary research conducted.

In exploring policy network literature, this chapter also poses an additional theoretical concept to the existing field. It recognises the value of policy networks in explaining governing processes, particularly in the often multifaceted relationships between government and external organisations. However this chapter adds a dimension of power analysis to this theory, illustrating that policy network theory largely only accounts for

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31 Ibid
agency, and traditional work in this field gives little credence to the structure of interactions. In applying an additional power dimension to policy network theory, this chapter illustrates how this approach can illuminate the primary research of this theory and interpret the different relationships between actors, interest groups and the State.

**CHAPTER FOUR**

Chapter four acts as an addition to the key literature review provided in chapter two. It provides some much needed information on the case of Tasmania and is critical in established in the scope the Tasmanian health sector. This was vital in terms of placing primary interview data in context of broader trends both within Tasmania and nationally and internationally. This chapter therefore focuses more specifically on the Tasmanian dimension, incorporating research on this sector. Chapter four examines the dilemmas involved with policy making. It examines traditional bureaucratic beliefs and how they deal with changes to the policy arena. It specifically looks at how Tasmania has followed Commonwealth trends – particularly marking the importance of the National Productivity Commission – which resonated strongly with the introduction of the *Changing Relationships* project. Thus, chapter four is focused on setting out the context for changing consultation mechanisms between
government agencies and external stakeholders. It sets out the context surrounding the establishment of the *Changing Relationships* project. This chapter then examines the process leading up to these areas and broadens its discussion to consider how these projects illustrate a changing relationship between government and the community sector.

**CHAPTER FIVE**

Chapter five offers a meaningful collation of the vast interview data collected for this project. It distils a breadth of in depth primary research into key thematic areas, offering a summation of the critical elements that primary research presented. It is noted that full interview data is collated in Appendix 1 of this thesis.

**CHAPTER SIX**

Chapter six provides a vital analysis of the key themes raised within the interviews with government and non-government sector employees. The field research conducted for this project focused on shedding light on the relationship between bureaucrats operating in the public service in the DHHS and those working in the non-government sector in Tasmania. The evidence provided in this thesis illustrates four significant findings in this field. These
findings are expanded upon in this chapter and listed under key themes of:

- Power Distribution: The Relationship Between Power and Consultation
- Organisational Knowledge and Memory
- Leadership: Long Term Decision Making and the Role of Policy Makers
- Achieving Consultation: Lessons from Tasmania

Thus, this chapter is organised into four sections that clearly distil the primary research into major findings and key issues for further discussion and analysis:

**CONCLUSION:**

The concluding chapter offers a final analysis and comment from primary research findings. It summarises these findings and illustrates how they correspond with existing literature in this field, thereby demonstrating the significance of the research advanced in this dissertation. This chapter also identifies potential for further research and the potential applicableness of this thesis.
CHAPTER ONE

RESEARCH APPROACH AND METHODOLOGY

Before a discussion on policy consultation in the case of Tasmania can be presented, the approach and methodology undertaken throughout this thesis must be outlined. This chapter provides an overview of the approach undertaken through this research. It introduces and explains the interpretive approach as adopted within this dissertation, simultaneously illustrating why interpretivism is a useful and relevant approach to this project. This chapter justifies the use of the interpretive approach, simultaneously setting out the form of interpretivism offered within this dissertation. The interpretive approach is wide ranging and influenced by a number of different fields within the humanities, thus it is appropriate to establish the form used within this thesis. It is also relevant and pertinent to outline the critiques levelled at the interpretive approach, and to swiftly dismantle these claims thereby demonstrating the appropriateness of
interpretivism for this dissertation. This chapter argues that an interpretative approach is the most appropriate analytical framework. It specifically articulates that the interpretive approach best explains and offers understandings of political activity - it identifies and investigates the beliefs, thoughts and values discussed within primary research. An interpretive approach offers the most appropriate and insightful means to analyse the research conducted within this thesis.

The research approach utilised in this dissertation is examined in this chapter. However this chapter has a secondary purpose – to outline the research methods adopted across this dissertation. The thesis employs multiple research methods in an interpretive approach to explore the processes involved in Tasmanian policy making. It purposefully administers mixed research methods involving a combination of in depth, semi structured interviews and secondary analysis. This chapter therefore not only illustrates the interpretive approach to research taken within this thesis, it also explains the means in which its primary research is administered and conducted.
Research Approach

Non Positivist Approaches

The approach adopted for this thesis is encompassed in the non-positivist framework. Under the non-positivist framework, this thesis adopts an interpretive approach. Interpretive approaches have a distinct theoretical position; one that encompasses approaches from ethnology, hermeneutics and more recently, post-structuralist and post-modern philosophies. It is steeped in the traditions of socialism, ‘social humanism’ and critical realism.

Drawing on the non-positivist traditions within the humanities, interpretive research argues that there can be no ultimate ‘facts’ and truths’ - all are relative depending on our own individual perspectives. As Resnick notes:

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...the empiricist assumption that dominated many branches of psychology for decades, the assumption that what we know is a direct reflection of what we can perceive in the physical world has largely disappeared.  

Within the political science and public policy arena, interpretation is pivotal. This thesis unpacks events and examines the beliefs, values and motives that are interlinked. It adopts that there is no true objectiveness to be discovered through research. This approach allows for analysing and explaining the way that individuals acts, but notes that this cannot be objective – in contrast to positivist approaches within the political sciences Using this approach essential assists in offering and analysing explanations for the way individuals act. 

The interpretive approach then, disputes the notion of absolute truths. It suggests that one interpretation cannot be maintained over another. Interpretive approaches do not suggest a definitive or absolute truth. They instead show an interpretation. There is no indication of the notion of ‘objective’ social facts. Given that we all have our own perceptions and reason to base our interpretation of events and decisions, there can be no complete objectivity or truth in research. All research simply

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offers is our own interpretation based on beliefs, desires and values that are held. Interpretive studies assume that people create and associate their own meanings as they interact with the world around them. Interpretive researchers attempt to “understand phenomena through accessing the meanings participants assign to them.”

An interpretive perspective operates from non-positivist assumptions, arguing that all human behaviour is socially constructed. All actions and behaviour come to be interpreted by others. Social actions are therefore “dependent on their recognition by social actors.” It is through this recognition that meanings are established. Interpretation of these meanings is dependent on our own values and beliefs, given such preferences shape the way we view social actions. This perspective argues that people hold and attach to particular beliefs and meanings, but such beliefs and meanings are not self-evident and apply to those that hold them. Thus, the interpretive approach argues that there are no ultimate truths or meanings. Texts in themselves “do not have intrinsic meanings”; they are given meanings by

40 Ibid
41 Ibid
individuals. Interpretive approaches assume that “to understand actions, practices and institutions, we need to grasp the meanings, the beliefs and preferences of the people involved.”

This chapter has so far introduced a non-positivist framework and the interpretive approach to political science. It has set out its importance and how it interprets texts and meanings. However within interpretive theory there are a number of variants and different approaches to this perspective. To adopt an appropriate option for this thesis we consider the two main strands identified within interpretive theory. Bevir and Rhodes argue that interpretive approaches have two main strands: one focused within the humanities and particularly history. This ‘side’ is based in hermeneutics, ethnology and phenomenology and largely seeks to understand how people attach meanings to ‘social action’. The other perspective in interpretive approaches is informed by post structuralism and post modernism.

This thesis largely falls within the tradition of interpretive theory informed by the hermeneutics/ethnology strand. It is particularly informed by the works of Oakshott, Geertz and

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42 Ibid
43 M. Bevir and R.A.W Rhodes, ‘Interpretive Theory’, 7
44 Ibid, 3
45 Ibid, 4
Collingwood. It is embedded in the tradition of ‘thick description.’ These approaches allow for a way of understanding “the meanings people attach to social action in their own or other societies.” Geertz argues that individuals are “suspended in the webs of significance they have spun.” The idea of ‘thick description’ makes clear our own interpretation of other people’s constructions and thoughts. Within the research practice our writing therefore becomes our construction of other people’s ideas of what “they and their compatriots are up to.”

As Denzin records, thick description does not simply record, it:

… goes beyond mere fact and surface appearances. It presents detail, context, emotion, and the webs of social relationships that join persons to one another. Thick description evokes emotionality and self-feelings. It inserts history into experience. It establishes the significance of an experience, or the sequence of events, for the person or persons in question. In thick description, the voices, feelings, actions, and meanings of interacting individuals are heard.

47 M. Bevir and R.A.W Rhodes, ‘Interpretive Theory’, 8
50 K. Denzin, Interpretive Interactionism, 83
Alternatively, as Bevir and Rhodes succinctly summarise, it is about “seeing things from the others point of view.”  

51 The notion of ‘thick description’ focuses on understanding context of situations or behaviour and assigning intent to the behaviour.  

52 To provide credible research the context in which interpretation is made must be described.

Utilising an interpretive approach, with an emphasis on ethnography, essentially allows a personal interpretation of individual accounts. This is used in this thesis to allow for an interpretation of accounts given by participants. Interpretive approaches allows one to interpret participants. It “guesses at meanings, assesses the guesses and draws explanatory conclusions from the better guesses.”  

53 It offers one particular interpretation of events. This thesis does not suggest that these are the only conclusions that could be drawn, or that they are implicit correct. It merely offers one perspective based on the literature reviewed and the primary research conducted. Interpretivism takes the perspective that as human beings operate under a number of different values and assumptions and therefore offer different interpretations of actions and events.

51 Ibid
53 M. Bevir, and R.A.W Rhodes, *Interpretive Theory*, 2-4
Similarly, the influence on hermeneutics within interpretive theory allows for a focus on interpreting texts and actions. Hermeneutic approaches particularly focus on the way we interpret texts and actions. It fits well within Collingwood’s work on the ‘history of ideas’. Habitually, hermeneutic approaches within the humanities “explore the existential nature of understanding while recognizing it is embedded in tradition”. 54 Collingwood argues that political knowledge is largely informed by history, and this best explains political behaviour and informs our beliefs and values.55

Criticisms of Interpretive Theory

This thesis argues that interpretive theory is the most appropriate method for this dissertation. Despite this, interpretive approaches are not without critique. This is important to address and ultimately refute. Critics of interpretivism argue that this approach lacks critical power.56 Research in this field suggests that interpretive approaches focus on the detail of small cases, without applying this

broadly. In some respects this critique is embodied in this thesis, with its analysis on the specific case of Tasmania and the focus on the Health and Community sector in this region. However to suggest that interpretive approaches do not allow for more wide ranging observations – and indeed generalisation – is misguided. Interpretive approaches allow for nuanced evaluation or inquiry to gain insights into particular areas or events. These findings can then be applied against a broader theoretical framework. Whilst operating under an interpretive approach indicates that the findings are subjective – that is they are the interpretation and analysis of a particular researcher – this does not mean that analysis is limited to a focus on minutiae. In the case of this dissertation, a concerted focus on a specific sector allows for a local analysis of wide ranging trends and changes within the policy sector. This may not form a specific doctrine, but continues to allow for meaningful exploration and policy analysis.

One of the more prominent critiques of interpretive approaches, Keith Dowding, argues that interpretive theory forms less of a rigorous


theoretical approach and more of a “methodological toolkit.”

Criticisms in this vein suggest that interpretive approaches are too simplistic. Dowding particularly argues that interpretive approaches simply take into account that researchers have different views and will interpret events differently, depending on their own background, values and perspectives. Said critics suggest that this does not add any rigour to political sciences. Critics of interpretive approaches argue that the object of research is to “sift through competing claims to examine evidence both theoretically and empirically in order to distinguish true claims from false ones.” In contrast, this thesis argues that interpretive theory does not make assumptions about the way data is to be gathered. The crux of an interpretive approach centres on data being treated as evidence of people’s beliefs, rather than as something that can be placed into specific norms or categories.

Applying Interpretive Approaches to Data Collection and Analysis

62 M. Bevir makes a similar point in M. Bevir with R.A.W. Rhodes, “Interpretation as Method, Explanation, and Critique: A Reply” British Journal of Politics and International Relations, 6 (2004): 156 - 161
63 Ibid
Whilst acknowledging the critiques levelled at interpretivism, this thesis maintains that an interpretive approach allows for analysis that is both descriptive and informative. Interpretive approaches have the distinct advantage of allowing the researcher to “analyse their data inductively.” This thesis therefore analyses and interprets the findings in the case of Tasmania against a theoretical framework. One key element in interpretivism is a search for meaning through directly interacting with the element that is being study. This is combined between what is experienced by the researcher and the subject. Working with and breaking it down into concepts, themes and meanings that are meaningful and contribute to the research. The researcher’s own perspective and conceptions are openly used and findings within this thesis (as discussed in the Data Analysis chapter of this dissertation) are interpreted through the lens of the researcher. Using an interpretative approach this thesis considered key informant’s perspectives and interpreted them. It placed the views of informants against the existing knowledge within public policy and public administration research.

This dissertation incorporates strongly argues that history and tradition can offer key explanations of events. This is

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particularly enforced through a strong discussion of literature and placing Tasmanian policy processes in context of national and international trends. However this position is also adopted within the primary research as it is understood that the thoughts and ideas offered by participants are informed by their histories. It discusses the changes in the political landscape in Tasmania and the values embedded in their organisations. As argued previously, our interpretations are not ‘value free’. This dissertation therefore gives credence to the values, histories and context that shape the opinions and ideas expressed. It argues that knowledge is only held provisionally.65

This chapter has demonstrated that the form of interpretive theory taken in this thesis lies largely in the hermeneutic and ethnology traditions. Our existing knowledge and experiences give us a means for interpreting events and experiences: values and beliefs shape our knowledge. Thus, this approach emphasises the importance and value of understanding beliefs, ideas and values. It seeks to interpret meanings. Whilst all research essentially offers an interpretation or understanding of a particular issue, interpretive theory particularly highlights this point. Research is always based on underlying assumptions be it about the validity of the research or the most appropriate research

65 M. Bevir, and R.A.W Rhodes, ‘Interpretive Theory’, 9
methodology or approach. However, interpretive theory argues that in order to conduct research, these assumptions must be outlined and be clear within the research. Specifically, it focuses on the impact of ideas and beliefs within political science. The emphasis within interpretive approaches on the value of ideas and beliefs particularly aligns with the research conducted in this dissertation. The emphasis given to primary, qualitative research places value on others’ interpretations, understanding and reaction to changes to policy consultation within Tasmania. This then forms part of this thesis’ own interpretation and understanding of said changes. This proves a complementary approach to research within this dissertation.66

Research Methodology

Ethical Considerations

The primary research conducted within this thesis has been completed with full ethics approval. With any form of research there are a number of ethical issues that must be considered, particularly when conducting primary interview-based research. Ethical considerations form a number of areas of concern from consent, privacy to confidentiality of data. This is

primarily because of the nature of the work and that it involves delving into other people’s lives. Essentially, ethics place a responsibility on the researcher to “ensure the rights, privacy, and welfare of the people and communities that form the focus of their studies.” 67 Any primary research can pose a number of complicated moral and ethical dilemmas and the rights of those participating in the research (both the subject and interviewer) need to be taken into consideration. 68 Moreover, ethical research enhances the research design and is integral to a sound research project. It highlights the interpretive approach to research in that it enables values and beliefs of informants to be involved in the research project and to be treated with respect and validity. Not only is this an ethical imperative, it also enhances the quality of research enabling key informants to provide truthful and full answers without fear of exposure.

This project has drawn on some key ethical considerations, which are summarised below.

**Voluntary Participation and Informed Consent**

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When conducting primary research participants should be protected from harm. Whilst physical dangers are often most apparent, Babbie notes that preventing subjects from emotional danger and distress is equally important.\textsuperscript{69} This can be particularly important within social sciences as we are, as within this dissertation, relying on people being willing to reveal emotions, beliefs and values. Given that the topic of this thesis is not by nature highly sensitive, this consideration was of slightly less significance.

Primary issues that are of paramount concern within this project are directly linked to voluntary participation and informed consent. Primary research is reliant on voluntary information. Often it requires a subject to reveal personal information, thus it is important that participation is entirely voluntary. There should not be pressure on subjects (be it directly or indirectly) to feel they must participate in the interviewing process or that they will be in any way affected if they decline to do so.\textsuperscript{70} This also directly relates to the area of ‘informed consent’. The basic principle of informed consent means that participants will be aware firstly that research is being conducted. People participating in research “have a right to know what the research is about and to refuse to

\begin{footnotes}
\footnote{Ibid, 57} \footnote{Ibid, 56}
\end{footnotes}
take part in it or to answer particular questions”. 71 This enables an understanding of the focus of the research and if they wish to participate. They will be informed of what the research is aiming to achieve and any potential implications or consequences. Informed consent also sets out that the research is conducted in compliance with other professional codes and that the subjects are aware of this. Through this information, subjects can then decide whether or not to participate or continue participating in the research.72

Confidentiality

Confidentiality is an important ethical component to primary research. This thesis offered complete confidentiality to protect a subjects’ privacy as much as possible. In complying with the area of informed consent (discussed above) an ethically important part of the process meant explaining how the researcher will aim to ensure privacy and confidentiality, and any possible risks to this that could occur. To offer participants confidence in the research experience this dissertation highlighted: secure storage of data, limiting accessing of information and allowing

individuals to withdraw consent to the research process at any time. These elements are essential to ethically sound research.\textsuperscript{73}

**Reporting and Analysis of Information**

In addition to the ethical considerations aforementioned, ethical responsibility to the research community – regarding the analysis and reporting of information collected – is also pivotal. This includes any limitations of the primary research conducted. Thus, any negative findings or aberrations in findings that in some way indicate a lack of success should be made available.\textsuperscript{74}

**Qualitative Research Methods**

The primary case study of this thesis focuses on Tasmania’s Health and Community Sector, and area in which there is limited existing literature available relevant to this research area. Thus primary research will form a significant portion of this project. The methods adopted come in three primary forms, summarised as follows:

**Secondary Analysis**

\textsuperscript{73} Ibid
\textsuperscript{74} Ibid, 61-63
Secondary analysis is defined as an analysis of data that was not conducted through primary research. Some data can offer a different understanding of revision of otherwise accepted ‘facts’ or ‘knowledge’. It can introduce secondary analysis of data such as statistical information, prior surveys of compiled interviews. Conducting secondary analysis has a number of advantages. It particularly enables analysis of existing information and compilation of existing research in one’s chosen field, ensuring that any further primary research can focus on exploring less researched areas. It also enables examination of comparable data and gathering of existing data, preparing for evaluation for what has been examined already in a particular area of research. Babbie notes analysis of existing statistics is often an effective tool for gathering and confirming information in a mode of research that is unobtrusive.  

This dissertation acknowledges the disadvantages associated with this method. With secondary analysis the researcher is often confined to the preconceptions and priorities of the original research. Nevertheless secondary analysis provides for a useful addition to other primary research and can offer a number of insights through analysis of existing information.

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75 Ibid, 138- 159 and 285- 286
76 Ibid
To incorporate secondary analysis into this thesis, a number of sources will be analysed and dissected. Examples of some of the reports and research documents that are used include:

- Tasmanian State of the Service Reports
- National Compact Reports
- National Competition Policy
- Productivity Commission Reports
- Tasmanian Office of Community Sector Reports
- Reports from TasCOSS on the Changing Relationships Project
- Reports on Partnerships Projects in Tasmania

Secondary analysis is designed to enhance the literature review. Themes identified within the existing literature will be expanded on through the documents collected in this stage of the research process. An in-depth examination of these sources provides a means of filling ‘gaps’ in the literature and a deepening of the discussion.

In addition to the sources readily available, requests were made to the DHHS in order to collect documents (available for the public) relating to the Changing Relationships project. The information collected may not be the full record of the work ongoing within this project – some information may not have been recorded, archived or be available for public consumption.
However this provided additional resources, particularly in areas where information is quite limited.

**Interviewing**

Interviewing as a research method allows for in depth discussion of issues. Semi-structured interviews particularly allow for probing and deeper discussion. Within this method there may be a number of pre-determined questions formulated, but the semi – structured nature of the process allows for the researcher and interviewee to stray from these areas if it proves particularly illuminating. Semi structured interviews use open ended questions to allow more lengthy discussion by the informant on feelings, beliefs and values. It is often described as a ‘guided conversation’. This approach can be seen as problematic, given its time consuming nature and the skill required of the interviewer to guide the discussion and ensure continuing relevance of questioning. The effectiveness of this method is extremely dependent on the interviewer.  

Qualitative semi structured interviews with open questions are utilised in this thesis to explore key informants understanding and experiences of consultation processes in Tasmania. Semi-

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structured interviewing forms a key component of this dissertation. This thesis utilised ‘key informant interviews’; selecting key persons with a good understanding of consultation processes in Tasmanian policy making. This filled gaps within the literature and provided a fuller understanding of the move within Tasmania towards a consultative framework between government agencies and the non-government sector.

Addressing gaps within the literature through a combination of semi structured interviews and secondary analysis provides this thesis a means of refuting (common) criticisms about the use of interview data as ‘soft’ or unreliable data.78 Using triangulation addresses much of this criticism. This thesis compares and contrasts the views of key informants; key informants that have experience across different sectors. These interviews are compared and analysed against existing literature and secondary analysis. This thesis uses semi-structured interviews as a way of providing meaningful insight into the partnerships process and post Changing Relationships environment. However its other research activities ensure that it

78 See for example: K. Dowding, “Interpretation, Truth and Investigation: Comments on the Interpretative Political Science of Bevir and Rhodes”, 136-142; Criticisms often seem to centre around ideas that interviewees may omit information throughout the interviewer; that the interview quality depends on the skill of the interviewer and that the informant wants to present themselves in the best light.
does not solely rely on data from key informants. Informant’s experiences are interwoven against other data.79

**Selecting Informants**

Key informants were selected to provide insight into the reality of policy making. Interviews were limited to a relatively small, manageable number (ten informants) in order to draw more in depth and meaningful discussion. Containing the number of key informants interviewed enabled interviews to be conducted at greater length and depth rather than undertaking a wide ranging series of interviews on a fairly surface and superficial level.

This dissertation selected a mixture of government (state service) employees and non-state service employees and proposes to conduct semi-structured interviews. A combination of informants internal and external to the Tasmanian State Service (TSS) allowed for more insight and different perspectives on the topic at hand. It was also important that interviews were conducted evenly; participants were chosen from both sectors to ensure sufficient diversity within the data. A combination of these two arenas was critical for this thesis as it enabled a comparison

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of experiences of policy making from insider and outside perspectives: experiences are likely to differ depending on the source of employment and interaction with different customers/clients. Both areas of employment however offer equally valuable experiences.

The process of selecting key informants was fairly straightforward given the small size of Tasmania and a focus on a key sector in the State. Initial e-mails were sent within policy units in the Department of Health and Human Services outlining the thesis project and the interview process. A similar e-mail was also distributed to key non-government sector organisations in Tasmania, particularly those that were shown through the Changing Relationships reports to have been involved in the process, particularly key third sector organisations like TasCOSS.

An initial e-mail sent to government and non-government sector organisations received three responses from both sectors (two from government and one from the non-government sector) from people who had been heavily involved in the partnerships process and were interested by the research conducted. Once interviews had been conducted with these key informants, a
The 'snowballing' effect occurred where informants would recommend a key contact or organisation to approach. They would either provide more direct contact details for a person (rather than an introductory e-mail or phone call going to a generic address or to an administration area) or would pass on the information and research proposal to their contact. The 'snowballing' effect led to ten (10) key informants selected, evenly balanced from both sectors. Given the lengthy and in depth nature of the interview process, key informant interviews concluded at this point so that the research project could remain manageable.

**Process for Recording and Conducting Interviews**

The process for data collection needs to complement the types of methods chosen within the thesis. Key informants each gave consent to be recorded. This meant that accurate

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80 This thesis uses the understanding of 'snowballing' as when a researcher gains access to key informants through contact information and/or recommendations provided by other informants. This can be a constantly evolving process where informants refer the researcher to other informants in an accumulative manner. See for example: C. Noy, “Sampling Knowledge: The Hermeneutics of Snowball Sampling in Qualitative Research”, *International Journal of Social Research Methodology*, Vol. 11, No. 4, (October 2008): 330 -331; C. Beauchemin A. González-Ferrer, “Sampling international migrants with origin-based snowballing method: New evidence on biases and limitations “, *Demographic Research*: Volume 25, Article 3 Research Article (July 2011)< : 103 – 134

transcription of the interview was possible. Data recorded (particularly through recording of interviews) was stored securely within the School of Government and in line with the ethical procedures (in a secure area with no public access). Records are to be destroyed after completion of this project.

**Interview Questions**

Questions and topics for semi-structured interviews were clearly defined, yet allowed for plenty of scope and flexibility. It enabled interview questioning to occur at the discretion of the interviewer and to unfold like a guided conversation. This enabled key informants to expand on key areas in which they held specific knowledge or insight. Interview questions were conducted along the following sub headings, with much of the interview being guided by this loose structure:

1. **Experience**

   Key informants were asked to sketch a broad brushstroke of their work history. This largely ascertained their position and level of seniority within their organisation. It also enabled key informants to indicate relevant work experience. This was particularly important given that a number of participants had experience working in both government and non-government sectors and/or
had worked across different government agencies. The variety of their work experience informed the information and opinions provided.

2. **Understanding Policy Processes**

The outset of the qualitative portion of the thesis sets out to firstly understand the participants understanding of the policy process. Issues particularly discussed included: how policy processes work within their organisation? Is this successful? How do they think policy processes should operate? Are there particular guidelines or frameworks established in their agency or organisation developing this? Or conversely has there been no overarching framework or guidance in place?

3. **Policy in Practice**

From discussions on understanding of how stages of the policy process operate in theory, it is natural that this is opened up for discussion on the informants’ experiences with it in practice. How do they feel the policy process operates as a whole? Does it fit within the guidelines or ideas set out within their organisation? Do they think there could be any improvements?
4. Consultation

One of the key areas identified within the literature consulted and in the examples of Tasmanian policy making chosen, is the way in which policy making has evolved within Tasmania. It is increasingly seen that there is more emphasis on Tasmanian State Service agencies engaging with the non-government sector when creating and implementing public policy. Participants were asked to comment on the role of consultation. Do they feel that there is more emphasis on consultation? Is consultation effective? Does it help them in their job capacity? Are there any consequences?

5. Changing Relationships

From general discussions on consultation within policy making, it would be interesting to determine if the participants had any knowledge or involvement with the examples used in this thesis. The Changing Relationships project (and subsequent partnership processes) was discussed. Particularly relevant was the individuals’ role in this process and whether they felt the introduction of partnerships processes were of significance.

6. Government-Community Sector Relationship

Whilst informants will be selected from within and outside the public service, it would be interesting to gain understanding from each ‘side’ into how they view their relationship. How frequently
do they interact with one another? Do they find their interactions useful or beneficial? How do persons within both organisations feel they are valued by the other? Do they feel their views, ideas and discussions are taken ‘on board’ by the other? What problems have they encountered? Are there perceived ‘misunderstandings’ or ‘communication breakdowns’?

7. Individual

The role of the individual in policy making is of interest. What role do they play in the policy process? Do they feel that their individual skills are utilised? Why or why not? Do they ever feel constrained in their role (i.e. that they want to do more/less but external factors get in the way?) What individual pressures occur in their position (e.g. political pressure, deadlines, and workload)? Do they think these issues bear on the overall policy process?

Conclusion:

Our existing knowledge and experiences give us a means for interpreting events and experiences: values and beliefs shape our knowledge. The interpretive approach adopted strongly emphasises the importance and value of understanding beliefs, ideas and values. Whilst all research essentially offers an interpretation or understanding of a particular issue, interpretive theory particularly highlights this point.
More specifically it generates a focus on the impact of ideas and beliefs within political science. Interpretive theory’s emphasis on ideas and beliefs aligns with the research of this dissertation. The importance placed on primary, qualitative research shows places value on others’ interpretation, understanding and reaction to changes to policy consultation within Tasmania. This is used to inform the interpretation and understanding of consultation processes in Tasmania as explored within this thesis.

CHAPTER TWO

REVIEW OF LITERATURE

Research for this thesis centres on the Tasmanian Health and Community Sector. Whilst this case study forms the focus of this dissertation, a wider synopsis of literature is required to provide a broader and more meaningful context in which to examine the research findings. A review of the academic literature in this field is therefore appropriate. This chapter particularly focuses on key trends in public administration and a shifting public policy discourse towards participation and consultation. These issues form a vital part of this literature review.

Understandings of public administration are vital to addressing the case of Tasmania. Within Australia, traditionally public administration has been delivered through the Australian Public Service (APS). In theory the APS acts as an apolitical service “performing its functions in an impartial and professional
manner.” As an institution it ensures that ministers and government are, and continue to be, served by public servants on an impartial basis. The phrase of ‘full, frank and fearless advice’ has been a cornerstone to the APS. However in addition to these well recognised phrases, the APS was also designed with the purpose of implementing political and policy decisions. In line with its mantra of impartiality, services and advice offered were required to be of a continuing high standard. Policy implementation and policy support were to be continuous. Thus, the traditional role of the public service focused on providing impartial advice and continuing service to the government of the day, regardless of political persuasion.

Whilst the values of the APS are still intrinsic to the organisation, it is evident that substantive reforms to public administration have occurred in Australia. These changes have been reflective of international trends within public administration, with reforms moving from marketisation to community and participatory transformations. The changes and challenges for public administration thus form the crux of this chapter. An examination of the substantive reforms undergone within the APS and its departure from an ‘archaic’ bureaucracy is a necessity. This is firstly illustrated in the changes brought

84 J. Singleton et al, Australian Political Institutions, 241
forward by market style reforms under the label ‘New Public Management’ or NPM. Public administration, however, has not halted at this reform agenda. This chapter paints a picture of a steadily evolving stage in public administration whereby community involvement, partnership arrangements and social capital become the watchword of government. There are significant changes in the business of government and in the carrying out of government policy. This chapter exemplifies key changes in public administration, tracing its lineage from a fairly conventional bureaucracy through to the impact of market reform.

**Traditional Approaches to Public Administration**

The role of the APS is broadly synthesised under the banner of bureaucracy. It is appropriate therefore, that this chapter commence with a brief examination of the concept of bureaucracy, tracing the genealogy of this idea. Literature on bureaucratic theory, or traditional public administration, provides a comprehensive understanding of this model of governing.

Until the nineteenth century traditional bureaucratic administration was not operative. Most western countries

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operated under a monarchical structure. Bureaucracy therefore showed a remarkable departure from this governing structure. Unlike a monarchy, this system illustrated what is perhaps a common understanding of modern day governing.  

One of the most recognised authors in this field, Max Weber, conceptualised bureaucracy as a means of governing. He advocated a system that was impersonal and based on achievement and merit, rather than continuing a tradition of personal loyalty to a ruler.

Through Weber’s depiction, a comprehensive understanding of how bureaucracy should work is provided. For Weber, bureaucratic institutions are hierarchical organisations with officials given tasks to carry out particular public objectives. The activity of the bureaucracy as an organisation is separate from the goals of staff, who work towards achieving an overarching goal separate from their own “private pursuits and attitudes.” In this model staff work towards achieving the goals of the organisation. The bureaucracy Weber describes is clearly a ‘rational’ organisation, and one that is operating

89 E. Kamenka, *Bureaucracy*, 1
90 Ibid
according to a well-defined hierarchy with clear and fixed rules.\textsuperscript{91}

In having such a structure, unbroken lines of authority and accountability are established with distinct coordination thereby allowing the ‘social tasks’ and objectives to be achieved.\textsuperscript{92}

The bureaucratic institution Weber describes is best exemplified in its earliest form in the civil service in the United Kingdom (UK). This history is most notably demonstrated in the Northcote-Trevelyan Report. Northcote-Trevelyan was established as an enquiry into the administration of government and largely highlighted the practical elements of Weber’s model, particularly providing recommendations for abolishing the patronage system. Northcote-Trevelyan also emphasised the importance of appropriate personnel and a system for appointing staff. \textsuperscript{93} Greenaway notes that:

If one takes a long perspective, Northcote-Trevelyan seems important because it was able to dovetail, and to some extent influence, various historical developments that shaped the next half century or more.\textsuperscript{94}

\textsuperscript{92} Ibid
\textsuperscript{93} O. Hughes, Public Management, 46 - 47
The Northcote-Trevelyan report spearheaded the values to be held by a bureaucracy and was pivotal in establishing the British Civil Service:

The ethos of an apolitical and merit based public service has remain unchanged since the 1854 Northcote-Trevelyan Report which reformed the British civil service. These reforms introduced the core values of integrity, impartiality and objectivity which remain central to best practice public administration.  

These values formed the basis of reforms to the British Civil Service and provided the culture of the public service that remains core to public administration.

The tradition of bureaucracy is therefore demonstrable in the role of the public service. As in many other aspects of its political institutions, Australia followed conventions established in the UK and the traditions of the Civil Service – as set out within Northcote-Trevalyn. Indeed these conventions are intrinsic to the Australian Public Service (APS). As with its UK counterparts, the APS was established as a body to administer and

implement government policy in a manner free from patronage.\(^7\)
The APS was founded on the values of “neutrality, anonymity”\(^8\),
with clear procedures for administering government policies.
These principles have been core to the APS since its
commencement at Federation.\(^9\) However a number of key
reforms to the public service have redefined its core values and
challenged its organisational culture.

**The Coombs Commission: Reforming the Public Service**

The APS has evolved significantly since its inception. The
values so often associated with this institution have changed
dramatically. Reforms within this institution can be attributed to a
raft of criticisms emerging across the 1970s. These were a catalyst
for a complete systematic reorganisation and arguably triggered
the Coombs Royal Commission into the Australian Public service
- the Royal Commission on Australian Government
Administration (RCAGA). Headed by Dr H C ‘Nugget’ Coombs,
this enquiry was initiated under the Whitlam Labor Government
as a means of addressing problems that were associated with the
structure and traditions APS.\(^10\)

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\(^7\) G. Davis et al, *Public Policy In Australia*, 104- 105
\(^8\) Ibid, 104
\(^9\) Ibid, 104- 105
\(^10\) P. O’Neill and N. Moore, “Real Institutional Responses to Neoliberalism in Australia”,
The RCAGA can be identified as a vehicle of change; part of a wide range of reforms aimed at opening up and democratising public administration in Australia. Literature indicates a twofold agenda behind the enquiry: to respond to increasing public anger towards a seemingly unresponsive and unaccountable public service and frustration within government regarding the difficulties encountered with the public service in implementing its social and financial reform agenda. Thus, the overall purpose of the RCAGA was to provide a review of the APS and make key recommendations for improving the public administration.

The RCAGA made a number of key observations, when it reported to the government in 1976. One of its key recommendations was to create public administration in Australia that was more “open and responsive.” It identified the APS as “too big, too costly, too rigid, too standardized, and too insensitive to individual identities”. Public management was

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102 P. O’Neill and N. Moore, “Real Institutional Responses to Neoliberalism in Australia”, 25
103 L. Orchard, “Managerialism, Economic Rationalism and Public Sector Reform in Australia: Connections, Divergences, Alternatives”, 9
104 M. Considine, and J. M. Lewis, “Bureaucracy, Network, or Enterprise? Comparing Models of Governance in Australia, Britain, the Netherlands, and New Zealand”, *Public Administration Review, 63*, no. 2 (March/April, 2003): 131
assessed as being too set in its hierarchical manner, and emphasised that key changes needed to occur. These changes largely lay at the assertion that the traditional public administration approach was outdated and outmoded, and that more flexible and original ways to management were required.  

Another prevalent issue within the RCAGA report was the intrinsic over-regulation in the APS. The APS was perceived as having a focus on administration the extent of regulation and ‘red tape’, and less able to respond to individual needs or local differences. There was increasing concern that the bureaucracy was focused on administration rather than citizens. Therefore the general perception was that the public service was ‘unaccountable’, with no to little direct contact with the general public. Its perception was largely one of complexity with many conflicting areas of responsibility, bearing an enormous amount of ‘red tape’ that was confusing and frustrating to the public at large.  

\footnote{L. Orchard, “Managerialism, Economic Rationalism and Public Sector Reform in Australia: Connections, Divergences, Alternatives”, 21} 
\footnote{C. Putland, F. Baum and C. Macdougall “How Can Health Bureaucracies Consult Effectively About Their Policies and Practices?”, 300} 
\footnote{J. Singleton et al, *Australian Political Institutions*, 224–225}
There are clear themes within the RCAGA: political control, rational management and participatory government. In its tabled report, the RCAGA emphasised the term ‘responsiveness’. The primary recommendations of this report were to see a change in government; a system that was more responsive to public needs and demands and more effective at enacting them. Coombs simultaneously emphasised the need for Ministers to have more responsibility and interest in their respective Departments, whilst likewise suggesting that public servants in the top ranks of the APS needed to be more accountable to policy decisions. Recommendations from the RCAGA had two distinct points: checks and accountability for public servants that saw them “accountable beyond their duty to answer to their ministers”. Thus, some changes within the administration were necessary in order to break (as Coombs describes) “cultural and intellectual inbreeding” and to create a more responsive service. This commission can be identified as one of the most significant reviews in Australia’s public

111 Ibid
administration history, and shifted a “change in management philosophy and practice in the Australian Public Service”.  

Continuing Public Service Reform

With the Whitlam Dismissal, the RCAGA report ended up being tabled under the Fraser government. Perhaps due to the report being commissioned under the former Government, ultimately the suggestions and recommendations of the key areas for reform were largely ignored within Fraser’s tenure. However the RCAGA’s recommendations were not completely overlooked, with the key recommendations for reform reviewed under the Hawke-Keating Labor Government (1983 – 1996). During this period significant reforms were implemented in the role of public administration in Australia.

Measures suggested in the RCAGA’s report were labelled for review under the Hawke-Keating administration. Of the range of critiques levelled at the APS, the recommendations emphasised a shift in bureaucratic institution towards a focus on management

114 This comment is in reference to the dismissal of former Australian Prime Minister Gough Whitlam by the Governor General, Sir John Kerr
115 P. O’Neill and N. Moore, “Real Institutional Responses to Neoliberalism in Australia”, Geographical Research, 25
rather than administration. As Caiden argues these reforms were to move away from the criticisms levelled at the traditional bureaucracy that had once been dominant:

All blamed the dead hand of bureaucracy, especially the poor performance of public bureaucracies and the daily annoyances of irksome restrictions, cumbrous red-tape, unpleasant officials, poor service and corrupt practices. 116

The RCAGA’s proposals were given rise within a new government and a number of reforms began, aimed at addressing concerns over the effectiveness of the public service. Within the literature, these amendments can largely be categorised into two key thematic areas: ‘marketisation’ and managerialism’. These reforms sit in midst of wider changes of the 1980s, under a slew of change commonly referred to as New Public Management (NPM). NPM in literature refers to a number of changes in the latter half of the 20th century, occurring across much of the Western world from Australia, United States, UK, NZ, Canada and France. 117

The NPM agenda saw the public service adopt values of marked oriented approaches to organisation, particularly a move

towards public choice theory and economic liberalism. Market changes to public administration formed part of a broad neo liberal agenda, providing a high contrast to traditional modes of public administration. This approach gained prominence across the Hawke-Keating era with a number of enterprise initiatives occurring at Federal and State government levels. This approach argued for more minimal service delivery from government with an emphasis on utilising private and non-government industries to deliver non–essential services. Competitiveness, contracting of services and ‘value for money’ were all emphasised throughout this era. 118 For the purpose of brevity, this thesis divides the changes of this era into two broad streams of change: marketisation and managerialism.

Marketisation

The crux of the marketisation stream of public management reform sits within market models of organisational theory. As a theoretical perspective, market spheres of society advocate profit maximising and competition. They argue that a monopoly situation (where there is only one supplier) is undesirable. From this perspective, the dominance of one supplier

that has all the control and power produces less economically efficient outcomes. Fundamentally this model offers solutions that organisation and coordination is best left to the market with our self-interest and motivation will inevitably lead to best outcomes. Competition breeds effectiveness. From a market standpoint outsourcing and privatisation deliver the best services as they ensure competition for providing the best product or service at the best price. Elements of hierarchy are utilised in the market model, but ultimately its guiding principles are values of self-maximisation and competitiveness. 119

Importantly the neo liberal approach stresses the need for open market tendering and offering the best value for money services. 120 Rather than a dependant ‘welfare state’ it argues that a heavily bureaucratic structure should be replaced with “entrepreneurial government” 121 incorporating market mechanisms such as competition, performance measurement and customer service delivery. This model of governance associates with a minimal state. It moved the APS into delivering public services in a quasi-market style. The essence of the strategy is to

121 M. Bevir, Key Concepts in Governance, 5
improve efficiency, effectiveness and accountability. In turn these strategies are meant to produce better products or services at a lower price. 

Narratives of the market are employed within NPM, as a neoliberal transformation to public administration. Neo liberalism is intrinsically at odds with a traditional bureaucratic approach to public administration. Literature discussing the divergence to market approaches within the public service indicate a focus on economic gain whilst simultaneously reducing the size of government. There is a range of different phrases utilised that suggest government would work in a more desirable manner if it incorporated features of the market economy. Essentially a conviction emerged that the role of government in the delivery of public services should be limited – shifting service delivery towards privatisation and decentralisation. The neo liberal approach stresses the need for open market tendering and offering the best value for money services. These ideas are key to the marketisation of the public service.


Managerialism

Within public administration literature, NPM is often used as a broad ‘umbrella’ term to refer to a number of changes across the public service during the latter half of the 20th century. Too often debate surrounding NPM only focuses on the market driven changes of these reforms (as outlined above). To focus on this without discussion of the principles of managerialism associated with the NPM era would be an omission. The NPM agenda combined marketisation with a strong sense of managerialism. 124

Managerialism encompasses ‘private sector’ solutions to public administration. It embodies the mantra of flexible, cost-effective responsive and efficient governing solutions. However in contrast to marketisation, this aspect of NPM centred on introducing corporate management techniques in the public sector. 125 Public administration reforms thus centred on the

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125 I. Marsh and B. Spies-Butcher “Pragmatist and Neo-Classical Policy Paradigms in Public Services: Which is the Better Template for Program Design?”,239; C. Hood, “A Public Management for all Seasons?” , 3-4; K. McDermott, Whatever Happened to Full, Frank and
importance of management expertise rather than ‘technical expertise’. Using this viewpoint changes to the public service included: prescribing specified ‘outcomes’ for project work, offering rewards and incentives for work achievement and utilising managerial roles and responsibilities. This strategy was designed to provide a means of professionalising public servants by providing a better management of human resources. It was also designed to bring forward improved service delivery, ongoing monitoring and evaluation of services and creating a more flexible public service.

Managerial reforms introduced market mechanisms and entrepreneurial skills into the public service. Under this premise, bureaucrats were to be ‘liberated’ from their roles and become managers, with a wide range of skill sets. Barzelay summarises:

...Informed public managers today understand and appreciate such varied role concepts as exercising

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_Fearless?, xv; R.B. Denhardt, and J.Vinzant Denhardt, “The New Public Service: Serving Rather than Steering”, 550; M. Bevir, _Key Concepts in Governance_, 9
_126_ C. Hood, Christopher, “A Public Management for all Seasons?” . 6
leadership, creating an uplifting mission and organisational culture, strategic planning, managing without direct authority, path finding, problem setting, identifying customers, groping along, reflecting-in-action, coaching, structuring incentives, championing products, instilling a commitment to quality, creating a climate for innovation building teams, redesigning work, investing in people, negotiating mandates, and managing by walking around. 128

Utilising their role as ‘managers’, bureaucrats were meant to have greater scope to move within their role and experiment with approaches to policy delivery, whilst remaining accountable to a ‘bottom line’. Managerialism aimed to address concerns that bureaucrats operated in a largely inflexible system, with little discretion or scope for initiative. However, in removing some of these barriers, a change in public sector employee standards was also adopted. Public administration now included benchmarking and performance indicators and an introduction of specific performance standards. 129

Sketching some of the main elements of the NPM reform agenda illustrates a dramatic change in the operation of public

administration. There is a move from a central bureaucracy to a bureaucracy that incorporates private sector market mechanisms. The overall theme of NPM is efficiency, effectiveness and performance of services. These themes are evident in the literature. Australia’s public administration has undergone a suite of neoliber reforms, ushering in a new era of service delivery. The adoption of market and managerial reforms demanded the State no longer dictate sole delivery of services. This agenda facilitated a number of changes to the public service in Australia. The APS changed from a quasi-bureaucratic model of organisation to an organisation that embraced qualities from the business sector. As Hughes, however, illustrates these reforms were incredibly significant. Restructures were not a minor change in management style, but signified an overarching change in the way government operated: the philosophy of public administration.

131 L. Edwards, “Testing the Discourse of Declining Policy Capacity”, 228
132 O.E. Hughes, Public Management and Administration: An Introduction, 1
Beyond New Public Management

The neo liberal approach to public administration is evident from the 1980s onwards. Australia clearly adopts this governing approach under NPM, with marketisation and managerialism becoming mainstream within the public service. This is clear. However, these reforms only form one part of wide scale changes in Australian public administration. NPM reforms must be considered in a broader context; a wider web of reform undertaken under the Hawke-Keating administration. NPM emerges alongside a raft of measures undertaken under the ‘new federalism’ and ‘new Australia’ initiatives.

The New Federalism

In 1990, then Prime Minister, Bob Hawke outline a new Australian agenda. Under the title “New Federalism”, this agenda responded to a number of emerging pressures. It was particularly influenced by globalisation, which was encouraging a more centralised government authority in the hands of the Commonwealth. This was particularly salient in the economic sphere, with pressures at a global scale driving government towards was to “better integrate internal markets and to make regulations….more consistent between jurisdictions for
community convenience.”

‘New Federalism’ aimed to adapt to these growing pressures and create an overarching reform of the structure of government and ushered in a time for some major change. Great emphasis was placed within this initiative of an improvement in communication and relations between the respective tiers of government. Particular attention was given to the role of the bureaucracy and the hindrances facing a more efficient economy and more uniformity across State lines.

‘New Federalism’ thus encompassed a wide-ranging review of government, designed to be implemented within an eighteen month period. Its first primary focus was to stipulate and clarify the roles for government across its different levels – Local, State and Federal. In doing so the reform aimed for greater cooperation between the different tiers of government. Ultimately it also meant that emphasis to the government of the day’s goals on efficiency, effectiveness and competitiveness in service delivery could also be pursued. There was an overarching agenda of reform for a diminishment of bureaucratic overlay, create more effective and efficient service delivery and more uniform legislation.

Pivotal reforms were thus placed under the mantle of ‘New Federalism’, continuing much of the economic reform already encompassed within NPM. ‘New Federalism’s’ furthered much of this through its emphasis on creating better service delivery through more cohesive and collaborative public administration.


No longer operating with a sole economic agenda, ‘New Federalism’ broached a wider restructure. Much of the critical economic transformations in Australia had already been in place by the mid-1990s. Floating of the Australian dollar, the opening of the trade industry and border protection had already been achieved. ‘New Federalism’ recognised that economic reforms could not solely be drivers for change. It was recognised that collaboration between states for uniformity of legislation and consistent service delivery was a necessity. Similarly a change to public service delivery was also required to be competitive in a global era.136

The National Competition Policy

The wide ranging neo liberal agenda, including the ‘New Federalism’ initiative, moved Australian public administration further along the neoliberal agenda, with increasing emphasis on contracting of services. The growing NPM agenda emphasised purchaser provider arrangements and performance management. Literature in this field indicates a crux of ‘New Federalism’ would be the National Competition Policy (NCP). NCP is crucial to understanding some of the most radical public administration

136 M. Keating and J. Wanna, “Remaking Federalism?”, 132
changes in Australia. It was an essential element in Australia’s economic reform agenda.  

In 1992, under the backdrop of neo liberalism, State, Territory and Federal Governments reached agreement to open an investigative report aimed at introducing “consistent competition rules across Australia”. The development of a competition policy was spearheaded by an inquiry conducted by Professor Frederick G Hilmer. The findings of the Hilmer investigation were released by 1993, and largely set a new course in Australia’s governing process.

The Hilmer report made a number of key recommendations to move Australia towards a more consistent application of competition rules. One of its foremost objectives was to find a way of moving towards an improved application of the Commonwealth Trade Practices Act (1974). A focus therefore was for a more cohesive application of the legislation. Some of the critical reform areas recommended included:

137 I. Marsh and B. Spies-Butcher, “Pragmatist and Neo-Classical Policy Paradigms in Public Services”, 240; Department of Treasury and Finance, National Competition Policy. Tasmania’s Reform Obligations and the New Financial Arrangements (Hobart: Department of Treasury and Finance, 1995), 1

138 Department of Treasury and Finance, National Competition Policy. Tasmania’s Reform Obligations and the New Financial Arrangements, 1

139 Department of the Parliamentary Library, National Competition Policy: Overview and Assessment. Research Paper, No. 1(Canberra: Parliament of the Commonwealth of Australia, 1994), ii; Department of Treasury and Finance, National Competition Policy, Tasmania’s Reform Obligations and the New Financial Arrangements, 1; F. G. Hilmer, National Competition Policy
Structural reform of public monopolies, the application of competitive neutrality principles to public sector businesses, processes for reviewing anti-competitive legislation, the establishment of State-based prices oversight regimes to apply to public sector monopolies, guaranteed third party access to essential infrastructure facilities and the establishment of two new national bodies to oversee the administration of the competition policy framework. 140

It sought more application of competition principles and the review of ‘anti-competition’ measures and structural reform to achieve these goals. 141

By 1995, the Commonwealth and State and Territory Governments committed to the implementation of the recommendations of the Hilmer Report, establishing the National Competition Policy. Key elements of the report were introduced as a means of boosting Australia’s economy. 142 It established a clear agreement between State and Federal levels of government on an overarching reform to monopoly structures in Australia and providing more “competitive neutrality between the public and

140 Department of Treasury and Finance, National Competition Policy. Tasmania’s Reform Obligations and the New Financial Arrangements, 1 -2
141 Ibid
private sectors” Key objectives were in the area of expanding the Trade Practices Act (TPA) to achieve these goals. Thus, the NCP focused on improving government cohesiveness simultaneously with an emphasis on making services more commercial. A move away from monopoly segments in the service provider sector was emphasised with the rationale that competition would prevent an overcharging of key services. It produced a shift within public policy to focus on price incentive schemes, choice and quality.

The roll out of the NCP reiterated the overarching agenda of ‘New Federalism.’ It was pivotal to this reform agenda. The Hilmer Report echoed the ‘New Federalism’s’ maxim of cooperation, calling for unity between these three tiers of government and seeing a truly national approach to increasing competition measures across Australia at all layers of government. It signified steps from the Commonwealth towards enhancing competition – lowering trade barriers and easing restrictions on domestic trade. It demonstrates an overall shift in

143 Department of Treasury and Finance, National Competition Policy. Tasmania’s Reform Obligations and the New Financial Arrangements (Hobart: Department of Treasury and Finance, 1995), 3
the national economic agenda, with an emphasis on consistency at State, Territory and Commonwealth levels.  

Overarching to these reforms, the introduction of the NCP produced a rationale that allowing competition to thrive would create a demand for the supply of “new, better or cheaper products and services.” Competition sees efficiency become optimal and seeks to provide consumers with the best product for the lowest cost. In many respects the NCP was an economic solution designed at fixing slow economic growth, inflation and unemployment. Its business centred model and focus on competition through “cost control, innovation and responsiveness to customer needs” geared Australia’s labour market towards greater flexibility. One of its key aspects of reform was providing ability to engage with measures – including regulation reform – to produce more efficient service delivery.

The introduction of the NCP can be placed within an overarching policy of economic liberalism. The neo liberal agenda operates from the assumption that markets are naturally

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145 Department of the Parliamentary Library, National Competition Policy: Overview and Assessment. Research Paper, No. 1, i-ii
146 Ibid, 2
147 Ibid
148 Ibid, xiii
149 Ibid, xiv
more efficient. Thus, it was expected progression for public service agencies to engage more meaningfully with market mechanisms. There was a changing ethos that the public service had become administrators of service delivery rather than focusing on delivering the services. The notion that the APS should operate and deliver public services was seen as out-dated.

The NCP further progressed an economic liberal agenda; promoting a view that competitive tendering and outsourcing public services would be more effective. These models were argued to work competitively, thereby ensuring profitability, efficiency and quality of services. Public service agencies therefore, largely became “contract administrators rather than persons who deliver services” in order for government agencies to meet cost effective criteria and meet needs of efficiency. Outsourcing to other sectors would provide competition, which would in turn offer a better ‘deal’ for customers- best services at the best prices

Collaboration and Participation in Public Policy

There is much debate and discussion on NPM and the impact of the economic agenda. However this discussion needs to be facilitated with attention to the way that NGOs, actors and the like are engaged in the policy process. NPM reforms operated within the context of ‘New Federalism’ and the NCP within Australia. Yet public administration changes do not stagnate. These reforms evolved across to important consultative changes to the operation of public policy that have dominated the latter part of the 20\textsuperscript{th} century that needs to be reconciled with NPM literature.

Increasingly public administration is served through collaborative measures often between government, private and non-government sectors. Policy making is increasingly collaborative between these different sectors – be it in a formalised partnership or in a loosely defined way of collaborating between sectors. There is increasing interaction between the different areas of society, allowing for common interests to unite and a shift towards collaboration over shared goals and desires. Overall there is an increasing emphasis on generating constructive outcomes across the different areas of
society. This constitutes a changing approach to policy making, questioning whether government alone has the capacity to deliver policy solutions. Collaborative policy changes reflect the growing complexities faced in a 21st century world. There is recognition that policy making is more complex than ever and thus require more ideas, resources and expertise.  

**Participation in Public Life**

Participation in public policy, whilst seemingly popular in academic literature, is not a new concept. It is utilised within an array of literature on participatory politics, social capital and consultation in the public policy and public administration sphere. Within this field, strong conceptions of participatory governance emerge in the 1960s and 1970s, ostensibly as a reaction to ‘big government’ and the influences of big business and corporations in public life. It appears to stem from an overall distrust in government and in the political decision making process. Origins of collaborative policy making in this circle emerge from a growing distrust in government, a desire for more accountability and bringing “government closer to the people.”

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and a frustration towards an inability to ‘have a say’ in decision-making. This process was viewed as inadequate: the need for participation and engagement largely emerges from this. Governing processes required more citizen engagement – beyond mere electoral cycles and voting – and increased trust between citizens and government.\textsuperscript{154}

To conceptualise of greater participation and trust between the different spheres of society, Arnstein’s ladder of citizen engagement is a critical text. Arnstein’s ‘ladder’ highlights the importance of consultative governing processes, whilst simultaneously illustrating some of the tensions within this sphere. This underscores some of the tensions within consultative governance – that consultation can lead to different outcomes and solutions and that not all consultation proves to be useful or effective. This is relevant when considering issues like ‘information sharing’ that involve a one way relationship between government and community sectors – where information is given without participation or feedback.\textsuperscript{155}

\textsuperscript{154} J. Stewart, “The Dilemmas of Engagement”, 4; M. Edwards, “Participatory Governance”, 1 - 34
Arnstein’s ladder of citizen participation is often referred to as a “touchstone for policy makers” \(^{156}\) and is referred to within the majority of literature on participatory government as it enables for a careful examination and “understanding of the factors that drive engagement.” \(^{157}\) Whilst advancements of Arnstein’s ‘ladder’ have been offered in recent years \(^{158}\), the original text remains relevant. It illustrates a necessity for citizens to be included in the political process and to allow for clear structures and processes of participation beyond political activism, particularly exploring how processes must enable participation for organisations, communities and individuals. \(^{159}\) Arnstein’s ladder typically focuses on an “overt struggle for power between government officials and community activists.” \(^{160}\) It is indicative of a shifting discourse in policy literature that is more emphatic on the blurring of boundaries in the policy sphere and a complexity between the roles of government, non-government organisations, communities and service providers.

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\(^{157}\) Ibid


\(^{159}\) J. Tritter and A. McCallum, “The Snakes and Ladders of User Involvement: Moving Beyond Arnstein”, 156 - 158

\(^{160}\) Ibid, 157
Social Capital and the ‘Third Way’ Debate

It is virtually impossible to paint a representation of participatory policy making without discussing literature on social capital. Social capital provides a dimension for understanding public policies. It moves beyond marketisation policies and ‘welfare state’ style policy approaches. It merges non-market forces like “networks of trust, expertise and social support” within a market economy. Social capital theorists suggest that:

involvement and participation in groups can have positive consequences for the individual and the community is a staple notion, dating back to Durkheim’s emphasis on group life as an antidote to anomie and self-destruction and to Marx’s distinction between an atomized class-in-itself and a mobilized and effective class-for-itself.

These ideas were particularly enhanced through Putnam’s discussions on civic participation and the impact this had on governing.

162 Ibid, 11
Bourdieu particularly defines social capital as actual or potential resources linked to a network of relationships. It espoused that individual benefits are gained by participation into groups. Social capital is by virtue almost human capital, the capital of relationships. As Portes explains:

Whereas economic capital is in people’s bank accounts and human capital is inside their heads, social capital inheres in the structure of their relationships. To possess social capital, a person must be related to others, and it is those others, not himself, who are the actual source of his or her advantage.

Social capital can thus be used to focus on network membership and social networks; how productive they are on an individual basis and how they participate in society. It is intrinsic to examining public participation in policy making.

The challenge within this literature is that it provides only a small glimpse into the role of civic participation, rather than a deep discussion on the way organised interests (including NGOs) participate. What social capital adds to this vast arena of literature

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is an illustration of how consultative measures in public policy making rely on the idea of community; of issues like trust and reciprocity. A new discourse is emerging reflecting a changed relationship between the “state, the market, and community”. 168 It brings in the dynamic of community models of governance that clearly pick these threads up – focusing on ideas of identity, trust and reciprocity. They generate discussions on the role of “groups of people, who create relations based on trust and mutuality, within the idea of shared responsibility for wellbeing.”169 This has clearly emerged as a strong discourse in the policy sphere, particularly evident in the mid-1990s onwards. In Australia it has been considered critical in the building of communities that can be responsive to governing challenges. This strongly falls in line with the broad literature on social capital arguing a parallel between economic viability and strength and strong, democratic governance. 170

One of the critiques of social capital is that it does little to illustrate the role of organised interests in policy making, nor does it show how different sectors of society interact with each other.

166 D. Adams and M. Hess “Community in Public Policy: Fad or Foundation?”, Australian Journal of Public Administration, vol 60, no. 2 (June 2001), 13
167 Ibid, 14
However, much of these interests can be explored in the myriad of literature on the “Third Way” and its unique approach to governing – much of which has its roots in social capital theory.

Putnam’s research on social capital and civic participation arguably stimulated much of the popularity of ‘third way’ governance.  

Third way principles are described as a means of resolving or moving beyond the traditional divide between socialism and liberalism; the left and right of political life. It argues that principles typically associated with the left of politics like “the fairness and decency of our society” and apply them to the changes brought in by the rise in economic liberalism and free market economies. This approach to governing was particularly popular for governments in the UK under the Blair administration and in the United States under President Clinton.

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Core to the ‘third way’ is a revitalising of active communities. Latham argues that a “strong society can only come from strengthening the bonds of trust and mutuality between each of its citizens….the third way seeks to strengthen civil society through its policies of devolution.”174 It sees a revitalisation in the way government can operate; a way beyond the dominance of the bureaucracy and Keynesian economics; beyond marketisation and liberalisation of the economy. The third way seeks a combined strong economy and a strong social agenda. Third way politics does not view these concepts as mutually exclusive. Crucial to third way politics is the included and indeed core role for civil society or the ‘third sector’. It is just as critical as the role of government and the economy. Third way politics stresses the role of this sector, particularly in its attention to the role of interest groups and NGOs.175 This literature is pivotal to securing an understanding of the growing inclusion of actors and NGOs in the policy process. Further detailed discussion is provided in chapter four to specifically illustrate its relationship to the case of Tasmania.

Lessons in Public Administration: Is Collaboration The Answer?

Trends in public administration over the past twenty years or more, strongly illustrate a move away from traditional bureaucratic approaches to organisation. A growing economic liberal agenda is combined with a rise in collaborative and consultative approaches to policy making. Indeed this is one of the key changes that can be identified in the public policy sphere.

Certainly a major portion of the literature reviewed discusses the growing embedding of participation in public policy. This is particularly evident in the growth of debate on social capital and deliberative democracy. A mounting emphasis on inclusion of citizens in public life is evident – be it through giving a voice to ‘ordinary’ citizens or a more formal voice expressed through NGOs and other community organisations. Democratic theory literature highlights participation as being essential to democracy and desirable to successful policy making. Academic literature in this field emphasises participation as a way of achieving particular outcomes; to create more informed policy decisions, to share the burden of decision making or implementation of service delivery and so forth. 176

However participation in public policy moves beyond participatory politics and citizen engagement. Often participation can be seen as more collaborative and consultative, wholly embedded in policy making through partnership and compact style arrangements. They can be characterised by being around the delivery of services by non-governmental organisations and the like, or forming a contract between a ‘decision maker’ and a service provider. Definitions of partnership are varied across the literature. This thesis however largely agrees with Bailey et al’s description, suggesting that partnership style arrangements encompass a “mobilisation of a coalition of interests drawn from more than one sector in order to prepare and oversee an agreed strategy for the regeneration of a defined area”. Partnerships also involve long term commitments between parties and mutual dependency between parties. They should aim to deliver benefits and services that one sector or organisation could not alone provide. Essentially organisations and groups work together to achieve a common goal or interest and to do this they give up

177 H. Sullivan and C. Skelcher, Working Across Boundaries. Collaboration in Public Services, 4
some of their decision making power to work together to achieve a joint goal.¹⁷⁹

Collaboration can require government agencies to work together, not only with groups such as NGOs but also across the different agencies within the public service, and indeed the public at large.¹⁸⁰ Consultation and collaboration literature highlights a dialogue involving “citizenship, community models of organisation and a greater focus on civil society.”¹⁸¹ The key concepts in the literature focus on citizen engagement, consultation and deliberation. Participation is becoming more wholly embedded in policy making through partnership and compact style arrangement; moving away from traditional bureaucratic administration through to market and collaborative processes.¹⁸² This is evident even within Australia. One of the most steadfast and ‘go to’ handbooks on public policymaking in Australia – the Australian Policy Handbook – depicts consultation as an essential stage in the policy process. It is indicative of

¹⁸⁰ Ibid, 35 - 36
¹⁸² J. Abelson and F. P. Gauvin, Assessing the Impacts of Public Participation: Concepts, Evidence and Policy Implications, 1
collaborative policy making and consultative policy making is now broached. 183

Policy making utilising input and expertise from actors and organised interests alike is not uncommon. There are a range of influences on the policy process. 184 These collaborative processes form in a number of ways; from formalised partnership arrangements through to more broadly structured systems with a common policy goal, such as network structures. Collaborative relationships can be characterised by being around the delivery of services by non-governmental organisations and the like, or forming a contract between a ‘decision maker’ and a service provider. They also involve long-term commitments between parties and mutual dependency between parties. Essentially organisations and groups work together to achieve a common goal or interest. However to achieve this they give up some of their decision making power in order to collaboratively achieve a joint or shared goal. 185

185 H. Sullivan and C. Skelcher, Working Across Boundaries. Collaboration in Public Services, 4 - 6
Consultative measures indicate a move to a less hierarchical style of public administration, to ‘bottom up’ and participatory means of governing. However in doing so this means that government collaboration can often become dependent on NGOs. With a growing part of policy making placed on consultation and collaboration, NGOs are increasingly important. Traditionally NGOs have been viewed as organisations dedicated to changing norms and values in society. They are – rightly or wrongly – perceived has having a broader political agenda in which to purse. However NGOs are more recently also identified as a source of advice for government, indeed offering solutions to particular policy issues and areas. Their agendas are as varying as the NGOs themselves, and their interest may be shaped by the interests of the public at large or as a representation of the interests of their members. Regardless, NGOs will work in a range of ways to meet their goals, from advocacy and information gathering through to service delivery or facilitating grants. 186

It is important to note that one of the pivotal changes in this field is the role of NGOs beyond activism. More of a collaborative relationship with government is demonstrated, and a bourgeoning more mature relationship is growing. NGOs are often given responsibility of delivery of services that once may

have been provided. Indeed one of the most pivotal changes covered in the literature shows that NGOs are now taking on roles beyond activism and advocacy, to working more collaboratively in the policy process with government policy makers. 187

From the literature reviewed, this thesis broadly conceptualises consultative mechanisms as a means of involving citizens in the governing and policy process. 188 It refers to formal and informal means of involving individuals and community sector actors and organisations in the policy process: allowing them to contribute to service areas in numerous ways (planning, implementing and managing service delivery). Collaborative policy making therefore has the ability to move beyond mere education or information sharing levels. It can imply a two-way relationship between government and non-government sectors, providing a means for discussion and debate. Significantly, this area can move into partnership arrangements between both sectors where power can be redistributed between government and citizens; giving stakeholders a responsibility for policy outcomes and providing mechanisms for shared planning and decision making. There is a transferral from this role to a more collaborative relationship between the two sectors and a move to

187 P. J. Simmons, “Learning to Live with NGOs”, 84 - 85
participatory governance or an enabling role between the two sectors.  

The ‘New Governance’

Literature on participation and consultation however cannot stand alone. It cannot be divorced from changes in public administration or changing governing processes. The two are not mutually exclusive. Rhodes particularly argues that the breadth of changes –from economic reforms to collaborative changes – must be placed within a shifting operation of government as a whole. Literature on the change to governance can be utilised to show some changes in the governing process; changes that incorporate public administration reform and a shifting discourse towards consultation and participation in the policy sphere. 

According to Rhodes, broad scale of reforms to the public service across the 1980s and 1990s can be categorised into a field of ‘governance’. He describes this period as a time of clear changes “from government to governance”. The change to

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190 M. Bevir, *Key Concepts in Governance*, 3
191 Ibid
governance signifies an array of reforms. Specifically Rhodes emphasises a ‘hollowing’ out of the state, moving towards making government smaller in scale, more efficient and effective. This new ‘governance’ offered a way of reducing costs and increasing flexible delivery of services to the public, often using different sectors to deliver the services once the sole domain of a public service bureaucracy like the APS. ¹⁹²

In a similar fashion, Hall argues that we are entering a new phase of public administration; often described in literature as the “hollowing out of the state”. This phrase describes the way in which the role of the state has been transformed from one of hierarchical control to one in which governing has been dispersed among a number of separate, non-government entities. ¹⁹³ It refers to changes in government including privatisation and the restriction of “public intervention” and the “loss of functions by central and local government departments to alternative delivery systems.” ¹⁹⁴ The core premise is that there are numerous challenges to governance. ¹⁹⁵ The privatisation, managerial and NPM public sector reforms of the 1980s and onwards “have seen power flow sideways and downwards from the central state to a

¹⁹⁵ Ian Holliday “Is the British State Hollowing Out”, 167
myriad of subsidiary bodies, both within and without the formal boundaries of the state”. 196 Thus the ‘State’ is being “eroded or eaten away” 197 with a changed process to governing. 198 The ‘hollow’ state shrinks and fragments the public service. Services can be delivered across different agencies, from local to State to Commonwealth. It also employs the use of external agencies and contracting out services to the business and non-government sectors. 199

Within the ‘hollow’ state NPM strategies are employed, stressing “disaggregating bureaucracies; greater competition through contracting out and quasi-markets; and consumer choice.” 200 It relates to the governing strategy of ‘steering’, as opposed to ‘rowing’ or as an ‘entrepreneurial’ form of government. 201 ‘Steering’ government is described as thus:

Most entrepreneurial governments promote competition between service providers. They empower citizens by pushing control out of the bureaucracy, into the community. They measure the performance of their agencies, focusing not on inputs but on outcomes. They are driven by their goals – their missions – not by their rules and regulations. They redefine their clients as

196 Ibid, 168
197 Ibid
198 Ibid
200 Ibid, 49
customers and offer them choices. They prevent problems before they emerge, rather than simply offering services afterwards. They put their energies into earning money, not simply spending it. They decentralise authority, embracing participatory management. They prefer market mechanisms to bureaucratic mechanisms. And they focus not simply on providing public services, but on catalysing all sectors – public, private, and voluntary – into action to solve their community’s problems.  

This illustrates a ‘steering’ strategy of governance, one concerned with outcomes, consumer choice and the employment of ‘market’ strategies. Moving towards collaboration between government, business and non-government sectors initiated to improve policy outcomes and service delivery and to create a more “integrated approach to the development of policy” and an increase in the outsourcing of services. The 1990s saw a restructure in public administration with a shift towards public private partnerships. This change fitted within the emphasis on competition introduced through the NCP. It also and followed well within the philosophy of NPM and the decentralisation of the bureaucracy. There was an increase in the outsourcing of services via collaborative

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arrangements between government, business and non-government sectors in order to improve and integrate policy development. 204

Governance approaches, however move far beyond ‘outsourcing’ of services. As Osborne and Gambler indicate, partnership arrangements are becoming more common in public policy; new forms of collaboration.205 This is reflected in the wider literature and allows for shared interests to emerge across sectors when parties can unite to develop common outcomes. This constitutes a changing approach to policy making, one that questions whether government alone has the capacity to deliver policy solutions, and represents a changed approach from the NPM and economic ‘rationalist’ approaches of the 1980s and 1990s; moving beyond the assumption that the only way to provide services at the lowest cost was to contract out to external servers. Instead collaborative policy changes reflect the growing complexities faced in a 21st century world. There is recognition that policy making is more complex than ever creating a requirement for more ideas, resources and expertise.206

The shift from government to governance brought about one of the biggest changes in public administration to date. By

204 Ibid, 14-15
205 Ibid, xi
206 Ibid, 1- 3
driving key reforms like competition, consistency between
governments and contracting of services, then communities,
individuals and NGOs began “demanding a greater voice in the
administration and implementation of services”. This position
simultaneously demands for a changed relationship between
politicians, public servants, non-government organisations and
citizens: a move towards a more ‘congested’ and collaborative
state. This included a reliance on non-state actors to deliver
services and a focus on partnerships between government and
non-government sectors. The new ‘community’ paradigm was
part of a stabilising force in government – moving beyond’

efficiency’. It was part of recognition that governments are
“merely one player among many.” This ushered in a new
model of public administration, one with a complex relationship
between government, private and community sectors. From this
point onwards, government can be increasingly characterised by a
network relationship between state and non-state actors, all of
whom are increasingly interdependent on each other. The State no
longer dictates the way in which services are delivered. This
has, and continues to pose obstacles and tensions for government,

207 S. R. Smith “NGOs and Contracting”, 591
208 D. Adams and M. Hess “Community in Public Policy: Fad or Foundation?”, 17; H. Sullivan
and C. Skelcher, Working Across Boundaries. Collaboration in Public Services, 16-20; M.
Bevir, Key Concepts in Governance, 4
209 J. M. Lewis, Health Policy and Politics: Networks, Ideas and Power, 44
210 M. Bevir, Key Concepts in Governance, 4-7; J. Kain, I. Kuruppu and R. Billing,
“Australia’s National Competition Policy: Its Evolution and Operation”
private and non-government sectors as collaboration and 
consultation are increasingly relied upon as tools for success. 211

**Conclusion: A Fourth Way to Discussing Public Administration?**

This chapter has identified these key aspects of public 
administration reform. It particularly illustrates that, in recent years, we 
can see evidence of the public sector moving beyond a steadfast 
bureaucracy or even a merely ‘managerial’ state. Based on the literature 
reviewed, this thesis suggests that public administration is now moving 
into a new arena. There is a strong shift away from simple neo liberal 
approaches to governing. Increasingly community participation and a 
growing role for non-government organisations are paramount. 
Australia’s public service has adapted to a number of growing trends, 
focusing on creating more responsive government, more efficient 
services and a greater emphasis on participation and consultation. 212

There is no simplistic or neat way of categorising the 
widespread reform agenda in public life. As this review of

212 Australian Public Service Commission, “The Australian Experience of Public Sector 
literature has demonstrated, there are numerous changes in the public policy and public administration fields. Public administration has been victim to widespread neo liberal economic agenda and a reform of its core means of service delivery in the form of a civil or public service via the new public management. These reforms served as a stepping stone for more widespread reform agendas in Australia, under the respective mantles of “New Federalism” and the National Competition Policy.

The realm of public policy has also identified a number of challenges from the community sector. The 1960s and 1970s showcased a rise in participatory politics. Literature in the field is strongly reflective of these trends. A growing distrust in government and preferences for engaging citizens in a more meaningful way has been highlighted within this chapter. Policy-making, however, has moved beyond public participation. Discussions of social capital and its rise of “Third Way” governing showcase a deeper draw from the community sector. Governing increasingly becomes a balance of economic sustainability and growth with more expectation on community engagement. Third way approaches have tried to reconcile the debate between socialism and neoliberalism. Collaboration between government and NGOs represents not only a desire for
more inclusivity in the policy process; it also indicates the ‘wicked’ policy problems facing government in the 21st century. Government faces increasingly complex policy issues, often requiring more integrated solutions that are more far reaching. It is an issue, which involves a multitude of stakeholders, whilst simultaneously often having a number of constraints on finding a solution. 213

Australia has moved beyond the traditional spheres of government 214 into a semblance of a fusion between community and collaborative governance and a market state. There is a growing interface between government and the community sector with interactions ranging in style from formal partnerships, to improved and increased consultation mechanisms to informal practices, interdependency and collaboration.

In many respects the literature on governance attempts to marry this breadth of change together. Growing debates on the ‘hollow state’ and changes towards a contracting of services by governing from the community sector showcase this point. Indeed, this chapter has demonstrated a greater reliance on service

214 H. Colebatch and P. Larmour, Market, Bureaucracy and Community
provision from the NGO sector in part of these changes. The greater role for NGOs in the policy process as a part of these changes cannot be underestimated.

Whilst there is an abundance of literature on the different trends in public administration – as examined in this literature review – there is little to tie the vast arena of change together. Public administration’s move towards neo liberalism is inextricably linked to a rising discourse on participation and consultation in public policy. This thesis suggests there must be a fourth way to examining these changes. Australia’s public service deliver has moved beyond NPM and the economic liberalism that occurred across the 1980s and 1990s. Whilst the role of the community sector is increasingly important, organisations in this arena remain dependent on government. Similarly with governments no longer solely providing services to the public their relationship with NGOs is at a most critical junction. Their expertise and services are required and more fruitful dialogues between the two areas are a necessity. Reforms in this area can perhaps best be understood as a balancing act of the economic benefits of neo liberalism, with the growing grasp that shared interests and vision with the NGO sector is a necessity.
The balance of these – often competing - interests to date has not been well illustrated to date, with no stream of literature capturing the overarching intersection of these very different ideas. Best current research indicates gradual shifts in government philosophy and management, moving towards an arena of participatory government. However this process is far from complete. Policy network discussions are often utilised as a means of understanding and analysing this changed governing process. The way networks can be used to explain and analyse these growing trends requires fuller discussion in the following chapter.
CHAPTER THREE

POLICY CONSULTATION: THEORETICAL PERSPECTIVES

This thesis has covered changes in governance, noting the often complex relationship between government and non-government sectors. Literature on policy networks plays an increasingly important role in understanding the changing and multifaceted nature of policy making. Policy networks are employed more frequently across policy and political science literature. This terminology is utilised to demonstrate a new paradigm in political science and a new means of understanding governing processes. There has been a shift from traditional, bureaucratic approaches to organisation to a new framework of governance; one that embraces policy networks.²¹⁵

²¹⁶ T. A. Borzel, ‘What’s So Special about Policy Networks?’ 3
This chapter furthers policy network discussion by examining the current literature and exploring the contribution of this framework of analysis. It contributes to the theoretical field by giving practical application to policy networks, illustrating the way that they assist the study of policy making and governance. It views networks as a type of “interest intermediation”\(^\text{216}\); a way of conceptualising the relationships and interactions involved in the policy making process. Thus, policy networks are highlighted not just as literature on a changed approach to governance, but as a tool of analysis to be employed. The qualitative, interpretive approach utilised and employed by this thesis, uses policy networks as a tool for analysis to focus on the content of the interactions in governance. They interpret the different relationships between actors, interest groups and the State.\(^\text{217}\) This thesis therefore does not confine itself to the existing policy network literature, but seeks to expand its understanding. Across this chapter this additional power analysis contributes to a meaningful conception of the policy network and provides an additional analytical component.

**Government to Governance**

This thesis has thus far provided analysis on a breadth of public administration literature. However, it is worth

\(^{216}\) *Ibid*

\(^{217}\) T. Borzel, *Policy Networks*, 3
recapitulating and expanding upon the salient points of the literature in order to place this work in the appropriate context. In doing so this chapter intends to discuss in more depth the vast literature on policy networks and the analysis this brings to changing approaches to organisation and public administration.

Shifting approaches to the business of government can be attributed to a rise in the ‘new right’²¹⁸ in public administration. The ‘new right’ suggests a philosophical change in public administration occurring across the late twentieth century. It encapsulates a change from traditional, bureaucratic models of public administration.²¹⁹ The period from the 1980s onwards is significant in overseeing a transformation to a new strategy of governance. This strategy was concerned with outcomes, consumer choice and the employment of ‘market’ strategies. Public administration moved into a new phase, described as a ‘hollowing’ of the state. This was a demonstrable change from the role of the state as hierarchical control to a state in which governing was dispersed among a number of separate, non-government entities.²²⁰ These changes signalled a move towards collaborations between government, business and non-government sectors. Such changes were initiated to improve policy outcomes and service delivery and to create a more

²¹⁸ This refers to a phrase utilised by Hood in C. Hood, "A public management for all seasons?," Public administration 69, no. 1 (2007): 3-19.
²¹⁹ C. M. Hall, ‘Rethinking Collaboration and Partnership’, 274 - 275
²²⁰ Ibid
“integrated approach to the development of policy.”221 The ‘hollow state’ oversaw an increase in the outsourcing of services traditionally in the realm of government.222

The change towards a ‘hollow state’ encompassed strategies commonly grouped within NPM approaches to governing. Key changes included: “disaggregating bureaucracies; greater competition through contracting out and quasi-markets; and consumer choice.”223 Osborne and Gaebler indicate that this style of government can be described as:

Most entrepreneurial governments promote competition between service providers. They empower citizens by pushing control out of the bureaucracy, into the community. They measure the performance of their agencies, focusing not on inputs but on outcomes. They are driven by their goals – their missions – not by their rules and regulations. They redefine their clients as customers and offer them choices….They prevent problems before they emerge, rather than simply offering services afterwards. They put their energies into earning money, not simply spending it. They decentralise authority, embracing participatory management. They prefer market mechanisms to bureaucratic mechanisms. And they focus not simply on providing public services, but on catalysing all sectors – public, private, and voluntary – into action to solve their community’s problems. 224

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221 H. Sullivan and C. Skelcher, Working Across Boundaries, 15
224D. Osborne and T. Gaebler, Reinventing Government: How the Entrepreneurial Spirit is Transforming the Public Service, 19–20; This quote is also cited in R.A.W Rhodes, ‘The New Governance’, 51
The changes described are identified as a change in the process of government.

Changes to the process of government are generally described within the broad stream of literature as government ‘steering’ services rather than ‘rowing’.225 Research in this field indicates that traditional ideas of public administration have faded. The role of government as the central ‘player’ in policy making is considered to be out-dated. The new era of governance encompasses a number of changes including the changing relationship between government and non-government sectors.226 Within the new paradigm, it is argued that government is increasingly influenced by other interests, and the capacity to steer or regulate society is over.227

The idea of governance being about ‘steering’ rather than ‘rowing’ falls neatly within the growing field of literature on the challenges of ‘new governance’. This research incorporates analysis on governing structures, both globally and within Australia. This is a meaningful shift in our understanding of the

225 Ibid
business of government; a shift from ‘government’ to governance. There has been a key change from a “…system of local government into a system of local governance involving complex sets of organisations drawn from the public and private sectors.”

Governance is not a synonym for government. It is a different terminology; a phrase that refers to a governing process that is more inclusive of private and non-government sectors.

The ‘new governance’ has shaped the international and national agenda. It depicts a growing relationship between government and external actors. This relationship observes collaboration between said actors and government, including a sharing of resources, actions and ideas. It markedly differs from bureaucratic and market approaches to governing and illustrates a changing of governing processes. Thus, governance has been transformed to a different process:

… with a diverse range of actors, particularly with a shift towards leading and governing the community…..interaction with the community….a shift in the core discourse away from the traditional focus on the

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230 J. M. Lewis, Health Policy and Politics: Networks, Ideas and Power, 10 - 11
231 R. A. W. Rhodes, “From Marketisation to Diplomacy: It's the Mix that Matters” 48
state both towards market principles of competition and efficiency and towards civil society.  

Collaborative mechanisms are employed more widely, with government often unable to solely deliver solutions to policy problems. Neo liberal approaches of the NPM era combine with growing policy measures that embrace collaboration.

Public administration is connected across other institutions and organisations to engage with the delivery of public services and activities. The ‘new governance’ is emblematic of a growing dependency between government and said organisations, with a move beyond State control. It encompasses a blurred boundary between government, market and the community sectors; a growing and continual interaction between networks and their members, sharing purpose, vision and resources. ‘New governance’ moves towards policy

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making involving interaction and collaboration between these diverse sectors. It serves to reflect the growing complexities faced in a 21st century world. There is recognition that policy making is more multifarious than ever and thus requires more ideas, resources and expertise.236

**The Third Way**

The growing complexity of policy making becomes more compelling in the light of material on ‘third way’ governance; a style of governing most commonly associated perhaps with the Blair Administration in the United Kingdom and the Clinton Administration in the United States. This style of governance frames policy network literature, particularly showcasing how our understanding of governing processes need to go beyond the idea of governance as bureaucracy or as market.237

Third way debates became prominent in the 1990s, and marked as a strong contrast to the previous decade’s focus on economic liberal reforms.238 The principles of the third way centre on a means of resolving or moving beyond the traditional divide between socialism and liberalism; the left and right of political life. It argues that principles typically associated with the

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238 Ibid
left of politics like “the fairness and decency of our society” can be applied to changes under economic liberalism and free market economies.

Core to the ‘third way’ is a commitment to remove “passive welfare.” It instead offers a move towards a means of generating ‘active’ communities to create a stronger society. This ‘strong society’ is said to be created through a strengthening of trust and reciprocity between citizens. The third way sees a revitalisation in the way government can operate; a way beyond the dominance of the bureaucracy and Keynesian economics; beyond marketisation and liberalisation of the economy. It seeks a combined strong economy and a strong social agenda. Third way politics does not view these concepts as mutually exclusive.

Crucial to third way politics is a core role for civil society. It is just as critical as the role of government and the economy. The third way stresses the role of the civil sector, particularly the role of interest groups, non-government organisations and so

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239 Ibid
forth. But, as Driver and Martell note, third way politics is – most importantly - about adapting to and coping with change, particularly changing ways in governing.

Some of the strongest critiques levelled at third way politics has largely come about through its practical application; the way it has been employed under political administrations, particularly in the UK under Blair’s ‘New Labour’. The third way cannot be reduced to a catchphrase or rhetoric of a political party, an attack on socialism or ‘Thatcherism’. This perspective argues for a way to meet the problems brought forward by the new economy and the challenges of globalisation, whilst simultaneously allowing social cohesion and a growing interaction with the community sector. A third way approach within the public policy arena encompasses government working in tandem with both private and non-government sectors; different spheres of society working together to “tackle complex social problems.”

**Policy Communities**

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243 A. Giddens, “Introduction”, 6-7
244 S. Driver and L. Martell, “Left, Right and the third way”, 150
245 Ibid
246 Ibid, 152
There are different ways to understand the changes in government and delivery of public policy. The multifarious policy world has been discussed in academic literature in numerous different ways to piece together the way the different spheres of society interact and work together. Policy networks are currently more prevalent in the current field of research, however policy communities have also been used to describe and depict these changes.247

Research on policy communities has illustrated policy issue groups, forming around a particular topic area (for example health or education).248 Within these specific issue areas, a policy community is likely to comprise a Minister (or equivalent), a Government agency and key interest groups. Policy communities are specifically identified as a disaggregated system involving actors and potential actors who share an interest in a particular industry and who interact with one another. These actors “exchange resources in order to balance and optimise their mutual relationships”. 249

Importantly the policy community is defined by its clear boundaries. In the community, a specific interest area gathers a limited number of members (often referred to as ‘privileged bodies’). It becomes 'a linking process, the outcome of those exchanges, within a policy community or between a number of policy communities'.

Given the closed nature of the community and its limitation of key ‘players’, there is a high degree of dependency within the community. As Jordan notes, interest groups can provide specialist advice, legitimisation and support for political figures and government agencies. In return, the interest groups gain access to government and become part of the policy process. The process of policy-making therefore becomes a shared exercise. “Institutionalised relations” arise between groups and government, ‘to facilitate policy making and implementation.’

There is an abundance of research that explains the increasingly blurred boundaries between bureaucracy, market and community groups. This discussion is expanded upon within policy network analysis. Policy network approaches emerge within this overarching dialogue to describe interaction between

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250 Ibid, 297
252 Ibid
actors. They also illustrate a growing complexity of policy making; that it cannot be analysed in a ‘clear cut’ manner. Policy network literature largely replaces the, somewhat outdated, policy community literature.\footnote{W. M. Atkinson and W. D Coleman, ‘Policy Networks, Policy Communities and the Problems of Governance’, 156; C. E. Lindblom, “The Science of Muddling Through”, \textit{Public Administration Review}, 19, no .2 (1959): 86 – 88; H. Klijn and J. F. M Koppenjan. “Public Management and Policy Networks.” \textit{Public Management an International Journal of Research and Theory} 2, no. 2 (2000) 135 - 139} Whilst topics can be seen as related, a community is broad and varied. In contrast a policy network refers to the “relationships among actors.”\footnote{W. M. Atkinson and W. D Coleman, ‘Policy Networks, Policy Communities and the Problems of Governance’, 158; W. Coleman and G. Skogstad, ‘Policy Communities and Public Policy in Canada’, 25- 26} It can be seen as a way of describing all actors who merge around a particular policy area.\footnote{W. M. Atkinson and W. D Coleman, ‘Policy Networks, Policy Communities and the Problems of Governance’, 158} A policy community in contrast can be reserved for “actors and potential actors who share an interest in a particular industry and who interact with one another.”\footnote{S. Wilks and M. Wright, \textit{Comparative Government Industry Relations: Western Europe, the United States and Japan} (Oxford: Clarendon Press, 1987), 296} And whilst policy communities and policy networks are often seem to be interchangeable in literature, policy networks can be more specific, referring to relationships with organisations and individuals that have frequent contact in a particular policy field.\footnote{M. M. Atkinson, and W. D Coleman, ‘Policy Networks, Policy Communities and the Problems of Governance’, 156}
Governance and Policy Networks

Policy communities have been used within academic literature to describe and depict the interplay between government and other sectors in society. However this terminology has been increasingly replaced by discussion on policy networks. Policy networks are used to understand how organisations interact in the network. They examine structures and processes in policy making, showing an expanding interdependence between government, actors and NGOs. Through this field of research, we can increasingly see government exerting less control of the policy process. Policy networks have a greater role in setting the policy agenda and contribute to the implementation of public policy. Whilst government may form part of the policy network there is more often mutual dependence between them and other actors in the network.

Policy networks are essential to concepts to the understanding of ‘new governance’. They are a necessary means of dealing with ever changing and increasingly complex policy problems. Governance structures have new mechanisms which are unfolding.

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unmistakable and can be observed over the past decade across the changing role of government.\textsuperscript{261} Policy networks are inextricably linked to a rise in collaborative style, and ‘third way’ style governance. They represent a changing government approach, away from hierarchy and marketisation.\textsuperscript{262}

Network approaches to public policy emerge within the broader governance literature. However, they are also central to fields of research on participation in public policy. Network approaches are often referred to as a ‘bottom –up’ approach to decision making. Whilst policy networks do not completely ignore issues of control and power. There is, however, more interest and focus on achieving policy results.\textsuperscript{263} As Crabtree comments:


\ldots communities are changing. They are becoming more complex and identity is no longer a matter of straightforward geography. People are engaging – with each other, with society, with politics – in new ways, outside the realm of the state and enabled by new technologies.\ldots This might require a degree of ‘letting go.’\textsuperscript{264}

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\textsuperscript{261} R. A. W Rhodes, “From Marketisation to Diplomacy: It’s the Mix That Matters”, 42
\textsuperscript{263} M. Stewart- Weeks, “From Control to Networks”, 193
\textsuperscript{264} Crabtree et al as cited in M. Stewart- Weeks, “From Control to Networks”, 194
Governing processes now include a variety of actors and interrelationships. The policy network approach clearly builds on this framework through its focus on interactions and relationships between actors and the sharing of common goals and objectives.

Policy network approaches allow observation on the interactions between different groups, and the “intersection of corporate, professional, and governmental organisations, which share resources among participants and exclude others.”

Instead there is a focus on the role of people and social connectedness. This is fitting with third way governance literature, as both are essentially based on trust and the capital that comes in the creation of its relationships; utilising resources to create potential and collectively contribute to a particular policy arena.

Whilst policy networks are based on trust and reciprocity, they also illustrate a “complex interaction processes between a large numbers of actors which takes place within networks of

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266 J. M. Lewis, ‘Health Policy and Politics, 11
267 Ibid
268 Ibid
interdependent actors.” \( ^{269} \) Networks embrace a relationship between actors that have common interests and goals and exchange resources to pursue these goals. \( ^{270} \) Often perceived as non-hierarchical, networks are not limited to community sectors and can (and do) include government, non-government and private sectors. \( ^{271} \) Trust and cooperation links these groups and is intrinsic to the policy network:

If it is price competition that is the central co-ordinating mechanism of the market and administrative orders that of hierarchy, then it is trust and co-operation that centrally articulates networks. \( ^{272} \)

In the network view, policy outcomes can be achieved through trust and cooperation. \( ^{273} \)

Within the cooperation of the policy network stems the belief that working independently will not be the most effective way to solve a particular issue. Networks are founded on cooperation. By working collaboratively with other organisations

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\( ^{269} \) E. H. Klifn and J. F. M. Koppenjan, “Public Management and Policy Networks”, 3
\( ^{270} \) T. A. Borzel, “What’s So Special about Policy Networks?”, 1
\( ^{271} \) R.A.W. Rhodes, ‘The New Governance’, 659
common goals and tasks can be accomplished.\textsuperscript{274} To achieve this a network may involve tasks such as cooperation, coordination and “coalition activity.”\textsuperscript{275} Actors are “mutually dependent”\textsuperscript{276} and rely on each other to achieve common goals and objectives. They work together to achieve reciprocally desired outcomes.\textsuperscript{277} Although individual actors or organisations may have their own specific goals, they may work to achieve one particular, mutually desirable goal. Network structures encompass people working together to achieve accomplish a common goal.\textsuperscript{278}

Network structures involve cooperation and working towards a common goal. Theoretical perspectives in this field illustrates that they typically operate without a central actor or agency in charge. There may be a leading agency or organisation that establishes “formal rules of collaboration” but this is not essential.\textsuperscript{279} Networks rely on trust and reciprocity to work effectively. Persons working within the network structure recognise their inability to achieve goals independently and that

\textsuperscript{276} E. H. Klifn and J. F. M. Koppenjan, “Public Management and Policy Networks”, 4
action must be taken collaboratively. Members are interconnected in a network structure see themselves as part of a larger picture. They may take time to develop and enhance relationships as a way of working within the structure.

In some areas participants within the network structure may be known to each other and interact with each other already, and may already see themselves as being interdependent on each other to achieve changes. They understand that working collaboratively is needed, especially when ‘traditional’ means have failed. Networks formalise links with these organisations and individuals who have shared interests. They might collaborate to collectively seek action in a policy area, but maintain independence. They are unified by shared interests and operate in a partnership arrangement - not an arrangement based on hierarchy or control.

At the crux of policy networks is the concentration on information. Information is shared openly, with network style thinking emphasising that information becomes more powerful through sharing and collaboration. There is a growth in the two-

way flow of information between the two sectors. Networks exchange information and resources (for example, money, information, expertise) to achieve their objectives. These ideas are essential to principles of trust and cooperation. It also enables them to “maximize their influence over outcomes and to avoid becoming dependent on other players in the game.” Networks focus on “connections between people, the values of those ties, and the structure they sit within.” There is a concentration on the individual and the connections generated between individuals and organisation, “the form of capital that is generated when individuals trust each other and have reciprocity in their relationships.”

Rhodes argues that networks are comprised of organisations dependent on each other for resources, and an exchange of resources to achieve their goals. Their potential for power is dependent on the resources of the organisation. The interdependence is likened to ‘game theory’:

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284 J. M. Lewis, Health Policy and Politics, 11
285 Ibid

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…relations between public sector organisations are a ‘game’ in which both central and local participants manoeuvre for advantage. Each deploys its resources, whether constitutional-legal, organisational, financial, political or informational, to maximise influence over outcomes while trying to avoid becoming dependent on the other ‘players’. It is a complex game in which the various levels of government are interdependent.  

Thus, there are game like interactions in place. Policy networks not only cooperate to pool resources and achieved shared goals. Policy networks also define the role of actors in the policy process and can limit who participates. There is an ability to shape issues and decide what is included and what is not included on the policy agenda.  

Actors have an established set of rules that frame the network and operate strategically within this to achieve their own objectives, often whilst advancing a collective goal. These rules are often ambiguous and informal in nature, but arguably a game between actors emerges. Each actor within the policy network has their own “perceptions of the nature of the problem and desired solutions and of the other actors in the network.” Outcomes are a result of the interactions of strategies within the game.  

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287 R. A. W. Rhodes, “From Marketisation to Diplomacy: It’s the Mix That Matters”, 44  
288 Ibid  
Given that the management of outcomes is essential to policy networks, network management becomes a key part of their process. There are a number of strategies employed to steer the network. 290 The two common means are referred to as either ‘process management’ or ‘network constitution’. 291 The former essentially is about improving interactions between actors in the policy process and uniting and solving problems within organisations and developing strategies with each other. Rules (be they formal or informal) and the use of resources is key to process management. Network constitution in contrast, centres on changes in the network; be it changing the role of actors or introducing new actors, the functions of the network or setting out rules (formal and informal). These strategies are employed to ‘steer’ the network. 292

Policy networks are an essential element in understanding new governance arrangements. They are indispensable to understanding the increasingly complex policy problems. This is unmistakable and can be observed over the past decade across the changing role of government.

A Critical Understanding of Network Approaches

290 Ibid, 5
Network approaches are often universally perceived throughout the policy literature as intrinsically ‘good’. Concepts of network governance perceive the governing process as socially empowered, affording citizens and community groups’ opportunities to provide for and implement policy and public services. However policy network analysis is not without its critics. Literature in this field is not consistently positive in its analysis of network approaches. There are a number of criticisms of network approaches that must be briefly addressed before this thesis moves to offer an additional theoretical dimension to this field.

Network approaches attract criticism for offering a theoretical framework that ultimately lacks clarity, particularly when compared to other methods of analysis. The network approach is scrutinised for being too vague and without a clear means of explaining governance, governing and policy processes. Dowding particularly emphasises these critiques. He (and


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other scholars) argues that network approaches are too descriptive and provide no detail on the policy process or the mechanisms of policy making. Without a clear formulaic way of evaluating policy making, it is often seen to be unsubstantiated and lacking analytical credibility. 295 Whilst it is true that a network approach can seem ‘descriptive’ and without a specific or formulaic criteria to evaluate governing processes. However this should be not seen as a ‘flaw’ as such. This framework can be entirely appropriate, depending on the research being undertaken. Given the qualitative, interpretive approach to the research undertaken in this thesis, a network framework of analysis is entirely appropriate. 296

This thesis argues that the common critiques levelled at network approaches are often flawed, particularly in their referrals of this approach being too descriptive and lacking critical analysis. This is inaccurate. Policy networks are essential to understanding governing processes, thus an analysis emphasising an interpretive approach is entirely appropriate for this thesis. However, whilst this chapter refutes criticisms that this theory is not valid, it does find policy networks lacking in theoretical power in one element: power. The existing field of research

296 Please refer to Chapter One of this thesis and the interpretive approach outlined in this dissertation. Pages 33 – 38 may be particularly relevant.
largely overlooks the importance of power in relationships. Networks emphasise collaboration, resource sharing and cooperation, but current literature generally offers little acknowledgement of power differences.\(^{297}\) Whilst cooperation is central to network approaches, it does not equal an absence of conflict. Cooperation does not also automatically mean an equal distribution of resources between actors or groups. As this thesis will illustrate, the role of resources and the scale of organisations in the policy process, is pivotal. These issues clearly influence the policy process.

Power is important to network approaches and needs to be incorporated on a greater scale. Currently network literature—although often commenting on power relationships – largely fails to explore this in a meaningful way. This thesis seeks to add a power dimension to the existing field of analysis, offering a twofold agenda: arguing the importance of resource sharing and collaboration whilst also illustrating the privilege particular groups and actors pertain.\(^{298}\)

Policy Networks as a Tool of Analysis

Networks in principle are a useful tool of analysis; an appropriate approach when considering and describing the complex and often blurred line in the governing process between government, market and community sectors. With more interaction and cross over between these sectors, describing and analysing these relationships is increasingly important. This thesis employs the policy network as a tool of analysis, a way of understanding policy processes. However it notes that there are elements of policy networks that lack critical power. This thesis, and specifically this chapter, seeks to add to the existing debate and offer an additional layer of analysis to the existing framework.

As a means of analysing information, networks can be employed in a number of ways. On a micro level, networks focus on the relationships between the individual actors. Policy networks provide a means for analysing primary research, shedding light on the interactions between independent, but interrelated organisations who shared resources and interests to achieve their shared outcomes.299 It moves beyond merely a way of interpreting these actions, as we cannot truly account for the

299 M Atkinson, and W. D Coleman, “Policy Networks, Policy Communities and the Problems of Governance”, 159; T. A. Borzel, ‘What’s So Special about Policy Networks?’, 5
way that groups and actors link together. Kenis and Schneider note that network analysis “… is no theory in the strictest sense, but rather a tool box for describing and measuring relational configurations and their structural characteristics.”

Within the ‘tool box’ of network analysis, there are a number of different understandings of policy networks. This thesis agrees broadly with Rhodes’ conception of policy networks, in that it identifies networks more as different groups and organisations coming together. It sees less of a merging of individual relationships, but instead a ‘grassroots’, collaboration between organisations. It is primarily the relationship between different organisations in the non-government sector, and their relationship with government that forms the crux of the primary research in this dissertation. Given the focus of this thesis, the way that organisations interact is important.

A number of network types can be characterised within the broader policy network theory. This allows for an understanding of how policy networks can achieve their goals. The way interactions are understood can depend somewhat on the typology of the network. Network types for example can range

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300 P. Kenis, and V. Schneider. "Policy networks and policy analysis: scrutinizing a new analytical toolbox.", 44. This reference is also cited in T. Borzel, "What’s So Special About Policy Networks?", 6
301 M. M. Atkinson and W. D Coleman, “Policy Networks, Policy Communities and the Problems of Governance”, 159
from ‘highly integrated’ networks to ‘issue networks.’ Labels depend on the “degree to which their members are integrated, the type of their members, and the distribution of resources among them.” \(^{302}\) The former characterises its networks with “stable relationships” \(^{303}\) and fairly unwavering solidarity with members of the network. Membership may be more restrictive, but there is more likely to be higher interdependence and shared responsibility for policy implementation and the delivery of policy results. This network is in some ways more formalised and clear on its shared goals, thus ultimately ending up more protected from other networks. \(^{304}\) In contrast the ‘issue network’ is largely perceived as a weaker form of network. Whilst it will share common interests and goals, an issue network is less formed. An issue network generally offers more varied membership and less interdependence with more outside influence. \(^{305}\)

Within network theory the structure of the network is often viewed as important. But, particularly in considering the work of Wilks and Wright, we can include additional criteria to go beyond structural interaction. This is undeniably important, given the professed importance of the interactions between different organisations. Some agency must be considered, and

\(^{302}\) T. Borzel, ‘What’s So Special About Policy Networks?’, 4
\(^{303}\) W. Coleman and G. Skogstad, Policy Communities and Public Policy in Canada: A Structural Approach (Ontario: Copp Clark Pitman Ltd, 1990), 26
\(^{304}\) Ibid
\(^{305}\) Ibid
leverage must be placed to consider the role of interpersonal relationships.  

Network analysis balances the importance of structure and agency, one more important aspect that this thesis adopts from network approaches is the role of self-organisation. Within a governance framework, Rhodes argues that networks are “self-organizing.” They are a true partnership of actors and organisations from across society including government, non-government and private sectors. Within network literature government is just one of many players within the network and without sole influence. There are “systems of interaction” between individual actors and groups and a growing relationship between government and external actors. This results in a collaboration of resources, actions and ideas. Government is viewed in this framework as a set of links and one of a number of actors building a relationship within a number of groups.

When using networks as a tool of analysis, a number of key features can be observed. Networks enhance our

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306 T. Borzel, “What’s So Special About Policy Networks?”, 4; S. Wilks and M. Wright, Comparative Government Industry Relations: Western Europe, the United States and Japan, 296
308 Ibid, 666
309 J. M. Lewis, Health Policy and Politics: Networks, Ideas and Power, 10
310 Ibid, 10-11

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understanding of governing processes by illustrating that
governing increasingly goes beyond the scope of mere
government. We are experiencing a time of blurring boundaries
between business, government and non-government sectors of
society. Within policy networks interactions in the network are
ongoing and continuous, much of which can include resource and
information sharing. Rules, norms and interactions are established
in the network, be it in a formal capacity or informally. Networks
are also identified as independent from government – although
government can be included within a policy network and exert
influence within it. 311

The Relationship between Power and Policy Networks

Policy networks provide an understanding and explanation
of governing processes. However the concept of power is rarely
used in this discussion. Within network literature power is rarely
considered in an in depth manner. This thesis adds a power
dimension to the existing framework in order to strengthen the
way in which networks can be used as a tool for understanding
governance. Current theoretical perspectives that assume an
absence of power operating in this field are misguided -
particularly given the interdependent relationships within
networks between different sectors.

Within political discourse, power is an inherently contested concept. Power is intrinsic to the role of interests and how people act on these interests and how their interests are understood. We make judgements on the way we perceive power to be exercised, the extent to which power is held and the way we perceive to be powerful or conversely powerless. These very ideas are contested.\(^{312}\) Power is a contentious field within political study, with numerous debates and discussion in the power theory field. However, few would argue that politics and public policy are devoid of power. It is keenly felt in all aspects of political and social life.\(^{313}\) As Hindess summarises, “power is ubiquitous and there can be no personalities that are formed independently of its effects.”\(^{314}\) We need to observe power and discuss its potential to understand its influence. Power theory is therefore essential.\(^{315}\)

Power theory is vital to understand values and preferences in our interactions. In this field of research, the three ‘dimensions’ of power are most commonly employed to provide for a critical

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\(^{312}\) S. Lukes, “Power and the battle for hearts and minds” in *Power in world politics*, (ed) F. Berenskoe and M. J. Williams, 83 (Oxon: Routledge, 2007)


\(^{311}\) Hindess cited in S. Lukes “Power and the Battle for Hearts and Minds”; 98- 99

\(^{311}\) S. Lukes “Power and the Battle for Hearts and Minds”; 98- 99
understanding of this. By examining facets of power theory policy networks can be better understood. Networks cannot be located in a power vacuum. The way values and interests in the network are determined must be influenced by feelings of power and powerless. Despite the intrinsic relationship between power and policy networks, existing writing on policy networks fails to acknowledge its influence.

Network theory is often not clear in its illustration of how power is embedded in relationships, despite its emphasis on our associations with actors and organisations. In contrast, this thesis argues that a network involving a range of interests from different sectors in society will keenly feel a range of power imbalances. Without power, collaborative arrangements cannot be well understood. Resource sharing, information sharing and cooperation, brings with it the power to influence and exclude.

Policy networks suggest mediating power across different groups in order to achieve a balance between groups with unequal power. But, there needs to be trust and reciprocity between groups with more and less power and a feeling that the situation is fair and equal, and a sense of ownership. Onyx comments that there “must be a common set of values and acceptance of agreed

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norms.” These principles must be evident within the network for a more even balance of power and interests. Power theory literature helps clarify some of these issues, and clearly depicts a relationship between collaboration and power. It shows how some actors and interests can have power over others, or - the capacity to facilitate consultation in a way that is “in their own interests and against the interests of another person or group.”

This dissertation contends that an additional power dimension is necessary to expand current network theory. Power theory is much referenced and cited in political science and public policy literature. Nonetheless, the dimensions of power - widely attributed in academic literature- provide for a more meaningful illustration of how networks operate and the complexities within these arenas. This thesis primarily concerns itself with ensuring the two and three dimensional views of power are layered into existing network theory.

Dahl’s perspective on power is most often cited as the basis for pluralist or first dimensional views on power theory. The first dimension of power provided a catalyst for a number of subsequent theories. In the pluralist perspective, Dahl contends

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317 Ibid
318 Ibid, 64
that power is exercised when “A has power over B to the extent that he can get B to do something that B would not otherwise do.”

This highlights one of the most pervasive qualities of power – having influence over another and influencing the decisions that take place. Core to the one dimensional approach is an understanding of who participates, who loses and who wins in the decision making processes. However this perspective operates with the assumption that anyone has access to the decision making process. Moreover, it assumes that “grievances are assumed to be recognised and acted upon.”

There are advantages to the pluralist power perspective, particularly in its emphasis on provable findings on influences to decision making. However it is limited in its usefulness, particularly for this thesis, due to the inherent focus on observable decision making. It does not indirect influences on decision making, or the influence of external. The one dimensional view of power “cannot reveal the less visible ways in which a pluralist system may be biased in favour of certain groups and against others.”

The one dimensional view of power offers less ability to understand the complex inter dependency of relationships, as it provides only an ability to analyse observable behaviours.

320 J. Gaventa, Power and Powerlessness (Urbana: University of Illinois Press, 1980), 5
For this thesis, the two dimension and three dimensional views on power prove more insightful in analysing policy networks. Two dimensional power perspectives offer a unique insight into the challenges of policy networks with its focus on non-decision making and the ‘mobilisation of bias.’ The two dimensional view argues that:

All forms of political organization have a bias in favour of the exploitation of some kinds of conflict and the suppression of others because organization is the mobilization of bias. Some issues are organized into politics while others are organized out.

The second dimension of power is significant for its incorporation of the ‘mobilisation of bias’. This ‘mobilisation of illustrates how beliefs, values and rules have the ability inadvertently and systematically preference particular people and groups at the expense of others. The reinforcing of ingrained biases can prevent decision making from occurring – what Bachrach and Baratz refer to as ‘non decision making’. This is the preservation in many respects of the ‘status quo’. The main importance of the second dimension of power is that it moves away from Dahl and the first dimensional view of power with a focus on observable behaviour to an analysis of cover conflict.

323 Ibid
The second dimension of power can assist in adding another layer of analysis to the current framework of network approaches. Current literature largely does not account for covert power relationships and ingrained biases within a decision making (or non-decision) processes. Networks by nature show bias in the agenda setting process. Interests within the network do not operate on an equal basis. Thus, power is exercised where particular groups are excluded from a sharing of information and resources or where groups or actors are dependent on others in the network for these facets.³²⁵

Network theory does not account for the imbalance between organised groups, interests and actors operating within the networks. Those with less power (be it through size of numbers, financial means, lack of authority) can face clear barriers in addressing their issues in the network. Moreover they are heavily reliant on the cooperation of others in their network. Thus, positions of power in the network are reinforced, entrenching existing bias.³²⁶ Entrenched power serves to enhance dominant values, beliefs and preferences.

The second dimension of power, as encompassed by Bachrach and Baratz, offers advancement on the pluralist power

³²⁶ Ibid
perspective. It does not assume that all within a network operate on ‘equal footing’. It also shows that grievances are not always observable.327

Lukes’ third dimension of power adds additional support to the field of power theory, and significantly advances the second dimension of power. The third dimension of power allows a deeper analysis of the structures that prevent access to the political and policy agenda. It enables an understanding of the ways that institutions and inaction “prevent access to the decision making process.”328 Third dimensional analysis is significant as it offers “the prospect of a serious sociological and not merely personalized explanation of how political systems prevent demands from becoming political issues or being made.”329

Lukes’ view of power offers an opportunity to enhance and expand problems with behaviourist understandings of power. Both one and two dimensional views of power do not adequately account for the way that power is ingrained in society; the way

327 S. Lukes, Power: A Radical View’, 39
328 Ibid
329 Ibid
that individuals are prevented from realising their ‘wants and desires’.\textsuperscript{330} Lukes notes that:

A may exercise power over B by getting him to do what he does not want to do, but he also exercises power over him by influencing, shaping or determining his very wants. Indeed, is it not the supreme exercise of power to get another or others to have the desires you want them to have – that is to secure their compliance by controlling their thoughts and desires.\textsuperscript{331}

Lukes considers the way in which issues (or potential issues) are excluded from the political agenda and indeed the policy process at large. Within his perspective, there is an inherent bias in the system that prevents conscious decision making.\textsuperscript{332} The system is in essence a political agenda which is influenced by social and cultural practices and constructions.\textsuperscript{333} This perspective offers a tool for analysing the imbalances of power in the network - the way that practices can become routine or considered the norm for many.

Networks cannot be considered outside an arena of power and attention must be played to the way that power imbalances and the role of norms and values are included in the network.

\textsuperscript{330}M. Waters, Modern Sociological Theory, 244
\textsuperscript{331}S. Lukes, Power: A Radical View, 27
\textsuperscript{332}Ibid, 21
\textsuperscript{333}Ibid, 22
Critiques of Power Perspectives

Whilst this thesis argues that policy networks cannot be considered outside an arena of power, it does acknowledge a number of critiques levelled at power theorists. This section of this chapter briefly wishes to address – and ultimately refute - the criticisms in this area. It would be remiss not to acknowledge these comments and to illustrate how this thesis avoids some of these concerns.

This dissertation argues that the third dimension of power adds an important element to policy network theory. However it does – as does Lukes himself- concede that there are problematic areas in this theory. The third dimension of power ultimately considers the way that structures – be they social, political, cultural – have the ability to prevent access to decision making. It, perhaps more pertinently, shows how they can stop people acting in their ‘real interests’. However offering concrete evidence that decisions or actions would be taken if it were not for these social –cultural- economic barriers being in places is difficult to offer provable, empirical data on this. Critics argue that the focus on barriers, non-events and non-actions set out in both the second and third dimensions of powers, cannot be observed. Suppression of particular issues cannot be identified.334

334 Notwithstanding specific research that has applied the third dimension of power to specific case studies. See for example: J. Gaventa, Power and Powerlessness. (Urbana: University of Illinois Press, 1980); J. Gaventa, “Participatory Research in North
Attributing exercises of power to political institutions, groups or classes is difficult given that it is hard to distinguish between structural determination and an exercise of power. Despite some of the criticisms attached to power theory, this thesis still views them as essential to understanding policy networks. The second and third dimension of power, particularly need to be incorporated. Whilst the first dimension of power uses its pluralist perspective to show how particular groups control the agenda, it is too simplistic. The second dimension of power offers a significant advancement in understanding ‘bias and control’ in the agenda. However it does not consider latent power, which is explored through Lukes’ third dimension of power. Although there are significant critiques of the third dimension of power, this thesis refutes them. It argues that Lukes’ theory is not merely “ideological or metaphysical.” It instead offers a deeper laden analysis of power. This can be interwoven within the existing policy network theory for a more sophisticated network analysis.

Despite some criticisms levelled theories of power, this thesis argues that such perspectives are essential. This dissertation argues


335 A. Finlayson, M. Bevir, R.A.W. Rhodes, K. Dowding, and C.Hay, 'The Interpretive Approach in Political Science: A Symposium', 4
that power dimensions can be too often ignored when it is crucial to the way resources, rules, norms and values are used.

**Meta Approach to Network Analysis**

Policy networks are depicted in the field of research as a specific form of governing. Networks are characterised by trust, reciprocity and loyalty. They indicate a time in which government is not the sole player in society- where policy and political power is dispersed amongst a number of different arenas. Policy networks suggest a “specific form of public-private interaction in public policy” and go beyond markets and bureaucracy as the two models of governance.

The role of governance is critical in addressing the role of networks and network analysis. Whilst policy networks are often referred to in governance literature this thesis argues that more prominence should be given to meta-governance as a way of perceiving policy networks. Understanding the operation of networks in the meta governance context better explains their process.

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337 T. Borzel, ‘What’s so special about policy networks?’, 3;

338 Ibid
Meta governance is best understood as the “governance of governance.” It is often defined in different ways within the literature. It is therefore worth summarising the key elements of this concept and its role in policy network theory. Meta-governance can be described as providing an instrument for shared learning, linkages, and interdependencies. It also “promotes the development of shared visions” which can include pursuing new activities that complements “existing patterns of governance.”

Meta governance is referred to consistently within public administration literature as ‘steering’ as opposed to rowing. However this concept is vague. More definitively, meta governance can be identified as involving supplying and delivering services to the community. This can occur in a number of different ways from contracting of services and quasi market systems. There is a movement away from government providing all services toward procurement – allowing this ‘steering’ as

339 J. Kelly, “Central Regulation of English Local Authorities: An Example of Meta Governance?”, 605
opposed to rowing metaphor. This is encompassed in the new ‘hollow’ state.  

Within the ‘hollow state’ so often described in governance literature, there are a few common features. These can be summarised as “joint production and having several degrees of separation between the source and the user of government funds.”

In the hollow state both markets and traditional hierarchies are not useful for service delivery, with networks left as the course of action and as a way of delivering outcomes to the community.

Hierarchy remains important to meta governance. Within policy network literature, in contrast, a strict hierarchy is not observed. In meta-governance informal hierarchical control and coordination is experienced. This defines “the context within which negotiations must take place.”

This chapter argues that negotiations in a policy network occur in the “shadow of

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342 M.H. Brinton and K.G. Provan, “How Networks Are Governed”, 243


Networks operate without specific hierarchical control, in contrast to traditional ideas of governing. The traditional authority of the State, informal and to some extent formal negotiations between a variety of actors – including government and non-government sector organisations – are key to the policy process. These negotiations are shaped within the policy network.  

This thesis argues that meta governance offers a deeper and more sophisticated analysis of policy networks. It encompasses a steering of the state and an indirect control of consultation processes. Within the indirect control depicted in the meta governance model, Government still retains authority and control. It contradicts, in many respects, suggestions in some of the literature reviewed that the State is in decline and that networks steer social action. Meta-governance bridges much of network theory, showing the complex balancing act between the role of government and the role of networks and partnerships.  

**Adding to the Policy Network Framework**  

Using the framework of meta governance, this thesis offers an additional layer to existing network literature. This thesis argues that policy networks must be examined within a

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345 F. W. Scharpf, “Games Real Actors Could Play”, 40
347 J. Kelly, “Central Regulation of English Local Authorities: An Example of Meta Governance?”, 604
context of meta-governance. Existing literature on governance potentially over estimates the way in which networks operate outside the sphere of government, suggesting that power is exercised in this arena. Government implicitly or explicitly steers governance structures, often negotiating within networks or coordinating through the networks. Rather than a distinct style of governance like a hierarchy or a market, this thesis views policy networks as a mixture of market, bureaucratic hierarchy and collaborative measures. 348 As Jessop suggests the “state now functions ‘in the shadow of hierarchy’.” 349 This thesis strongly argues that a modified role for the state - rather than a diminishing role - is a more accurate reflection of governing processes.

To summarise succinctly, this thesis conceives of policy networks that operate in a background of meta governance.

Governing via networks approaches:

1. Governing that moves beyond the scope of government, a blurred line between government, private and non-government sectors;

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348 Ibid, 606
2. Resource sharing between networks

However this thesis also illustrates that:

a) Networks are not immune to power. In practice, government steers and has a greater ‘say’ in the network process.

b) Groups with dominant power shape the interactions in the network, both formally and informally.

c) There is some measured interdependence from government; but government is included in the policy network and can have a great influence in the steering of the network. Other groups or actors may be dominant, power is not necessarily held by one group. However to ignore the power government has is naïve.

This dissertation argues that current literature emphasises the sharing of resources, rules, norms and values in a way that is often non-specific. Often the power dimension is ignored. This thesis argues that network approaches are inherently based in
power and cannot be ignored. Whilst Government rarely exerts authority meta-governance analysis concludes that the state capacity to steer is most successful when exercising power through hegemonic practices and third parties that regulate organizations on the behalf of the state.” 350 The state has modernised and is adaptive to its environment. It is largely accepted convention that government notionally only has “loose leverage” over said networks. 351 Yet in contrast this thesis argues that Government has a greater control over policy networks in modern day policy making. Particularly in interactions between actors and groups as government funding and resources are critical.

Conclusion

Public policy making is increasingly complex and often beyond the control of government. The governing process is no longer the sole domain of government and its administrative ‘arm’ of the public service. Increasingly policy making involves partnerships involving community groups, private sector groups and the non-government sector. 352 This ‘new governance’ is not limited to competition and coordination. It involves a blurring of

350 J. Kelly, “‘Central Regulation of English Local Authorities: An Example of Meta Governance ?”’, 607
boundaries between governments, non-government and market spheres of society.

In the increasingly consultative and collaborative state, networks and network structures are used to describe and analyse these relationships. Policy networks show how government and external stakeholders can relate. This body of research highlights the constant interaction between actors in government and the third sector and the different relationships between the two sectors. Policy networks change our traditional views of governance, and showcase a new and varied role for non-government organisations. With policy problems increasingly complex, the means of managing said problems is equally less straightforward. 353 In an era of ‘wicked’ policy problems, policy networks work to “reduce policy conflict and make it possible to depoliticise issues.” 355 Policy processes are often too complex to be limited to government resolution. 356

With policy processes growing in complexity, policy solutions similarly are not limited to the work of one sector or one

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353 Ibid
355 M. Hill, The Policy Process, 70
organisation - they involve collaboration across the board. To examine this further, this chapter has therefore examined policy network literature. Policy networks can be used as a tool of analysis to understand the changed arena of governance, and can particularly shed light on the relationship between government and non-government sector relationships in Tasmania. Within this thesis’ qualitative approach to research, policy network theory provides an excellent way of unpacking the core themes of this thesis. Policy networks can assist in an examination of the relationship between government and community sectors; the formal and informal relationships between these two spheres. Moreover it can illustrate the way that interactions between the members of the network influence the process of policy making and policy outcomes.

To appropriately utilise network theory, this thesis has highlighted gaps in the current field of research. This chapter has argued that current theoretical conceptions are limited in many aspects. It has sought to rectify these gaps by placing networks within a wider literature on meta-governance; something often under theorised in this field. This chapter has argued that networks cannot be considered independent of government, rather

358 T. Borzel, “What’s So Special About Policy Networks?” , 4
another facet of governing processes in which government continues to exert a lot of influence. However it acknowledges that collaboration between other sectors and interests remains vital.

This chapter has also illustrated that existing literature on network theory operated in a discursive vacuum absent from considerations of power. As such, this thesis has given consideration to an additional dimension of power to work within network theory. Being cognisant of imbalances in power of relationships, and the different degrees of control and influence within the network is vital.

By placing network theory within context of both meta governance and power theory, this chapter has illustrated that governance as policy networks is an incomplete arena. Self-organising networks are not yet the distinct governing structure they would appear – not in the way in which markets or hierarchies can be identified. This thesis certainly acknowledges and accepts that networks form an aspect of 21st century governance. Indeed networks highlight - to a degree - the very complexity of governing. However this overestimates the cohesiveness of network theory. There are a number of issues for consideration. This dissertation firstly suggests that
understanding networks in the context of meta governance is crucial. Moreover policy networks, particularly as depicted in the early work by Rhodes, lack analytical rigour. They are overly descriptive. Adding an additional power component provides for a more insightful analysis of modern day governance.
Discussion on a wider sphere of public administration has been addressed in Chapter Three of this dissertation. This thesis has thus far provided an understanding of some of the key national and international trends in this field. A deeper understanding of the way policy networks can be used as a tool of analysis for this field has also been identified. With a focus in this thesis on the case of Tasmania, however, more meaningful discussion on this State remains necessary. This chapter combines analysis of relevant literature with its own primary analysis of secondary sources, to provide an insightful illustration and context for the policy ground of Tasmania. This foregrounds the primary data gathered during the course of this thesis. Tasmania is used as an example of a State facing many of the governmental challenges of the 21st century; governing challenges that increasingly involve
the need to balance the role of government and non-government sectors.

Much of the relationship between the government and non-government sectors in the Tasmanian health sector can be examined through the prism of the *Changing Relationships* project. This project has its origins in a number of key international trends and is reflective of this.

The Tasmanian health and human services sector has undergone a number of significant changes, particularly from the mid-1990s onwards. The launch of the *Changing Relationships* project, and subsequent partnership processes, saw revision of the relationship between government and non-government sectors. Tasmania in many respects mirrors its national counterparts in that its government institutions incorporate a mixture of old and new styles, constantly responding to changing pressures. Indeed public administration is constantly evolving and developing. These changes are a result of government pressure, environmental and community pressures or internal issues. Tasmania is no exception in this respect. The Tasmanian State
Service (TSS) or public service continues to change and adapt as a response to pressures from the community. 359

**Background:**

To place the documentation on government and community sector relationships in Tasmania within some context, it is important to foreground the salient points of national and international changes in public administration. Many of these reforms have had a clear impact on Tasmania’s changed governing processes, with Tasmania in many ways mirroring these trends. Changes in Tasmania must be placed within this wider context of economic reform. This chapter explores the growing trends for contracting out of services coupled with greater involvement from the non-government sector in public policy making. It places these challenges in the wider national arena, as well as international trends and developments.

This thesis has already revealed that the 1980s marked a significant period of change for Australia’s system of public administration. Throughout this era demonstrable changes are notable, with the bureaucratic system of public administration

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seen as less and less accountable. Common criticisms were of a public service with rigid Departments, focused on process and bound by ‘red tape’.  

Under the Hawke-Keating administration, the Commonwealth Government showed a desire to respond to some of the criticisms attached to the public service bureaucracy. One of the most prominent responses that can be identified was the introduction of the NPM strategy. Broadly this was perceived as a means of adapting the public service and turning bureaucrats into ‘managers’ and reasserting “the power of elected officials over those appointed”. There was a distinct change at the Federal level to professionalise the public service. Essentially these reforms “demanded the introduction of tools of modern management” including: better management of human resources, improved service delivery, ongoing monitoring and evaluation of services and creating more flexibility within the public service. Within the NPM strategy the watchwords were

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361 For a deeper discussion on trends in public management please refer to the literature review of this thesis
362 B. Ryan, ‘The Continuing Impact of Government on the Community Sector’, 2. For further clarification see the literature review within this thesis. This portion of this chapter merely seeks to recap on some of the key issues as a way of foregrounding its discussion and placing Tasmanian literature in some context.
efficiency and effectiveness.\textsuperscript{364} These reforms, however, were not just about a change in management style, but signalled a new role for government in society and a changed relationship between government and citizens; a new approach to government administration.\textsuperscript{365}

Whilst the impact of NPM has already been addressed in this thesis, these changes are worth recapitulating. The rising tide towards smaller government has been prominent in Australia as part of this wider agenda of economic reform. Thus NPM, offering market techniques to reform the public service, has been dominant. The prevailing discourse from the 1980s onwards has been to support a limitation of government action, and increased corporatisation and privatisation of government enterprise. Similarly techniques of managerialism were utilised to reform the public sector (and by default the public service), to produce a service more economically effective and efficient.\textsuperscript{366}

This thesis acknowledge that reforms did not stagnate after NPM. There are two key changes that proved to be catalysts for further public administration reform: the impact of

\textsuperscript{364} Ibid, 2 - 3
\textsuperscript{365} O. E. Hughes, Public Management and Administration: An Introduction, 1
Australia’s recession in the early 1990s and globalisation. These two factors arguably forced further competitiveness within the public sector. Indeed it is considered to be the drivers behind the introduction of ‘national competitiveness’ and the National Competition Policy (NCP). Some detail on the NCP has already been provided\textsuperscript{367} however some of the salient details are worth recapitulating particularly in reference to its impact on the state of Tasmania. The NCP has played an important role in shaping Tasmania’s policy process.

The NCP formed part of the Hawke-Keating Government’s ‘new federalism’ initiatives. These were a swathe of reforms aimed at advancing greater cooperation and consistency between the different tiers of government (Federal, State and Local). The introduction and adoption of a NCP furthered the neo liberal philosophy of government and continued the change towards efficient and effective service delivery.\textsuperscript{368} It encouraged outsourcing of service delivery, competitive tendering, performance based funding and a ‘user-pays’ system.\textsuperscript{369} Importantly the introduction of the NCP presented States and Territories with a commitment to adopt market style competition where possible. Contracting services to private and

\textsuperscript{367} Please refer to Chapter Two: Review of Literature in this thesis
\textsuperscript{368} M. Alessandrin and B. Ryan, “Changing Relationships. A Case Study in Reform of Government/Community Sector Relations”, 1; M. Pusey, ‘Economic Rationalism’, 7 - 12
\textsuperscript{369} M. Alessandrin and B. Ryan, “Changing Relationships. A Case Study in Reform of Government/Community Sector Relations”, 2
non-government organisations in a bid to create more efficient and cost effective services became a standard mode of practice.\textsuperscript{370}

Thanks to the introduction of the NCP, government increasingly opted to remove funding for NGOs, moving instead to ‘contract out’ - looking for organisations to provide the best and most efficient (and affordable) services. Essentially ‘market mechanisms’ were utilised as a way of transforming the public sector.\textsuperscript{371} It provided for a reorganisation of service delivery, making the role of NGOs and by extent the sector as a whole, critically important.\textsuperscript{372} NCP has created tremendous change in the delivery of services. The introduction of competitive measures as a means of lowering costs and removing government from the service delivery arena where possible has meant a more active role for the NGO sector.\textsuperscript{373}

This is evident within the case of Tasmania, a state in which the impact of the NCP can be clearly felt. NGOs have

\begin{footnotesize}
\begin{enumerate}
\item M. J. Alessandrini, ‘Independence at a Price: The relationship between nongovernment human service organisations and the polity in Texas and Tasmania’, 230
\end{enumerate}
\end{footnotesize}
changed their mode of operation and have had to adapt to meet the needs for outsourcing and contractualism.  

**National Competition Policy Tasmania**

Alongside their State and Territory counterparts, Tasmania was required to implement NCP guidelines as the policy began to be implemented across Australia. As Alessandrini comments:

> The Tasmanian state sector adopted a set of pseudo market mechanisms in a bid to encourage competition and thereby reduce costs and improve service standards. This included competitive tendering, outsourcing of core functions and the proposed sale of government-based enterprises.

However within the health and community sector, NGOs in Tasmania also ensured that adherence to NCP guidelines would not come without additional benefits for the third sector. In agreeing to NCP guidelines, the NGO sector established a greater dialogue between their organisations and the government. The Commonwealth funding attached to implementation of the NCP enhanced the commitment to adopt the NCP’s principles. It

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became a crucial element in developing the government’s goals. However this would only occur if it would show a clear benefit for the public – essentially a public benefit test. This referred to assurances that the public would benefit from reforms and the benefits received outweighed any costs involved. 376

The National Competition Policy Progress Report – Tasmania illustrated that Tasmania required some distinct challenges in implementing the NCP:

Tasmania has distinct demographic and economic characteristics. It is distinguished as a regional economy compared with the larger economies of the more urbanised mainland states…The Tasmanian government is committed to ensuring that Tasmania’s requirements are fully recognised. 377

Despite the challenges unique to Tasmania, as a result of the NCP NGOs in across Australia (including in Tasmania) operate almost on behalf of government, delivering services. Indeed their funding is more or less dependent on the provision of these services. 378

As within its national - and indeed international - counterparts, Tasmania experienced a move towards governance processes and a shift away from a clearly defined role for government. Its challenges, particularly via the influence of the NCP fit well within the scope of challenges to governance. As with its corresponding partners at different levels of government, the challenges from formal government and the diminishing role for the state to deliver services was acute.  

International Context:

Tasmania’s experience is perhaps not wholly unique. In experiencing the shifts from government to governance style arrangements, Tasmania’s experience can be placed well within the public management and governance literature more broadly. Across the period of the 1980s and 1990s, the role for participation outside government and the role that communities should play in policy making are keenly observed.  

379 J. Kelly, “Central Regulation of English Local Authorities”, 605  
International developments have undoubtedly influenced Australian projects at both national and state-territory levels. Particularly of paramount are compact style developments in both the United Kingdom (UK) and Canada who are often seen as leaders in addressing the role of community sector organisations. Project reports from these two nations will briefly be examined as they are significant precursors to Australian developments. Indeed, these trends can be felt intensely throughout Australia and Tasmania.

One of the precursors for change can be identified within the UK: a nation leading a number of changes to government and community sector relations. The establishment of the Compact in 1998 can be seen as almost a catalyst of change in many respects. As in many areas of the western world, the UK too had experienced a growing divide between the NGO sector, the market arena and government. This was perhaps felt more keenly thanks to a number of government cutbacks and growing welfare diminishment that is identified most often with the Thatcher government. Across this period community sector or “community sector organisations largely became default service providers and contractors.”

The UK Home Office suggests that this was seen as a means towards greater innovation and efficiency, essentially providing community sector organisations (CSOs) standards to adhere to in return for funding. However for organisations in the community, innovation and efficiency were largely unobserved. Within these new processes little room for consultation remained. As Leat comments:

As we approach the end of the twentieth century the voluntary sector is on the horns of a dilemma. It needs to enter the market and to become leaner and fitter, more efficient and effective, if it is to survive in the new “post welfare state” mixed economy. But entering the market, with all its knock on effects, may reduce the sector to a second-tier of government or transform it into a rather ineffective part of the for-profit commercial sector.

Thus, a fraught relationship between CSOs and the government sector can be observed.

Under Tony Blair’s “New Labour” Government, many of these issues began to be addressed, with the new government keen to improve relations between sectors. This particularly fitted well within Labour’s philosophy of the ‘third way’, as advocated by

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382 Ibid
Blair and Giddens. Under the Blair Government a *Compact on Relations between the Government and the Voluntary and Community Sector in England* was launched. An examination of this documentation illustrates that the Compact provided for a number of changes for the two sectors. Specifically it gave a framework for both government and non-government sectors. Whilst this may not be a binding piece of documentation, it highlighted a commitment towards improved relationships and an emphasis on the value NGOs play in the social fabric. The compact indicated a philosophy of:

Voluntary and community activity is fundamental to the development of a democratic, socially inclusive society. Voluntary and community groups as independent, not for-profit organisations bring distinctive value to society and fulfill a role that is distinct from both the state and the market. They enable individuals to contribute to public life and the development of their communities by providing the opportunity for voluntary action. In doing so, they engage the skills, interests, beliefs and values of individuals and groups.

This indicated a new way of working for both government and non-government sectors.

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385 United Kingdom, *Compact on Relations Between Government and the Voluntary and Community Sector*, (November 1998).

386 Ibid

Changes to the operations for government and community sectors have not been the sole domain of the UK. Across a similar time frame, developments in both the USA and Canada can be seen as pivotal examples on an international scale. As in the UK, government and non-government sectors experienced growing tensions with the impact of NPM style public administration – particularly with the introduction of contracting out of services. Two significant developments occurred across this timeframe that shaped a new direction for government and community sector relationships.

Within the US state of Oregon, the project *Oregon Shines* is an excellent example of a changing governing process. This program significantly shaped the governing process in that state, and is an exceptional example of a move towards compact arrangements in government. It highlights an encouragement for growing collaboration between government and non-government sectors working in partnership to support communities.  

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Oregon Shines resulted in a clear strategic plan focused on achieving a strengthened workforce, greater quality of life in Oregon and a global outlook. To focus on these goals clear benchmarks were set with an Oregon Progress Board established to push for these goals and to update on this framework.\textsuperscript{389} However beyond its role as a penultimate strategic plan, Oregon Shines shows significance as it documents a clear focus on partnership between government, business and non-government sectors:

There is no longer any question that advanced economies derive a competitive economic advantage from their institutional partnerships. Where business, labor, government, and education work cooperatively to achieve shared goals, productive energies are magnified and fewer opportunities are squandered.\textsuperscript{390}

Oregon Shines focused on ‘bottom up’ policy making – building a relationship between government and t communities.\textsuperscript{391} The Oregon Progress Board argued that to achieve this shared vision between both sectors was required. Without this true partnership could not occur. This strategic plan was not just a plan for economic growth, but a plan for a higher quality of life which would only be achieved with partnership between the different

\textsuperscript{389} Ibid
\textsuperscript{390} Ibid
\textsuperscript{391} Please refer to Chapter Two: Review of Literature for a more detailed discussion on consultation and policy making.
sectors of government. It was seen as a ‘first step’ in building partnerships for the future of Oregon. 392

These trends can be observed outside the UK and the USA. Within this timeframe (early and mid-1990s), Canada too established greater working relationships between government and the community sector through the establishment of a coalition of organisations (the Coalition of National Voluntary Organisations). This coalition provided a clear articulation of objectives and vision for the community sector as a whole. This coalition was not alone, with the Canadian Center on Philanthropy also providing a ‘voice’ for the nonprofit sector. It had a strong research base therefore providing an important resource for both grants programs and the sector at large. 393

One of the key initiatives to come out of these organisations was the introduction of a Voluntary Sector Roundtable. This Roundtable not only pursued its own social justice agenda, but it also focused on a growing rapport between government and community organisations. In its 1998 report

Building on Strength: Improving Governance and Accountability in Canada’s Voluntary Sector recommendations towards an agreement or compact between the sector and government was strongly advocated. This report advocated a good governance code, simultaneously offered a foundation for performance based measurement. 394

The Australian Context

The third sector has undergone a number of changes over the past two –three decades. It plays an increasingly important role as society undergoes a number of transformations. 395 As Lyons notes, organisations in the third sector increasingly have a relationship with government. 396 As an area it is a term often used interchangeably for the community sector, not for profit sector and civil society. Nonetheless it attracts a wealth of interest due to its ongoing growth and change in society. This sector increasingly plays an important role in Australia. 397

The typology of the third sector is wide ranging. Like government and private sectors, the third sector encompasses a range of

394 Ibid
396 Ibid, 180
397 Ibid, 5-6

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organisations from large to small, all with different priorities, activities and actions to undertake. Despite its variety, there are some commonalities particularly in that third sector organisations are formed in a way that they do not see personal profit and focus on providing benefits for society themselves or others.\(^{398}\)

Trends internationally towards compact arrangements between government and non-government sectors have been mirrored in Australia, both at the Commonwealth level and at various State and Territory jurisdictions.\(^{399}\) Australia has been experiencing a closer intertwining of the two sectors for the past two decades or more. It has become more commonly accepted in both areas, that achieving policy objectives require cooperation between both the non-government and government sectors. The roll out of the NCP is instrumental, seeing providers in the non-non-government becoming more reliant on government funding as a source of income and pivotal to their ability to deliver key services to the community. As the introduction of the NCP has taken effect, governments at all levels across Australia have turned to competitive tendering and contract out for services, to achieve better choice for consumers. This has occurred in conjunction with better efficiency, innovation and responsiveness.

\(^{398}\) Ibid
\(^{399}\) D. Gilchrist, “Difficult of Reform in a Federation”, *Public Administration Today*, 35 (June – September 2013): 20
The contracting of resources has seen a further devolution of the non-government sector.  

There is often a complex financial and organisational relationship between government and third sector organisations, as the NCP came into effect in the 1980s. During this time, Governments moved towards specifying the services they required and the cost per unit that was to be paid, The shift towards a – what Lyons describes as – ‘planning model’ model encompassed financial reporting which required organisations in the third sector to become increasingly accountable to government.  

Through a contracting out of resources, the role of the non-government sector has become closer in its workings with government, to the point of being described as “an essential partner in the delivery of mandated public service.” However a key challenge within Australia has been how to progress the growing intertwining of these sectors and how to manage the relationship. Internationally, developments in Canada and

401 M. Lyons, Third Sector. The Contribution of Non Profit and Cooperative Enterprises in Australia, 185-86
402 “J. Butcher, “Compacts with the Third Sector. The Politics and the Pragmatism”, 19
Oregon, have paved steady ground to provide a template to achieve a more formal process for collaboration or working across sector. Examples from overseas (as outlined earlier in this chapter), provide indicators for managing these relationships, particularly when NGOs are looking to be treated as equal and important partners in delivering essential services to communities. Thus, increasingly compact arrangements are becoming part of the policy landscape in Australia, and continue to be part of the policy process. There is a keen desire between both sectors to “place their relationship on a principled and predictable footing” and create an ongoing dialogue around policy.

Since the late 1990s, State and Territory Governments in Australia have worked on partnership arrangements between government and non-government sectors, as a way of formalising interactions between the two sectors. States and Territories in Australia were first off the ‘bat’ to begin to consider how to manage the growing intertwining of government and non-government sectors. These were largely guidance to set out established rules of engagement between the two sectors and

403 Ibid, 22
404 Ibid
endorsing mutually agreed priorities and values. One of the first examples to be formally introduced was the ACT Government with *The Social Compact: A Relationship Framework between the ACT Government and Community Sector* in 2001. This outlined key principles for good communication and relationship building between the Government and the ACT community sector. This was followed by other similar arrangements in other States and Territories such as:

- *Working Together for NSW: An Agreement between the NSW Government NSW Non-Government Human Service Organisations.* (NSW)
- *Framing Sustainability* (VIC)
- *Strengthening Non-Government Organisations* (QLD)  

State and Territory Governments proceeded to roll out partnership style agreements from the early 2000’s onwards, with a number of similarities across the agreements. Dalton and Casey provide one of the most comprehensive overviews of the partnership arrangements at these levels, however broadly there are commonalities amongst them. There are agreements about the visions and shared principles between the two sectors, particularly the role and responsibility both sectors have. Common language includes emphasis on partnership and

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collaboration. Language thus focuses on participation and engagement between the two sectors and the need to be more engaged across the community.

However as Casey and Dalton note, the Non-Government sector is not always viewed as a true ‘partner’ in these arrangements. Only a number of specific agreements point to this. The ACT Chief Minister, in the foreword to the Social Compact (ACT Government 2004), notes that government acquired considerable social learning out of the bushfire recovery process, where government and community sector organisations worked very closely together. In a similar way, the NSW agreement titled WORKING TOGETHER FOR NSW frames the relationship between government and the community sector as an ‘interdependent one’. This provides the opportunity to frame the partnership as one of co-production of goods and services. This potentially opens up opportunities for a co-governing relationship between the state and the community services sector.


\[^{409}\text{Ibid}\]
Although Compact and Partnership arrangements appeared to be largely embraced across State and Territory Jurisdictions in Australia, there was little emphasis in many on formal partnerships of equal power sharing arrangements. Nor was there consistency across jurisdictions in this area, with States and Territories largely left to their own devices in the early 2000s. 410

The political landscape in Australia shifted with the election of the Labor Government in 2007. During the Rudd -Gillard Government closer collaboration between government and the non-government sector was identified as a priority. This included the introduction of a firm social inclusion agenda including Minister for Social Inclusion and a Social Inclusion Board, and the establishment of the Australian Charities and Not for Profit Commission. 411 In 2010, a National Compact was created in order to address some of the needs of collaboration, and the delivery of its social inclusion agenda. 412 The National Compact (the Compact) set out a high-level, aspiration-based

agreement setting out how the Australian Government and not-for-profit sector want to work together to improve the lives of Australians. Its purpose was to establish some common goals and ground between the Government and the Non-Government sector, thereby establishing shared goals and aspirations for how the two could work together. The establishment of a social inclusion agenda showcased a closer relationship between NGOs sector “for the delivery of what were formerly government services.” It provided a formal framework and principles for interaction between the Government and Non-Government Sectors.

The National Compact emphasised a new framework for cooperation between the two sectors, with a number of important changes outlined in the document. Importantly it not only emphasised cooperation and consultation, but ways of working towards better coordination between the sectors in terms of service delivery. For NGOs a further area of change that is of significance is the removal of the ‘gag’ clause that would have previously prevented an open dialogue on a number of issues. Overall the Compact establishes the Government working in a cooperative, collaborative way with the non-

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413 Ibid
414 Ibid
government sector. However under the election of the new Abbott Government in 2013, it is unclear if the commitments set out under the National Compact would continue. 418

Despite the future agenda of the National Compact being unclear, in its creation the Compact too created a number of complexities, none withstanding the role that NGOs would be playing under a new government – a balancing act of social J. Staples, “Non-Government Organisations and the Australian Government”, 5 responsibility and activism and government funding. Much of the Compact focuses on aspirational goals and principles, rather than addressing long term structured solutions to the relationship between the two sectors. There are limits on the partnership in the Compact. The Compact as a sole document is unlikely to ensure on its own a greater reciprocal relationship between the sectors. The Social Inclusion agenda set out under the Rudd-Gillard Government may have created a broader framework to bring the sectors together, however it remains unclear whether this will continue in a new political landscape. 419


Partnerships Processes in Tasmania

The influence of partnership and compact arrangements overseas was keenly felt within both National and State governments. Both Commonwealth and some State and Territory governments followed in the footsteps of the Compact and strategic planning arrangements that were in place in the UK and Canada. What do these developments mean? And, perhaps more importantly, what was the purpose of partnerships and compacts for the government and non-government sectors?

In the Tasmanian context a partnership arrangement has been described and defined as:

….. a relationship of sharing between two or more partners. A partnership combines the strengths, unique qualities and weaknesses of the partners to form a stronger whole. The formation of a working partnership enables greater achievement of goals than could be achieved individually. This greater achievement is possible because of the sharing of resources which may include:


See for example: the Australian National Compact, Working Together for NSW: An Agreement between the NSW Government NSW Non-Government Human Service Organisation; Framing Sustainability (Vic); Strengthening Non-Government Organisations (QLD). These are referenced across pages 186 – 188 of this dissertation within this chapter.
knowledge, skills, funding, facilities and equipment, business contracts and networks.421

There is variation between partnerships, depending on the arrangement, and some may not involve formal contracts or agreement. But the intention nonetheless remains that they will exist for an extended period.422

International and national progress in this area is pivotal to the Tasmanian context.423 By the mid-1990s, Tasmania was facing many of the challenges to governance that had been felt at national and international levels. Tasmania had pre-existing complexities and tensions already apparent within the State’s Health Department. Developments in other arenas facilitated reform within Tasmania.424 Tasmania looked towards other areas to address the way that government and non-government sectors would ‘do business’, particularly in light of the NCP arrangements and an increasing emphasis for government to utilise the NGO sector to provide (and be funded for) key services. Within this period Tasmania was facing a critical crossroads. There were growing international trends towards greater government and non-government sector collaborative

422 Ibid, 7
423 B. Ryan “The Continuing Impact of Government on the Community Sector”, p. 3
arrangements. These movements were coupled with a changing economic environment, and particularly a change to the way public services would be delivered under the NCP.  

Tasmania’s turning point can be reflected in the partnerships process known as *Changing Relationships*. This pivotal policy was introduced in 1996 by the Hon Peter McKay MLC, the then Minister for the Department of Community and Health Services (DCHS). *Changing Relationships* was a process aimed at commencing a new partnership; to smooth the progress of communication between government (and government agencies) and the community services. It outlined a new strategy for consultation within policy making that was to occur between government, government agencies and the non-government sector.

*Changing Relationships* was initiated as the relationship between government and non-government organisations had become fraught and ultimately untenable.  

There were poor levels of co-operation and communication between the sectors and “inadequate and inconsistent service agreements, inequalities

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426 D. Owen, “Holding Hands Again”, *TasCOSS Newsletter* (November, 2010), 2 – 5
in funding models, annual funding cycles, inadequate indexation”

427 The environment in Tasmania encompassed very minimal funding of the peak body organisations in the health sector, and provided even less funding for community services organisations (CSOs). The main mechanisms for funding were set in the economic liberal model of competitive tendering and outside contracting, which many CSOs (particularly smaller organisations) struggled to deal with. 428

One of the aims of the *Changing Relationships* project was to allow for the community sector to have a greater part in policy process – moving policy making out of a strict bureaucratic process. However in return for establishing some more collaborative processes, government also required competitive tendering measures to be introduced. This was to produce better outcomes for customers, more interaction within the community and “value for money.” 429 It is simplistic however to suggest that *Changing Relationships* was a device to assist in the imposition of neoliberal practice into the sector. Prior to this project the Tasmanian health and human services sector was “somewhat ad hoc” 430. Needs of communities were often worked out in the non-

427 Ibid
428 Ibid
430 Ibid, 8
government sector- often in isolation and with limited resources. Some may have developed networks to target certain groups but there was little in the way of collaboration across the sector. There were no consistent policy processes, especially for funding with criteria for funding submissions changing continually.

*Changing Relationships* provided for a clearly defined partnership between the government and community sector. 431

TasCOSS argued that prior to *Changing Relationships* there were numerous problems with the role of government and non-government sectors. They argued strongly that funding services were inconsistent and confusing across the sector, with few protocols for managing these arrangements or for supporting rising costs. In light of international and national developments, better working relationships between the two sectors could be addressed. 432 Thus, *Changing Relationships* was introduced to create a clearer relationship between the DCHS (now the DHHS) and the community sector. It also sought to particularly clarify the way funding arrangements. 433

431 Ibid, 8-9
432 Ibid, 7
433 Ibid, 8
Whilst Tasmania’s size and scale of business was disproportionate to its counterparts at State and Territory levels, the desire for reform was perhaps more immense. Evidence indicates that by 1996 Tasmania was providing close to $50 million in funding to non-government and community sector organisations. This was divided between 280 different organisations offering a broad range of services. Some organisations would receive minimal funding, for others it was more significant. The amount of money distributed to said organisations was anticipated to continue to rise as was the number of organisations in this sector in Tasmania. 434

Community sector organisations would receive funding from a variety of different units across the DHHS. But there was little consistency. As TasCOSS noted in one of the original project reports:

There was no consistency in the processes and tools used to manage the various programs. Most programs allocated funds based on a submission process, but the criteria for assessing submissions varied greatly between and even within programs from year to year…..Some community sector organisations received, and continue to receive, funding from an number of these programs and so had to juggle competing processes, timeframes for funding and reporting requirements. 435

434 Ibid
435 Ibid. 9
The sector was therefore in a confused state. Community groups provided much needed services and support to the Tasmanian community. Most would deliver cohesive services, however it was identified even within the community sector that some organisations (particularly smaller groups) struggled to meet needs. A number of organisations also relied on the role of peak bodies like TasCOSS to provide support and cohesion in this arena. Changing Relationships sought out a clearer, simpler and better working relationship between the two sectors. A new relationship with an aim to move to principles of partnership. 436

Without going into a detailed summary of the process involved in Changing Relationships, this thesis does wish to touch on some of the key aspects of these stages of the project. Broadly, across 1997 working parties were established to explore the issues surrounding a partnership style arrangement between government and non-government sectors. By mid-way through 1997, the DHHS had also appointed project managers, with working parties joining the two sectors. 437 The Changing Relationships project was also managed by a Secretariat, consisting of community sector representatives from all the different issue working parties, union representative, a project

436 Ibid. 8-9
437 Ibid, 12
manager and TasCOSS. This provided a forum for sharing information and some project management. It also developed a vision for the future of partnerships processes\textsuperscript{438}

This dissertation relies on much of TasCOSS’ documentation to explain many of these changes because of lack of available literature on the state of Tasmania. However the research of TasCOSS is critical as much of the work on *Changing Relationships* was spearheaded through this peak body. TasCOSS was a driving organisation behind this project, working to ensure that the community sector would participate in this process.\textsuperscript{439}

Across the *Changing Relationships* process, this thesis identifies two issues of significance: competition funding and consultation. The first issue is crucial in so far as it reflects the National efforts under the NCP. The DCHS drew heavily on the NCP’s key recommendations. It outlined a number of principles such as: choice of service providers for clients, a more coordinated and cohesive approach to customer service, performance monitoring and competitive tendering.\textsuperscript{440} This was to implement a competition policy for government and non-

\textsuperscript{438} Ibid, 12 - 13
\textsuperscript{439} Ibid, 12 - 13
\textsuperscript{440} M. Alessandrini, “Changing Relationships: A Case Study in Reform of Government/Community Sector Relations”, 5
government sectors, emphasising the implementation of competitive tendering.

Given the size of Tasmania it is not surprising that the NGO sector particularly identified problems with the NCP’s introduction to Tasmania. One of the key challenges faced in Tasmania related to its relative small size in comparison to its counterparts on the mainland of Australia. Tasmania thus often had a limited number of “provider organisations, and the questionable application of market principles to the funded community sector”. 441 Tasmania therefore needed to develop its own guidelines for competitive tendering that would be appropriate for the size and scale of the State.442

Consultation was also emphasised with working parties looking at developing some principles that could guide relationships between both sectors and to ensure that there were consultative frameworks established for this. This was identified as a “pilot” for developing further partnership arrangements and “take up opportunities in regard to existing consultative processes to test the partnership principles and business rules” 443

441 J. O’Day, Changing Relationships Project Report, 14
442 Ibid, 15
443 Ibid
Outcomes of Changing Relationships

The Changing Relationships project started the process towards increased consultation between government and non-government sectors, and the move towards partnership style agreements. As TasCOSS notes:

it fostered networking and cooperation across the community sector, and began working towards resolving many long-standing issues connected with constraints of the relationship between the sector and the DHHS. 444

Changing Relationships also set out a framework for consultation between the two sectors and a framework for funding community sector organisations. 445 It illustrated some of the potential benefits for partnership, showing the intentions within both sectors to provide the best possible community services. It indicated potential for a less fragmented approach to service delivery between sectors, adversarial relationships that leave problem solutions hampered and /or did not have any framework for the two sectors to cooperate to deliver said services. 446

444 Ibid, 20
445 Ibid, 20 - 21
446 Ibid, 23
However there are still a number of questions raised and issues unanswered. A number of the processes and ideas identified have not come to fruition. It can possibly best be described as an ‘evolutionary process’ to improve fraught relationships between the sectors. Certainly Changing Relationships led to some significant shifts in the business of government, nonetheless established and concrete outcomes are hard to identify when examining documentation surrounding this period.  

From Changing Relationships emerged the Partnerships Project. Again Tasmania’s peak body, TasCOSS became ultimately responsible for moving Changing Relationships into a more clearly defined compact agreement; one that mirrored developments both nationally and internationally.  

Partnerships Project had some success, much of its goals had ‘fizzled’ with many partnership goals incomplete. With much of the drive and attention removed from the Partnerships Projects, Changing Relationships
Relationships returned under the leadership of David Llewelyn in 2005.  

Documentation indicates that Changing Relationships emerged in response to a number of key trends. Ultimately it formed out of necessity, driving a number of changes necessary under the NCP implementation. However it also reflected an international discourse towards collaboration between government and non-government sectors. From its inception, Changing Relationships went through a number of different ‘name’ changes – from the Partnerships Process, back to Changing Relationships. Whilst progress can be arguably seen as slow, one thing that does emerge is the notion of government engaging with the community sector on a more meaningful basis.

Progressing Partnerships in Tasmania

From the initial Changing Relationships project we can see much dialogue between the two sectors and there are a number of key themes that can be identified. Tasmania experienced some broader changes in its governing process with whole of government initiatives emerging that emphasised the

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450 Office for the Community Sector, “People working in partnership- Strategic Plan 2008 – 2010”, 6 D. Owen, ‘Holding Hands Again’, 3-4
importance of a successful working relationship between government and community sectors. A recurring theme within the data from Tasmanian government and non-government sector organisations is *Changing Relationships* began a process of increased consultation or connectedness, not simply with non-government organisations but with the community at large. This new relationship between government and other spheres of society can probably best be exemplified in the context of Tasmania’s strategic plan, *Tasmania Together*. 451

*Tasmania TOGETHER* was created as a long term strategic plan, working towards long term goals that would be social, economic and environmental. Established under the Tasmania Together Progress Board Act (2001), this plan was utilised to set a policy process for government, business and non-government sectors. The 155 benchmarks and 12 goals were set via an extensive consultation process with Tasmanians conducted by the Tasmanian State Government. 452

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Tasmania Together is significant in the health and human services sector as it was a vision for the development of the State, and seemingly community owned given its emphasis on widespread community consultation. The DHHS was one of the key contributors to this project, particularly in leading the implementation of a number of its targets. This reflects a change in the health and human services sector from the ‘ad hoc’ style policy arena prior to the Changing Relationships process.

There is some indication within project reports that more organisations are working with government to deliver essential services. Tasmania Together is one example of this strategy with a number of planning processes in place (inter-agencies, forums, conferences and integrated service planning). Tasmania Together reflects long term planning and a means of shaping not just government policy but also service delivery.

The move for more inclusive community – government relations can also be identified in Tasmania’s ‘Social Inclusion Strategy’ which developed as a result of the Tasmania Together project. This strategy offered an opportunity for more of a

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454 See for example implementation of a large number of targets under the broad category of ‘Healthy Lifestyles’ as well as Poverty, Community, Safety, Employment, Environment,

whole of government approach to community engagement and to improve on processes of partnership and collaboration and enforced some common goals, values, trust and respect between the sectors. 456

Compact Arrangements and Social Inclusion

Tasmania as a state does not sit alone in drawing focus towards strategies of partnership between government and non-government sectors, and more broadly social inclusion. Like other States and Territories Tasmania sits within initiatives at the National Level. One of the most significant developments in this area has been the federal development of a National Compact. The National Compact was initiated in 2008 to promote partnership arrangements. It was born out of a desire to deepen relationships with the community via collaboration and consultation. The Compact was co-created by the government and non-government sectors through an extensive consultation process. It focused on a reform agenda based on more collaborative relationship with the community and a broad social inclusion strategy. 457

456 Ibid, 27
The National Compact established a number of clear goals surrounding a greater cross collaboration between community and government sector. It ultimately sought to promote and acknowledge the rich contributions from the community sector. Importantly it also advocated greater consultation processes with the sector across the board, aiming to ensure these processes were routine rather than issue specific. Attention to resources and information was also provided with aims of the Compact on greater resource and information sharing between sectors. Alongside these broader aims, practical addresses were also made regarding reduced ‘red tape’ and administrative work for NGOs and more consistent funding processes across States and Commonwealth tiers of government. The Compact sits within a broader agenda of Social Inclusion and a strategy for creating opportunities for all Australians to participate fully in their communities. 458

Tasmania largely followed in the footsteps of these National efforts. Two significant strategies emerged which incorporated much of the partnership style arrangements: the formation of the Office for the Community Sector and the

development of the Social Inclusion Strategy. The latter provided a whole of government framework for social inclusion and the former served the Department of Health and Human Services to further its partnership efforts.

The Social Inclusion Strategy broadly builds on the *Tasmania Together* project in its aims of engaging with the Tasmanian community and to contribute to a fair and inclusive Tasmania. This was based in ideas of social innovation and how it can lift service development across the State. It encompasses the idea that

…everyone should have access to the resources and relations that make life healthy, happy and productive – is the importance of strong families and communities, in all their traditional and new forms. When families and communities are working well they are places and spaces that generate healthy lifestyles, safety, creativity, innovation, trust and belonging. Families and communities that are caring, confident and resilient are the best buffer against exclusion.\(^{460}\)


This included establishing a common goal between the different ‘spheres of society’, and an emphasis on growing partnership between government and non-government sectors.  

The goals set within Tasmania’s social inclusion agenda were also promoted across the DHHS. Indeed many of the efforts towards partnership appeared to be reinstated, with efforts towards NGO partnership reinvigorated. The formation of the Office for the Community Sector is a critical one. Its mission to develop a stronger focus for the strategic development of community services within the health and human services care delivery system is overt. This sought an overall strategic framework into funding the community sector and to develop a better approach to these arrangements. The peak body strategic framework aims to change the ‘ad hoc’ arrangements, and to change the landscape arrangements.

The community and not-for-profit sector plays a vital role in making our communities inclusive and ensuring Tasmanians…have access to services and support. Community organisations in Tasmania vary in size, services, geographical locations, governance and ethos. It

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461 Office for the Community Sector, “People working in partnership- Strategic Plan 2008 – 2010”, 5-6
462 Ibid
is therefore vial this sector has strong representation, support and governance through its peak bodies”. 464

Emphasis again is placed on the growing representation and rapport between the two sectors.

Beyond these provisions, the DHHS also engaged in a number of other processes for collaboration with the non-government sector. The goals developed in the Office for the Community Sector can be identified as expanding significantly, with more emphasis in DHHS documentation showing an active encouragement towards more consistent collaborative process and more stability in funding processes. This is indicated within the ‘Tasmanian Community Services Industry Plan’ (the Plan). This emphasises a growing role for the community sector, and a growing formal and informal partnership between government and the community to provide the best possible public services for consumers and the community at large.465

The DHHS identified ‘the Plan’ as a way of engaging with smaller non-government organisations, who may not normally be

464 Ibid, 9
able to tender for large contracts over large geographical areas. They instead had the opportunity to do so through a form of partnership process, offering a more localized response at a cost effective rate. It arguably shows an attempt to overcome some of the individual struggles these smaller organisations face.\textsuperscript{466} It emphasised partnership and service delivery in communities to drive better service delivery,

\ldots. Policy models will place the client/patient at the centre of everything we do, emphasises the importance of partnership and the importance of linking services within local communities, in order to provide a holistic response to complex and interrelated problems at the local level. DHHS respects that the diversity of Tasmania’s community sector is a driver of innovation; better able to package services for the target client group and provide flexibility in service delivery.\textsuperscript{467}

The idea of a Partnership Agreement between State Government and the community sector has been discussed and debated for over a decade. The most recent attempts to renew a commitment to these arrangements can be recognised in the Department of Premier and Cabinet (DPAC)’s strategy “Collaboration – A Tasmanian Government Approach”.\textsuperscript{468} The strategy was developed to encourage Government agencies to work more

\textsuperscript{466} Tim Childs Consulting, “Formalising Partnerships Kit. TasCOSS Edition” (November 2009), 14
\textsuperscript{467} DHHS as cited in Tim Childs Consulting “Formalising Partnerships Kit”, 15
collaboratively to meet the requirements of stakeholders, and deliver better policy and service outcomes for all Tasmanians. The community sector launched their Industry Plan in 2010 which set out their overarching objectives for the sector. 469

The developments of partnership arrangements can be seen in a shared approach between the DHHS, Department of Premier and Cabinet (DPAC) and the non-government sector. To progress this priority, a Partnership in Practice Forum was held in August 2010 which brought together key players to commence work on the development of the Tasmanian Partnership Agreement. An outcome of the forum was to form an Agreement between DPAC, DHHS and the community sector organisations. The partnership agreement proffers an understanding of relationships between government and community sectors and an articulation of partnership principles. In many respects it indicates a move back towards the partnership principles advocated initially under Changing Relationships. This agreement works on reestablishing a framework for building relationships in a cooperative and constructive manner, setting out some shared values and goals. 470

469 Community Services Peaks Network, “Tasmanian Community Services Industry Plan”

470 Partnership Agreement Working Group, “Heading towards a Partnership Agreement Between DHHS, DPAC & the Community Sector” (November 2011): 4 at
Conclusion

The documentation examined provides a background on how changes to policy making in Tasmania have come into effect. From being traditionally ‘rule bound and regulated’; the public service bureaucracy has over time incorporated a number of market mechanisms as a means of introducing efficiency and effectiveness. Such mechanisms include the introduction of NPM and a neo liberal economic agenda. The NCP also proves significant for emphasising the need to introduce competitive tendering and service delivery outsourced from government to community services.

National trends significantly influence Tasmania’s governing process. The DHHS have also sought to create a type of partnership between government and the community sector – in order to ‘appease’ the economic agenda there appears to be a shift to involve greater consultation and more collaboration between the two sectors. This also indicates a somewhat shift away from ‘top down’ policy making.

Tasmania has keenly felt the influence of both national and international trends in the non-government arena. Within Australia the influence of the NCP cannot be underestimated. Funding for services in the health and community sector was linked to conducting these reforms. As with many other States and Territories across the nation, Tasmania opted for service delivery via the contracting of services largely emphasising the non-government sector. However Tasmania also was strongly influenced by international trends, towards compact and partnership style arrangements as a means of introducing greater consultation and collaboration in policy making. The result of international and national trends demonstrated a proclivity towards a changed means of government and non-government sector relationship. The outcome of this began the Changing Relationships Project.

It could be argued that the Changing Relationships process is not significant in its own right. Indeed other government agencies across State, Territory and Federal governments have chosen to go down similar paths. What is significant about Changing Relationships is the new direction they take in policy making. Changing Relationships is one of the earlier examples of Tasmania following in national trends and adopting a partnership role between government and community alongside an agenda for economic reform.
Thus, this chapter has illustrated how Tasmania has moved towards improving consultation between government and non-government sectors, with eventual aims towards partnership style agreements. Much of this process originated and was inspired by strategic plans and compact style arrangements like Oregon Shines and the Compact of Voluntary and Community Sector working group on Government Relations in the UK. These international drivers set the trend for a number of states and territories – including Tasmania – to explore the role of government and community sector. Tasmania has seen a number of attempts to work on these relationships; with Changing Relationships project being one of the most significant as this really was a catalyst for starting further changes. However, analysis of a number of key sources has revealed that the steps along this process have only been part way completed. The outcomes of Changing Relationships have not been fully realised or developed, and the project has since moved into different directions.

Despite the goals of Changing Relationships failing to be fully achieved this project does not represent ‘failure’ as such. It shows Tasmania developing some whole of government reforms in this area under the framework of strategic plans like Tasmania
Together and whole of government Social Inclusion strategies. Under this broad umbrella more efforts to move towards better consultation arrangements (and eventual partnership arrangements) have been taken. Yet still the relationship between government and non-government sector appears unclear, with no firm direction into the future marked. Interviews from government sector and non-government sector employees within this thesis will delve into these issues to illustrate what impact this continued divide places on relationships between the two sectors. What this chapter’s analysis has shown is a clear attempt within Tasmania to move into more consultative arrangements, following largely in national and international ‘trends’. However the fruitfulness of such arrangements is not completely clear and relationships between the sectors still appears to be largely ‘ad hoc’.
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CHAPTER SIX

DISCUSSION OF PRIMARY RESEARCH

There has been a body of existing research demonstrating how consultative arrangements emerged as a policy making trend. This research has signalled broader issues facing government and non-government sector relations. Despite a comprehensive review of literature, this thesis has discerned little available data that shows the significant challenges the two sectors have faced in working together. Similarly, there has been little available data showcasing the mechanisms of the policy process.

To address the gaps in the existing literature, this thesis conducted secondary analysis that extends an understanding of the relationship between government and non-government sector
organisations. Secondary analysis enabled this thesis to provide some much needed context on the Tasmanian dimension of the policy process. It also served to illuminate much about the circumstances leading up to the Changing Relationships project and illustrate how partnership style arrangements were broached in Tasmania.

To provide further insight into consultative processes in Tasmania and the challenges facing government and non-government sector organisations, a number of in depth semi-structured interviews were conducted. These qualitative interviews were conducted with key informants working in government and non-government sectors. Significantly, the interview data collected provided illuminating responses and feedback on the policy process in Tasmania and astute insight into the opportunities and limitations on consultative policy making in Tasmania’s health sector. This data will be analysed further within this chapter with conclusions being drawn supported by the primary research.

Primary research conducted for this project focused on shedding light on the relationship between bureaucrats operating
in the DHHS and those working in the non-government sector in Tasmania. Primary research showed that the *Changing Relationships* project attempted to move the Tasmanian health sector towards a partnership agreement. Overwhelmingly however, key informants illustrated that this project was a means of smoothing fraught relationships between the two sectors. *Changing Relationships* outlined a new strategy for consultation between government, government agencies and the non-government sector. 557 It was to provide for greater community sector participation in the policy process—moving policy making out of a strict, all bureaucratic process. Whilst the *Changing Relationships* project went through a number of changes and titles, the essence of this new approach was to be gradually integrated into policy making within the DHHS. 558

Clearly Tasmania’s health sector has moved from a position of innovation, to one of being behind national and international trends in public administration. Whilst *Changing Relationships* took the initiative to restructure fraught

relationships between government and non-government sectors, key informants illustrated a number of challenges to the partnership process. Findings from these informants indicates that governance is increasingly complex with a significant change from a market approach to public administration to one that includes a greater role for consultation and cooperation in the policy making.

The evidence provided in this thesis illustrates a number of substantial findings in this field, which have been categorised into four key areas:

1. Power Distribution: The Relationship Between Power and Consultation

2. Organisational Knowledge and Memory

3. Leadership: Long Term Decision Making and the Role of Policy Makers

4. Achieving Consultation: Lessons from Tasmania
This thesis has demonstrated a shift within the public policy paradigm. It illustrates a change in public administration towards one that increasingly emphasised partnerships and participation and intertwined relationships for government and non-government sectors. By distilling research findings into four clear areas, this chapter is able to illustrate how consultative processes work in practices. It identifies some of the key barriers to collaboration between government and non-government organisations in the Tasmanian health and human services sector. This chapter is organised appropriately to examine major findings and raise key issues for further discussion and analysis.

**Power Distribution: The Relationship between Power and Consultation**

The *Changing Relationships* project has had a considerable impact on the way that government and non-government organisations interact with each other. Therefore the crux of *Changing Relationships* has been about greater

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collaboration and consultation between the two sectors. There is a focus on cooperation and collaboration. One of the key findings within this project surrounded the power relationships between government and non-government organisations. This was a key issue discovered throughout the primary research.

Interview data illustrated a number of positive perspectives on the partnership style arrangements between the sectors. Trust and reciprocity between the two sectors demonstrably increased across the decade or more since *Changing Relationships* was introduced. Moreover, key informants spoke of highly developed personal relationships between workers in both sectors. Key informants, particularly in the non–government sector, spoke of problems in achieving a relationship that was truly to be based on partnership. They argued that a true partnership arrangement involves a two-way exchange of information and inherently places some control of decision making outside of government. Under partnership models, non-government organisations would have more ‘say’ in policy making, working in co-operation with government. Many
informants from the non-government sector argued that this was not reflected in practice.  

Policy network approaches suggest that mediating power across a number of different groups offers the ability to achieve a balance between groups with unequal power. There needs to be trust and reciprocity between groups with more and less power and a feeling that the situation is fair and equal. A sense of ownership is required. Onyx argues that intrinsic to the situation “must be a common set of values and acceptance of agreed norms.” If this cannot be achieved power cannot truly be dispersed. Lack of common values and aims has been identified in the case of Tasmania. Despite comments from key informants that trust and reciprocity had increased between workers in both sectors, there remained a lack of shared norms and values towards partnership arrangements. This in turn clearly created a significant obstruction to effective government and non-government sector relationships.

\[561\] Ibid, 65  
\[562\] Ibid
Consultation, Trust and Relationship Building

Trust is essential part of the collaborative process and essential for successful consultation and collaboration. The way that trust is built between organisations through collaborative processes centres on issues of expectations and vulnerabilities of organisations. Building credibility, investing in relationships and building ongoing dialogues are all intrinsic to developing or managing trust. These relationships may not be present, or existing adverse relationships or strained relationships may not exist. Trust is not immediate or mutual.

Forming expectations around collaboration, building modest and realistic aims reinforces trust. Huxham and Vagen argue that these elements suggest that trust operates in a cyclic process. Trust is not stagnant. They suggest that with “each consecutive positive outcome trust builds upon itself incrementally, over time, in a virtuous circle.” Figure 1 (below) illustrates how trust can be perceived as cyclical and ongoing.

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process. Each positive outcome gained through the development of trust, continues to build over time.  

Figure 1: “Trust Building Loop” (as cited in Huxham and Vagen, *Managing to Collaborate, p. 155*)

The ‘trust cycle’ is reflective of how trust builds gradually over time. It shows trust as a buildable and cyclical process. This maybe over simplistic, and not taking into account some of the complexity

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around the way that collaboration operates in practice. It cannot capture the power imbalances that are a barrier to the building of trust, or the way that collaboration continues to change over time. Managing collaborative processes requires dependency and relationships between others – “inevitably some will be more central to the enactment of the collaborative agenda than are others.”\textsuperscript{565} The imbalances in power have an impact on collaboration with those “who hold the ‘purse strings’ are perceived to be powerful”\textsuperscript{566} which is reflected in a number of collaborative processes.\textsuperscript{567}

Perceptions of powerfulness and power in collaboration is highlighted in key informant data. Key informants spoke of highly evolved interpersonal relationships and general reflections of cooperation, interviews with key informants also revealed power imbalances were in place. This was not only experienced in the relationship between government and non-government sectors, but across the non-government sector where particular ‘voices’ were identified as more dominant. Building trust across these collaborative processes was incremental, with trust between organisations an ongoing process where trust and power relationships were not stagnant.

\textsuperscript{565} C. Huxham and S. Vangen, \textit{Managing to Collaborate. The Theory and Practice of Collaborative Advantage}, 165
\textsuperscript{566} Ibid, 173
\textsuperscript{567} Ibid
Partnership arrangements cannot be achieved when there are clear power imbalances between the different sectors. This imbalance of power makes meaningful consultation complex and difficult to achieve. Collaborative arrangements cannot be understood without a power analysis as efforts towards partnership do not occur in a power vacuum. On a superficial scale, collaboration across two sectors appears to be a noble and worthwhile proposition. However by its very nature collaboration also includes the power to exclude; there will always be some groups’ operating on the periphery to the ‘core group’. Consultation can therefore operate on conditions of unequal power. 568

There are a number of observations that can be made on power and partnership. It is clear from the research that a distinct power imbalance between government and non-government sectors exists. However it became apparent that power fragmentation within the non-government sector as whole had a clear impact on the consultation processes in Tasmania. Power theory perspectives are therefore essential to exemplify these

568 J. Onyx, “Power Social Capital and Accountability”, 64
issues and clarify the root of some of these issues and demonstrate clear barriers facing the public policy process. The relationship between power and consultation is clearly critical, with some groups having power over others, or the capacity to facilitate consultation in a way that is “in their own interests and against the interests of another person or group.” 569

The Faces of Power: Outlining Power Perspectives

Before moving towards a discussion on the distribution of power and resources and its impact on policy consultation, a definition of what constitutes power and its relationship to these issues is necessary. Within the breadth of literature in this field it is clear that there are differing understandings of power itself. These varying interpretations can best be understood through an analysis of the second and third dimensions of power. These perspectives on power make it possible to glean understandings of the problems facing consultative policy arrangements. Specifically an exploration of these perspectives will enhance an understanding of how complex decision making processes are and how actors and groups have the ability to influence and shape the decision making process.

569 Ibid, 64
Power can be seen to have three dimensions. This thesis primarily concerns itself with analysis of the two and three dimensions of power. These dimensions were outlined in Chapter Three of this thesis. However it is worth recapitulating on some of the key points. The pluralist or first dimension of power, argues that power is exercised when “A has power over B to the extent that he can get B to do something that B would not otherwise do.” Core to the one dimensional approach is an understanding of who participates, who loses and who wins in the decision making processes. This perspective operates with the assumption that anyone has access to the decision making process. Moreover, it assumes that “grievances are assumed to be recognised and acted upon.” Thus, this approach to power concentrates on overt decision-making, as discussed within the theory chapter of this thesis.

570 This thesis notes the significant body of work developed by Foucault on power relationships, which contribute much to the overall body of research on power theory. However this was thought to offer less of this thesis, with its focus on the relationship between power, discourse and knowledge. See for example M Foucault, Power/Knowledge: Selected Interviews and Other Writings, 1972 – 1977. New York: Random House, 1988.
572 J. Gaventa, Power and Powerlessness, 5
Changing Relationships was instigated as a process to creating a better relationship between two sectors. From this perspective we can see aspects of overt decision making and overt conflict. There is a clear struggle visible between the two sectors and moves towards achieving a resolution. Dahl’s concept that grievances are being voiced and incorporated into decision making processes is evident. Moreover, Changing Relationships showed a desire to include a breadth of perspectives from the non-government and government sectors, and the desire to make the process open and accountable. There is some illustration of the first dimension of power in practice.  

The pluralist perspective is evident to a degree. However this perspective on power theory is inadequate. The one dimensional power perspective understands conflict as being central to decision making. Decision making is therefore overt and centred around conflict, ignoring often ignoring social barriers and the role of ideology, norms and values. However the pluralist position illuminates a key finding evidenced in this thesis. Much of the primary research indicated problems from the
The non-government sector in Tasmania experienced fragmentation in its voice. As many informants noted, the power dispersed between the sectors is obvious and far reaching. Small NGOs operating with minimal staff and reliant solely on government funding for their services do not have the voice of large scale national and international bodies. One could use examples of the Red Cross, Mission Australia and Salvation Army as higher profile, large scale non-government organisations. Organisations with this sort of visibility do not rely solely on collaboration within the sector to convey their key ‘message’ or priority. Often they do not need to operate on government ‘terms’ and can have their perspective heard at any time. A number of key...
Informants indicated that these bodies work independently and can make their position clear. They are less dependent on cooperation and do not need to be involved in partnership arrangements. When they are involved in these processes it is by choice, not necessity.

There are clearly aspects of the first dimension of power at play in the case of Tasmania. However this perspective is only able to demonstrate some of the effects of power imbalances in this sector. Overall the pluralist perspective fails to offer a framework to understand the barriers facing consultative policy arrangements.

The ‘Two Faces of Power’ in Tasmania’s Health and Community Sector

In contrast to the pluralist perspective, the two dimensional power offers a unique insight into the challenges being faced in Tasmania, and indeed within public administration more broadly. As discussed previously in this thesis, the two dimensional view of power builds on the pluralist position. It

575 Please refer to Chapter Three of this thesis
focuses on two key points omitted by the pluralist view: non-decision making and the ‘mobilisation of bias’. The two dimensional view argues that:

All forms of political organization have a bias in favour of the exploitation of some kinds of conflict and the suppression of others because organization is the mobilization of bias. Some issues are organized into politics while others are organized out.

Bachrach and Baratz particularly advance the two dimensional approach. They bring a specific focus to the issue of agenda-setting, particularly on the bias inherent in agenda-setting. This is an especially pertinent perspective, particularly when one considers the process for policy making in Tasmania.

According to the two dimensional perspective, power is exercised when specific issues or interest groups are excluded from the decision making process. Power relationships exist when compliance is established through a decision or non-decision. Whilst decision making is often covered under pluralist power perspectives, the role of the ‘non-decision’ is central to second

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576 E. E. Shattshneider, *The Semi-Sovereign People*, 71
577 Ibid
dimension of power. Bachrach and Baratz give particularly consideration to this area, arguing that it is significant in its referral to “demands for change can be stifled, excluded, hidden.” With an array of issues available for government attention, the issues receiving attention (and thus resources) is of extreme importance. It is impossible for government to attend to all problems being raised. A filter is therefore used to distinguish core issues. This filter, as Bachrach and Baratz argue, is ‘subject to systematic bias’.  

Bachrach and Baratz therefore focus on issues not included on the political agenda - ‘non-decisions’ and ‘non decision making’ are viewed as significant. The authors define non decision making as “a decision that results in suppression or thwarting of a latent or manifest challenge to the values or interests of the decision makers.” The concept of non-decision making is particularly important as it is difficult to define and examine problems that are not recognised and not on the agenda.

579 Ibid  
580 P. Bachrach and M. S. Baratz, Power and Poverty. Theory and Practice, 44  
581 Ibid  
582 Ibid
Within this perspective, power is entrenched in decision and non-decision making; it is not always exercised overtly. It is also exercised when:

A devotes his energies to creating or reinforcing social and political values and institutional practices that limit the scope of the political process to public consideration of only those issues which are comparatively innocuous to A.\(^{583}\)

Minority groups may be prevented (or feel they are being prevented) from bringing their issues to the public agenda; issues that may be detrimental to the preferences of those in a position of power. This enforces the barriers in place preventing these issues from emerging and entrenches the bias within the system.\(^{584}\) One can clearly see the relevance of this theoretical position when examining data collected in this thesis. Bachrach and Baratz’s theory demonstrates how power is entrenched within the agenda-setting process. Within the political system, social and political values are entrenched, often preventing alternatives from being deliberated. This is evident in the case of Tasmania with smaller non-government organisations relying on peak bodies in the state to represent their views.

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\(^{583}\) P. Bachrach and M. S. Baratz, ‘Two Faces of Power’, 948

\(^{584}\) Ibid
Bachrach and Baratz’s view of power can be used to illustrate the agenda setting process in a political way – showing how and why particular issues do not captivate public attention. However their thesis, the “Two Faces of Power”, provides a theoretical framework to underpin primary research and illustrate how particular norms and values dominate the policy process. This is evident in the practical case study undertaken for this thesis. Interview data clearly illustrates that government and non-government sectors had very different perspectives of consultation. Intrinsically they defined it differently. Government informants spoke of consultation involving ‘reaching out’ and interacting with other organisations. They described a formal consultation process involving written submissions, information sessions and forums. Advertising in the local media was also included as consultation. In contrast, informants from the non-government sector identified consultation as being a grass roots process, involving speaking to stakeholders ‘on the ground’ delivering services.

Thus, government sector employees overwhelmingly identified consultation as a ‘top down’ process. It sets out clear

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aims and objectives and seeks to place them on other organisations, translating them to action for workers in the service delivery area. In contrast employees in the non-government sector felt that this was not truly consultation. They expressed a perception of consultation that was largely ‘bottom up’ nature or involving ‘backward mapping’.  

Rather than seeing policy at the top of the process, they felt policy consultation needed interaction with the actors and organisations at the grassroots level that are often charged with implementing policy decisions. There was a strong dichotomy in the perspectives as demonstrated by the interview data.

Interview findings therefore clearly points to two varying approaches and understandings of what consultation should encompass. As Bridgman and Davis note, consultation offers specific ways in which to structure debate and discussion, and often deciding the process of consultation and who is consulted is complex and has the ability to undermine the aims of the process. Voices and opinions within the process are not evenly

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distributively. Importantly, in the case of Tasmania, the consultation process reflects the values of those operating the process. This is a clear illustration of the role of dominant values within an organisation. Despite disagreement on how consultation should optimally work, this thesis interprets the case of Tasmania as conducted through one set of dominant norms and values. These norms and values are those of the government agency; the DHHS. The ‘top-down’ approach to consultation is prevalent. Consultation is seen as involving information distribution, formal submissions and the like, rather than an equal two-way dialogue. Moreover it is conducted on the terms of government and in the distinct public service vernacular.

The entrenchment of power in the policy process is evident when examining the dominant values in place. The issue of bias reorganises when there are dominant beliefs, values, and preferences in place. Smaller scale NGOs are beholden to these existing processes. With funding and resources often dependent on government there is a distinct imbalance of power. Largely these groups experience a systematic bias that prevents their grievances to be heard. In doing so the dominant position is enforced.

\footnote{Ibid}
A Radical Perspective of Power in the Case of Tasmania

A largely government dominated approach to consultation is not the fault of policy makers interviewed for this project. It should not be perceived as a process in which a conscious decision has been made to adopt a particular approach. Nor do policy makers in the government sector intentionally make a concerted effort to impose a set of values on other organisations and workers in the health and human services sector. Lukes’ view of power illustrates the problem with behaviourist understandings of power. Both one and two dimensional views of power do not account for the way that power is ingrained in society; the way that individuals are prevented from realising their ‘wants and desires’. The three dimensional view of power builds on the one and two dimensional approaches. It focuses on the way conflicts are prevented from arising.
Lukes’ considers the way awareness or understanding is reached. It is achieved through education, through the mass media and through socialisation.\textsuperscript{589} He notes that:

A may exercise power over B by getting him to do what he does not want to do, but he also exercises power over him by influencing, shaping or determining his very wants. Indeed, is it not the supreme exercise of power to get another or others to have the desires you want them to have – that is to secure their compliance by controlling their thoughts and desires.\textsuperscript{590}

Within the third dimension of power, Lukes considers the way in which issues (or potential issues) are excluded from the political agenda and therefore the policy process overall. In Lukes’ position people do not consciously choose between two alternatives. The “bias of the system can be mobilised, recreated and reinforced in ways that are neither consciously chosen nor the intended result of particular individual’s choice.”\textsuperscript{591} The political agenda is controlled by “socially structured and culturally

\textsuperscript{589} M. Waters, Modern Sociological Theory, 244
\textsuperscript{590} S. Lukes, Power: A Radical View, 27
\textsuperscript{591} Ibid, 21
patterned behaviour of groups and practices of institutions, which may indeed be manifested by individuals’ inaction.”

Lukes radical power perspective provides a tool for analysing the imbalances of power in the consultation process. The third dimension of power illustrates how a particular method for consultation is routinised in a way that it has become practice for policy makers. In the case of Tasmania, the Changing Relationships project arguably ushered in a ‘new era’ for policy making, one that was to move to a partnership between government and non-government sectors. However, many key informants observed that this was not met. Changing Relationships, however, did address some of the topical issues for the sector. Key informants noted that major ‘bread and butter issues’ like service agreements and indexation of funding were resolved.

With many pressing issues no longer urgent and much of the heat removed from the agenda, the impetus for a balanced partnership largely evaporated. The momentum was no longer there. As a better working relationship had been established,

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592 Ibid, 22
consultation became the norm in policy practices. However the consultation that had largely become embedded in the policy process was not about power sharing or equal give and take from both ‘sides’. It is, as Lukes’ articulates, the “supreme exercise of power.”\textsuperscript{593} The wants and desires of one group become shared, forcing the hand of those that would not choose to do. This ensures that others stay with the dominant desires and needs – those that you may want them to have - securing their compliance.\textsuperscript{594} The third dimension of power can be observed through the capacity of one dominant group to control the agenda – be it overtly or covertly. In the case of Tasmania this has been a gradual and, debatably, unconscious process through structural power arrangements. This is the first key finding outlined by this thesis.

\textbf{Organisational Knowledge and Memory}

The second key finding of this dissertation relates to the impact of organisational knowledge and memory on the policy process. This was a clear finding that key informants indicated had a significant barrier on government and non-government

\textsuperscript{593} Ibid, 23
\textsuperscript{594} Ibid
sector relationships. It was one of the dominant themes emerging from data from the government sector. This is relevant to issues of the management of knowledge and organisational memory:

The sharing of an organization’s knowledge resources among knowledge workers is essential from two standpoints. First, it avoids duplication of effort in knowledge collection and maintenance. Second, it promotes consistent decision-making since all knowledge workers have access to the same body of knowledge (or subsets thereof. The shared knowledge may be centralized and/or distributed.  

This perspective is relevant to informants working in government and was identified as a significant barrier to their performance and day to day working life. It therefore warranted further analysis and exploration, and will be discussed in more detail in this dissertation.

**Defining Organisational Knowledge and Memory**

Organisational memory definitions differentiate across different academic disciplines. There is sometimes confusion within this field over the term, often with attachment of memory and knowledge solely to individuals and not organisations.

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However organisational theory shows that organisations too can be considered to have memories. This is a relevant and pertinent issue for public administration, as interview data showed. How memories are used and maintained in an organisation remains a problem for public service agencies. 596

Defining organisational memory depends vastly on the perspectives that you take on board. There are broadly two focuses within this arena. 597 As Bannon and Kuutti note, part of this field focuses on people and the way that they learn and retain knowledge, and how this is preserved and maintained. The second view takes a more cohesive, and almost structural view, taking organisational memory as part of a collective entity. This thesis argues that to a degree both perspectives are accurate: organisational memory moves beyond the way that individuals pass on their knowledge and experience, but is more definite than the latter. It largely cites the excellent working definition comes from Bannon and Kuutti. They argue that organisational memory largely shows how knowledge is used and maintained within an

organisation, be it a business or a government agency like the DHHS. Indeed literature within organisational studies shows indicates that studies in this field have a focus on how memory is preserved in organisations. 598

However showing a definition of what constitutes organisational knowledge and memory is a conundrum in its self. Literature in the field throws an important dilemma. Often it can be too comprehensive and exhaustive to determine what contributes to the memory of an organisation as it stands:

Organizational memory, broadly defined, includes everything that is contained in an organization that is somehow retrievable. Thus storage files of invoices are part of that memory. So are copies of letters, spreadsheet data stored in computers, and the latest strategic plan, as well as what is in the minds of all organizational members. 599

By definition this includes all retrievable documents. However, documentation alone does not constitute a memory nor is it alone evidence of a memory. Knowledge can be broader and more than

598 L. J. Bannon and K. Kuutti, “Shifting Perspectives on Organizational Memory: From Storage to Active Remembering”, 157
599 Kim cited in L. J. Bannon and K. Kuutti, “Shifting Perspectives on Organizational Memory: From Storage to Active Remembering”, 158
physical evidence. The role of individuals, culture, norms and values can also be considered.

Despite some of the shortcomings with a comprehensive understanding of knowledge and memory, this thesis argues that the role of organisational knowledge and memory is critical to understanding the public administration dilemmas in Tasmania. It is a key finding of the data posed. Understanding the role that knowledge plays in policy is critical, particularly the way the knowledge is shaped through staff as they move between organisations, agencies and across their working careers. The role of organisational memory becomes directly relevant to organisations who have staff whom change jobs, or who retire or whom move on within their organisation. 600 This is an increasingly prevalent issue as workers move across different jobs and career strategies in their life time. 601 Therefore the role of memory within an organisation is important and relevant as it allows for “current and future projects to benefit from the experience of other projects, both current and previous” and allow

600 L. J. Bannon and K. Kuutti, “Shifting Perspectives on Organizational Memory: From Storage to Active Remembering”, 156
for organisations to maintain their experience and expertise. The issues of knowledge management and organisational memory are significant in public policy making today and are significant in the case of this thesis – the case of the Tasmanian health sector and the role of the DHHS.

**Formal and Informal Knowledge in Organisations**

Evidence clearly indicates that organisations can store information, and memories of the past. Different theorists posit the ways in which information is stored and the type of memories that are retained. This includes everything from previous events, norms, assumptions and behaviours to more tangible items such as evaluations, architecture, and operating procedures. These distinctions can perhaps best be described or organised into ‘hard’ and ‘soft’ knowledge. Both are vital to understanding the way that knowledge and memory is used in organisations and the challenges they pose. Bridging the gap between the micro and

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602 L. J. Bannon and K. Kuutti, “Shifting Perspectives on Organizational Memory: From Storage to Active Remembering”, 157
604 J. P. Walsh and G. R. Ungson, Organizational Memory, 58;
macro of organisational theory is critical. One cannot exist without the other. This has been particularly demonstrated in the Tasmanian case exemplified in this project.

Formal knowledge can be viewed as largely documented knowledge, often in the form of reports, documents, memos and the like. This is of course integral to many organisations including the public service. However the administrative burden was spoken of at length in key informant data gathered. Whilst informants accepted that administration was a par for course of their workload, many suggested that the workloads within their sector and the timeframe in which to achieve them were not feasible. There was an emphasis of documentation for the sake of documentation. Primary research data gathered also showed frustration from a number of key informants that knowledge within the documents was not well utilised. They emphasised the routinisation of paperwork but suggested that ultimately the content of documentation was not accessed by staff in the health arena. Walsh and Ungson note that organisational memory is

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often enhanced via the individual, with more specific ‘memory aides’ - such as notes, memos, personal notes on project files – used to enhance working knowledge within the organisation. Key informants however did not suggest that these ideas were widely employed. 607 The formal knowledge acquired within the organisation, particularly for informants in the government sector, was perceived as frustratingly futile.

Often the less tangible forms of knowledge centre on ‘soft’ or tacit knowledge. For informants in the case of Tasmania this was particularly pertinent. As Walsh and Ungson note, individuals vary in their recollections and opinions about the issues and projects in their organisations. They have and maintain their own observations and experiences that is stored in their own memories, beliefs and assumptions. The role of individual experiences form a great part of the memory of the organisation, in that they have their own memories and own capacity to articulate past experiences. 608

Soft knowledge is of great benefit to organisations, largely because “much of what is being created by and shared among knowledge workers never makes it into formal documents.”\textsuperscript{609} Conkin refers to workers amassing this ‘soft knowledge’ (within the context of this thesis it would refer to a policy expert or public servant) as a ‘knowledge worker’, someone with distinct expertise in their field and someone that routinely collaborates with others.\textsuperscript{610} These workers are often pivotal to policy making. The informal knowledge contained within the ‘knowledge worker’ holds the background context for the organisation’s formal documents. Work practices really fail to capture the knowledge, as it’s often not recognised or valued.

The dominant asset of the knowledge organization, however, is knowledge. Intellectual assets belong inherently to people, and are the organization’s assets only through their application, capture, and reuse. If the people are unhappy, unmotivated, or unskilled in the art of collaboration, their precious intellectual assets are, from the organization’s perspective, wasted. When these people leave, a valuable asset leaves, with them.\textsuperscript{611}

\textsuperscript{609} J. Conkin, “Designing Organizational Memory: Preserving Intellectual Assets in a Knowledge Economy”, 2
\textsuperscript{610} Ibid
\textsuperscript{611} Ibid, 3
Informal knowledge often is lived as a ‘daily currency’, remaining only within the memory of workers. Therefore it is largely not preserved and managed poorly.  

The role of ‘soft knowledge’ was clearly critical in the case of Tasmania. Many informants observed the poor preservation of tacit knowledge within the organisations. Policy projects were described as built around individuals. Often mid-level or mid-senior level staff with long term experiences in their role and an array of information that was often not utilized. As individuals moved across agencies in the public service, the vital knowledge they held in their position was often not preserved or maintained within the agency. Informants spoke of the lengthiness of achieving any policy reform where delays occurred thanks to short term knowledge of policy issues in the sector. This was seen as a critical hindrance by informants from both government and non-government sectors.

The role of soft knowledge was not limited to just expertise and wisdom from staff in the sector. Informants spoke to the tacit knowledge that occurs in this arena. As Cong and Pandya

\[612 \text{Ibid, 1-6}\]
note, this type of knowledge is often critical to organisational memory. It is often preserved within the consciousness of workers is unspoken and of implicit and difficult to access. In losing this valuable knowledge, the loss is greater than simple data or information. More importantly the personal relationships, experiences and contacts that are required for trusting and open relationships are lost.  

Consultation is often based on intangible factors like trust and reciprocity, these issues become a key barrier to policy making. Organisational level can engage more complexity. Learning is about the way organisations “gather, interpret and apply information” and adapt to changing environments. They have formal rules and goals to achieve the goals of the organisation. Despite the role for formal rules and goals, there are also informalities that are in place. These informalities are heavily weighted on the role of the individual and the relationships it holds. Their relationships, informal or common learning experiences, and culture have a significant impact on the memory

613 X. Cong and K. V. Pandya, “Issues of Knowledge Management in the Public Sector”, 26 - 27
of the organisation. The environment in which workers operate is pivotal, and memory that is often lost revolves around the relationship between clients, customers, staff and other stakeholders.

A critical barrier to consultation demonstrated in the interview data gathered was the impact of personal knowledge, relationships and personalities in the sector. Often the role of individuals was identified as holding projects together. Good working rapport, particularly thanks to extended knowledge and networks of workers within the health and community sector, was seen as vital to the consultative relationship. However interview data demonstrated that this could easily be lost as staff transitioned into different areas within the sector or changed professional vocations. The memory of organisations in the sector was not solely dependent on information and expertise, the loss of professional and trusting relationships was spoken to. Informants discussed the frustration and futility of many projects where these skills were not employed and key policy knowledge was often discarded.

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615 Ibid
616 Ibid, 485 - 486
Impact of Transformations on Organisational Memory

As Conkin notes, the ‘knowledge worker’ is often essential to successful policy making. Despite this, interview data indicates that workers are increasingly changing jobs moving freely between different professions. In the case of Tasmania informants interviewed often had experience working in private, government and non-government sectors. Only a small percentage of informants remained in the one sector. However for those workers they indicated they still moved around within the public service

The dominant asset of the knowledge organization, however, is knowledge. Intellectual assets belong inherently to people, and are the organization’s assets only through their application, capture, and reuse. If the people are unhappy, unmotivated, or unskilled in the art of collaboration, their precious intellectual assets are, from the organization’s perspective, wasted. When these people leave, a valuable asset leaves, with them.

Organisational memory is significant. Without memory organisations ultimately forget work they have done in the past,

617 J. Conkin, “Designing Organizational Memory: Preserving Intellectual Assets in a Knowledge Economy”, 3
618 Refer to Table 1
619 J. Conkin, “Designing Organizational Memory: Preserving Intellectual Assets in a Knowledge Economy”, 3
and even the rationale behind past projects. As Conkin notes these “organizations have an impaired capacity to learn, due to an inability to represent critical aspects of what they know”\textsuperscript{620}.

Many key informants indicated the loss of ‘soft knowledge’ as staff move between different policy units in the DHHS or indeed move across the public service or into other arenas. So valuable knowledge held by policy makers is often lost. This data is valuable as it often confirms rationale as to why particular projects are initiated and understandings of their success or failure are present. As staff move across organisation this knowledge is no longer accessible.

The ability of organisations to retain knowledge was a significant barrier to policy making in Tasmania. Informants from both government and non-government sectors spoke of frustration in losing valuable information and expertise as staff moved between jobs. Informants indicated that knowledge was not preserved well, particularly in the DHHS, and as one employee would leave a particular unit or area within the agency, they would take with them a wealth of information that was largely lost.

\textsuperscript{620} Ibid
This served as a frustration for workers in the non-government sector and for those working in government agencies. A number of key informants in the government sector were long term public servants, many working in the sector for well over a decade. These informants had seen many policy changes and changes in staff. With staffing changing, they observed a lack of preservation of knowledge and expertise on the sector. This was perceived as a critical frustration, with key informants speaking to issues like reviving policies that had previously been ineffective and failure for projects to be completed. For informants in non-government sector this was also viewed as a frustration. Many informants commented that this lack of knowledge led to long term delays in policy processes and often losing momentum on projects or key policy issues.

Transformations or staffing changes impacted strongly on organisation memory. This involved the way that documentation is ‘handed over’ Walsh and Ungson argue that transformations maintain a logic that guides inputs into outputs. That retrieval of past information is necessity to ensure that information can be appropriately accessible and available for future analysis. A number of transformations operate in organisations from the way
work is designed to culture to experiences and memories – an administrative overlay to ensure the preservation of knowledge.

Within the case of Tasmania informants in both government and non–government sectors argued that transformations had a detrimental impact on their ability to communicate effectively. Workers argued that knowledge was obviously lost as staffing changes occurred across the sector. There was little or inappropriate ‘handing over’ of knowledge within the sector. This was keenly felt by informants. They argued that as staff moved across into different positions in the Department or out of their roles, that knowledge was immediately lost. Informants attributed lengthy processes towards policy change to this fact. Significant progress would be made on particular area, but when staff were reorganised into different areas or transitioned out of their roles, any progress or knowledge was lost. The policy process would thus recommence from the beginning, which was identifiably frustrating for key informants. The changing career paths of staff impacted on knowledge of an organisation like the DHHS.

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621 J. P. Walsh and G. R. Ungson, *Organizational Memory*, 64
Public Management and Organisational Memory

A number of challenges to organisational memory can be identified as a flow on effect from public management reforms of the 1980s and 1990s. Significantly the impact of the NCP can be observed. Throughout this period the DHHS – like other public service agencies – became increasingly reliant on NGOs and the like for the provision of service delivery via the contracting out of specific services. Notably this time also saw the emphasis on bureaucrats as ‘managers’. 622 Both these changes had pivotal consequences on the way the public service retained knowledge and memory.

A consequence of the managerial reforms of the public administration was acutely felt by many key informants. One significant result of the public management reforms was in the expertise by senior staff across the public service. Key informants articulated concerns that the trend for ‘managers’ created low skilled staff in the most senior policy roles. The role of

622 For discussion on the transformation of the public service under the new public management please refer to this dissertation’s literature review
management in the public service particularly suggested as having an effect on the way consultative reforms were, or in many instances, were not achieved. NPM ushered in many changes including the role of the manager-bureaucracy. Key informants particularly in government argued that often the most senior staff in their area had little specific knowledge of the industry, brought in for management expertise rather than knowledge of a sector more broadly. This is heightened within a public service agency such as the DHHS, where staff have a twofold role in the agency: not only are they enacting legislation and carrying out the roles of government but they must carry out and often refine the role of the sector. However key informants critiqued that staff at the most senior levels within the agency often had little knowledge of the latter – the role of the sector as a whole. Thus the role of organisation is weakened and leadership capacity diminished. This is particularly significant as organisational planning of the sector affects the ability to change and adapt to new challenges and affects the organisations knowledge capacity.

623 Ibid
Leadership: Long Term Decision making and the Role of Policy Makers

The importance of leadership in policy making was one key theme that emerged in the primary research. Key informants spoke at length of the importance of leadership and the way that leadership can drive change. In the primary data collected informants spoke colloquially and without definition about leaders. From the information they provided it is discernable that they refer to leaders as encompassing a range of roles in policy making. This term was used interchangeably for political leadership, leadership in the public service (specifically in the DHHS) and leadership by the peak and large scale organisations in the non-government sector. Whilst informants often spoke interchangeably about these issues, this thesis attempts to distinguish the key issues distilled at leadership in these three fields: political, departmental and civil society. What is apparent is that all arenas of public life are facing challenges to governing. The pressures facing policy makers are immense.
Leadership in the Government Sector

Key informants, particularly in the government sector, spoke of the importance of leadership at the political or ministerial level. These informants argued that leadership at the top of the chain was the only way to make ‘things happen’. Without the support and enforcement at that level projects, including Changing Relationships, were unlikely to be successful. Informants indicated that the impetus for changes to be made does not exist. They highlighted that that the emphasis placed on.

Changing Relationships initially was important, particularly at the Departmental. Thus political leadership was only one component. The roles of high level public servants – Secretary and Deputy Secretary in the Department was seen as equally critical in driving change. When the leadership at these levels moved on, key informants identified shifting priorities in the Department.

A number of different political leaders had charge during the Changing Relationships. Key informants observed that the approaches and perspectives from the leadership level in the DHHS differed greatly. The commitment demonstrated to the project impacted on how it was pursued. Changing Relationships
went under a number of different changes in name, from *Changing Relationships* to the *Partnerships Project* and back to *Changing Relationships*. Different Ministers placed different importance on the role of partnership in the health and community sector. Key informants observed that the work towards partnerships was driven by the leadership at the most senior level. Political commitment and commitment by senior leadership was identified as pivotal.

The role of leadership at Ministerial and Departmental levels was not perceived as a concern or slight on political preferences or political parties. Key informant data indicated that shifting commitments to partnership lie in a lack of clear long term planning for the health sector. A key phrase used often in the interview data was that of ‘vision’. In employing this term, informants were most often lamenting the lack of long term planning or strategy for their sector. This thesis argues that strategic planning and foresight remains critical to the key finding of leadership.

The *Changing Relationships* project cannot be viewed in isolation. This project began a process of increased consultation
or connectedness, not simply with non-government organisations but with the community at large. The implementation of this project is highlighted by informants as a failing along the lines of strategic planning, with key informants suggesting that a lack of coherent vision or strategy is missing from the health sector. Strategic planning for the sector has been acknowledged, therefore, as pivotal.

Strategic planning refers to a design process for organisations - both non-government and government alike – help them respond effectively to changing situations. It is used to shape the direction of an organisation. Often this involves values, vision statements, mission statements, organisational designs or restructures. However it can also refer to overarching strategies and projects; determining the key priorities for the organisation. Strategic planning in the context of partnership processes in Tasmania was seen as pivotal across this thesis when interpreting key informant interviews. 624

It is impossible to refer to the issues of long term policy or strategic planning for the sector without giving rise to Tasmania’s overarching strategic plan, *Tasmania Together.* Tasmanian Together was meant to be a significant project in the health and human service sector. It was set out as a vision for the development of the State, seemingly emphasizing widespread community consultation. The DHHS was one of the key contributors to this project, particularly in leading the implementation of a number of its targets. This reflects a change in the health and human services sector from the ‘ad hoc’ style policy arena prior to the *Changing Relationships* process.

There is some indication within project reports that more organisations are working with government to deliver essential services. *Tasmania Together* is one example of this strategy with a number of planning processes in place (inter-agencies, forums, conferences and integrated service planning). *Tasmania Together* reflects long term planning and a means of shaping not just government policy but also service delivery.

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625 It should be noted that *Tasmania Together* was Tasmania’s overarching, strategic plan detailing the vision for Tasmania. Whilst this strategy was in place during the period of *Changing Relationships*, it is not currently government policy or used for strategic planning purposes from 2013 onwards.

626 Department of Health and Human Services, “Tasmania Together”

627 See for example implementation of a large number of targets under the broad category of ‘Healthy Lifestyles’ as well as Poverty, Community, Safety, Employment, Environment,
In practice however, informants made little reference to Tasmania Together as a strategic plan. Nor did they identify any long term planning under Tasmania’s ‘Social Inclusion Strategy.’ Despite often highly referenced by the Tasmanian government, these prominent examples were not referred to by any informant in the primary research data connected. Many in contrast commented that there was no long term planning or no vision as to how the health sector would develop in the future. *Tasmania Together* seems to have little impact on day to day policy activities. Long term strategic planning seems to fall short and has created some uncertainty in the sector. This has resulted in emphasis placed on political leadership, in the absence of bi-partisan long term planning in this field. Data collected indicates that the role of leadership is inextricably linked to issues of forward or strategic planning; a vision for policy makers to work towards. Without this clarity research indicates that key informants felt consultation was often meaningless as there was a perception of no commitment or shared goal to work towards. The perception was consultation for consultation’s sake.

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Key informants highlighted an absence of long term strategy or vision for Tasmania’s health sector. Data indicates that to an extent Tasmania has these strategies in place. However the lack of familiarity by key informants within government sector particularly perhaps indicates a failure in strategy. No overarching policy plan seemed to have bearing on the roles of key informants, all of whom were involved in the ‘day-to-day’ policy process. However in principle the practice of a vision beyond party political was endorsed by key informants. Many indicated that a plan for the health and community sector with long and short term goals to work towards was desirable.

**Leadership in the Non-Government Sector**

Clear challenges and barriers to policy making were illustrated by key informants working in the government sector. Similarly, workers in the non–government sector identified leadership within their sector as a key issue for policy making. The lack of vision or shared goal was commented on by many informants in the government sector. However this issue appeared to be applicable to non-government sector informants alike. Research data indicates that NGOs face significant pressures. The impact of the Global Financial Crisis (GFC) and the slow economic growth in Tasmania has placed considerable pressure
on NGOs. This was felt from NGOs in large and smaller scale organisations alike. Finances were identified as stretched.

Informants in the non-government sector however indicated that the lack of economic growth in Tasmania was a significant barrier for the sector. They argued that this had a flow on effect towards leadership (or lack of) in the non-government sector. The lack of vision or idea of the future of the sector was a common theme within the primary research, specifically surrounding what the health and community needs of Tasmania would be. Some of this detail was referred to in strategic plans like Tasmania Together, but was perceived as too vague and ambitious with no discernable steps set to make a commitment to any aims.

Financial barriers were critical for non-government sector informants. For smaller organisations it was more significant, but informants in larger organisations also demonstrated feeling financial pressures within the current economic climate. These barriers were not confined to a superficial hindrance service delivery and budgetary processes. Non-government sector data illustrates that financial arrangements hamper long term planning.
The Changing Relationships project was aimed at a process of increased consultation between government and non-government sectors, and the move towards partnership style agreements. As much primary data indicates, the project was about fostering cooperating between the two sectors and to resolve a number of issues between them. Whilst goals of partnership are apparent, it is important to note that Changing Relationships served more than just a lofty aim of partnership. It also set out a framework for funding community sector organisations. Thus one of its goals was to tackle these financial issues, including funding arrangements, indexation, service agreement formats. By the early 2000s much of these pressing funding issues had been resolved, but in doing so the importance to move to partnership had lost momentum. The goals of partnership were largely incomplete.

Non-government sector informants spoke of an in principle commitment to progress partnership, however funding arrangements attached to Changing Relationships project left the

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630 Ibid, 20 - 21
631 D. Owen, ‘Holding Hands Again’, 3
632 Ibid
majority of organisations focused on monetary issues. *Changing Relationships* was not just a partnership project, it was also a means of ensuring competitive tendering and contracting out of services practices were adopted by the sector. In essence part of the project was a mixture of increasing productivity and service delivery, with the ‘trade off’ being that greater consultation and dialogue between the two sectors could occur.

Moreover the result of competitive tendering arrangements has left many NGOs unable to pursue aims of partnership. The practical side of competitive tendering illustrates that NGOs are funded only for the services they deliver. There is no extra funding for administrative overheads, staff training, innovation or research. Large and small organisations illustrated this financial strain. From the reforms prior to and across *Changing Relationships*, NGOs are expected to run themselves more professionally, like businesses. However in being funded solely for services they provided, much of any additional finances are placed into administration and training (for example OH&S training). The focus is on ‘bread and butter issues’ rather than on overarching policy framework. This has been a side effect of outsourcing. There is no framework of governance, with organisations floundering somewhere beyond marketisation, but
nowhere near partnerships or real community governance.
Simultaneously they have little ability to create momentum for change.

**Achieving Consultation: Lessons from Tasmania**

Significant findings were made in the analysis of primary research data. These were interrelated and are explained here as ‘lessons from Tasmania’ as much of the data and analysis garnered initially appeared to be on one level unique to the case of Tasmania, yet also universally applicable to other arenas.

Key informants interviewed (as Table 1 indicates) were overwhelmingly depicted as mid-level to senior level workers in a policy environment of the health and human services sector. Of the key informants interviewed one informant self-identified as management level. Thus, the role of key informants for this study appears to be easily akin with Lipsky’s “street level bureaucrats”.
Lipsky defines the street level bureaucrat as a worker with “considerable discretion in determining the nature, amount, and quality of benefits and sanctions provided by their agencies.” 633 They are not however unrestrained by rules, norms and values of their organisation. Administration shapes much of their roles but the bureaucrat retains some ability to control circumstances in their environment. 634 We can draw much from Lipsky’s pioneering work in this field as it illuminates the role and thus the challenges faced by workers in this area. This showed scope for further research development.

One of the critical points in the research findings that this thesis has been keen to emphasise is the role of trust and reciprocity within the health sector between the policy practitioners or ‘street level bureaucrats’. Key informants across both government and non-government sectors overwhelmingly demonstrated their respect and understanding (to a degree) for the roles and positions held within this sector. For key informants with an extensive work history in the health arena, this was viewed as a demonstrable change. Prior to the introduction of the Changing Relationships project informants articulated that the role of the government and non-government sectors was poorly

634 Ibid, 14-15
defined, with workers in each area often unaware of their respective roles and with little respect for the roles that they played. In contrast, informants discussing the current roles after *Changing Relationships* in the health area had higher levels of interaction with counterparts in different sectors, greater understanding of their respective roles and the challenges they faced and respect for the work in each area. This was identified as a pivotal change in the health and human service sector arising after the introduction of partnership processes like *Changing Relationships*.

Research findings well displayed heightened trust and reciprocity between key informants. In their interview data informants spoke of a growing understanding of their respective roles in the health sector and more frequent interaction with their working lives. This is one outcome of *Changing Relationships*. Key informants furthered this, attributing the change to two key points. Firstly they suggested that consultation was the watchword of policy making. With an emphasis on working across sectors, key informants garnered a better comprehension of their roles. They also cited more frequent discussions and interactions based on the contracting of services – be they helping secure contracts
or applying for funding for particular services. This increased their interaction with each other.

Key informants, however also spoke of a relationship in the policy arena on a multitude of levels. Whilst they enjoyed professional relationships, many suggested that the size of Hobart (and Tasmania) also played a role in facilitating dialogue. They suggested that informal grounds of discussion – be it networking at specific events or informal gatherings within a community in the State, offered other means to interact on a personal level. Personal relationships and rapport can be identified as key to heightened trust between policy practitioners.

Lipsky’s work on the street level bureaucrat proves critical. In his work he argues that policy making (he specifically focuses on implementation) is about the people on the ground implementing the policy. Importantly it focuses on the role of street level bureaucrats. Whilst Lipsky openly refers to the street level bureaucrats as police or fire-fighters, his definition of the bureaucrat as individuals who interact with citizens and provide the force behind rules and laws, is equally applicable to this
project. The street level bureaucrats that Lipsky identifies are those interviewed for this project. They have a great responsibility for ‘day-to-day’ policy making in Tasmania.

Thus, as Lipsky identifies in his research, these individuals play critical roles in policy development: they engage and interact with citizens, often those who are receiving services ‘on the ground’. Their roles within the wider agency or organisation contribute to the culture and behaviour of that agency. The nature of their roles are characterised by discretion and independence from their organisation. It is a role of relative independence. They work in a complex area often with discrepancies between policy process, rules and regulations and practical situations in which judgement, initiative and discretion are required. As Lipsky comments, there is often a gap between the goals of the organisation and that of the ‘street level bureaucrat’. Unlike most literature on organisational theory, there is no assumption that the bureaucrat will or wants to adhere

635 Ibid
636 Ibid
637 Ibid
638 Ibid, 14-15
to the norms and rules of the organisation. Indeed there may be disagreement. 639

This proved to be relevant to the case of Tasmania. Key informant data articulated that informants felt little empowerment to make decisions. Whilst they felt that consultation processes had the potential to be valuable, they largely saw consultation for the sake of consultation. Much of the process was felt to have little meaning, particularly with key informants indicating that they were not empowered to make decisions or make any changes. Heightened trust was identified across the sector, and the role of street level bureaucrats respected across both sectors, built potentially through the scale of operations in Tasmania. Despite some positive facets there were clear structural barriers within their organisations, potentially preventing more fruitful consultative relationships.

Conclusion

Tasmania’s health sector faces a number of challenges to policy making. This has been highlighted through detailed

639 Ibid, 16
analysis of primary data. Through the Changing Relationships project, Tasmania embarked on a partnerships project. Despite some initial progress, many of the aims of this project were not fully realised. A number of significant obstacles continue to be faced as government and non-government sectors continue to work collaboratively. The challenges and barriers the two sectors face are not unique to Tasmania. The broader literature is indicative of a time – both nationally and internationally- with numerous challenges to governing. Governments are no longer using only bureaucratic and market approaches to public administration. Instead they are consistently seeking more involvement from outside actors and organisations, including NGOs. The move towards consultative measures in the policy process has been a pivotal change. This is aptly demonstrated in the case of Tasmania, with evidence from this field increasingly relevant for governing challenges in other jurisdictions.

The evidence gathered within this thesis indicates that principles of consultation are widely endorsed in Tasmania. Since the inception of Changing Relationships, trust and reciprocity between policy makers in government and non-government sectors has increased. Policy making is seen as more multifaceted. On the level of personal interaction certainly the
case of Tasmania indicates significant progress. The personal relationship of policy makers was demonstrated as critical in making broader changes to the way government and non-government sectors work with each other.

Despite higher levels of personal trust and reciprocity, the move towards partnership has faced significant barriers. Interview data indicates that - in principle- consultation is endorsed. Key informant interviews highlighted the importance of excellent personal relationships and rapport between workers. Indeed it appeared that there were demonstrably higher levels of trust between policy workers across both sectors. Many informants pointed to the increasingly multi-faceted nature of their working environment, the many roles in which they interact, as improving their policy making skills. However, despite some excellent feedback from key informant interviews, the consultative practices were not perceived as completely satisfactory. A number of areas for improvement were identified.

Key informants indicated that Changing Relationships ultimately was not successful in its ultimate aim of moving towards a formal partnership arrangement in the Tasmanian health sector. Interview data articulated that the resolution of
complex and heated financial issues of funding, service agreements and the like brought resolution to long standing tensions between the government and non-government sectors. In practice consultation did not move into partnership territory, with consultative practices largely employed ‘in spirit’. With the drivers for change largely resolved, the impetus to move towards partnership also diminished.

The case of Tasmania places into question often widely accepted claims that the new form of governing squarely rests in the realm of the policy network. As a case study, Tasmania’s health and human services sector shows that network governance is more complex than widely distributed theoretical positions would present. Governing processes are exceptionally multifarious and cannot easily be distilled into a coherent theoretical position. To suggest a network as a means of operating is overly simplistic. The theoretical foundation of this project suggests that policy networks are under theorised, vastly underestimating the role and influence of government and the complex interplay of power relationships.

The complex interplay of relationships in policy making has been confirmed through primary research. The network
mantra of trust, cooperation and shared resources certainly is demonstrable to a limited extent. But in the sense of an equal partnership and equal distribution of power, characteristics of network governance were unmet. Changing Relationships certainly brought forward a heightened sense of trust, enhanced cooperation and moves towards more inclusive, consultative practices. However operations of network governance are not indicated.
CONCLUSION

This thesis has argued that governing processes are increasingly complex, no longer the resolve of one particular arena of society. Whilst service delivery largely remains in the purview of government bureaucracy, the public service increasingly incorporates a mixed approach that combines market style mechanisms and community outreach. Within this thesis, Tasmania’s health and human services sector has been used as microcosm; a case study in reform

The case of Tasmania is placed within a tautological broader spectrum of policy theory; particularly within the context of changes in public administration and a shift to greater consultation and participation in public policy. This thesis has illustrated the significant reforms to Australia’s public sector. The public sector has moved from a system of fairly traditional bureaucracy in line with the traditions of the Civil Service established in the UK. Following New Public Management
reforms of the 1980s, competition, efficiency, effectiveness became the norm. Post New Public Management, consultation has increasingly become the watchword of policy making. The way that these changes have come into effect is worthy of investigation and is applied in this thesis.

The changes to policy making process and the skills required to ensure consultation is successful has increased demand for capacity in third sector. This thesis has engaged with a growing field of consultation literature to understand its effects. This has been applied to the much under –researched site of Tasmania, specifically focusing on critical changes in the health sector under the Changing Relationships paradigm.

This thesis draws on a wide array of academic literature on the future of governance- as opposed to, and distinct from, government. One of the key findings in this field is the range of reforms brought forward by a ‘hollowing’ of the state. Under the ‘hollow state’, governing process are dispersed among a range of different actors and organisations, including NGOs.  

Partnerships are shown to be increasingly common and new
policy processes involving collaboration and cooperation are being used widely. These trends are strongly reflected in the literature in this field. This research illustrates one of the biggest changes in public administration and reflects the complexity of policy making. It reveals an increase in so-called ‘wicked’ policy problems - where policy solutions are no longer simply the domain of government. The policy realm is so complex that problems are not limited to a single solution, or involve single ‘players’. Definitions and understandings of issues are more complicated and determining solutions involves multiple actors and organisations.\footnote{Australian Public Service Commission, “Tackling Wicked Problems. A Public Policy Perspective”}

The changes to governing process within the ‘hollow state’\footnote{R.A.W Rhodes, ‘The New Governance’, 49} pose a significant challenge for those administering and delivering public policy. Policy makers face new challenges on a daily basis. Given that the policy arena is seen as more complex, it is fitting that the public policy domain is no longer dominated by public service agencies. Consultation, expertise and partnership with external actors and organisations have become essential.

\footnote{Australian Public Service Commission, “Tackling Wicked Problems. A Public Policy Perspective”}
\footnote{R.A.W Rhodes, ‘The New Governance’, 49}
The importance of consultation and participation is stressed in the ever expanding and multifarious nature of public policy. This thesis has convincingly demonstrated the emergence of these changes. In part, these changes have been attributed to social movements of the 1960s – movements that stood against, ‘big government’ and indeed conveyed a general distrust in government as a whole. However, more prominently, such changes can be credited to the development of ‘Third Way’ approaches to governance. The Third Way - an approach most notably advocated by former UK Prime Minister Tony Blair and former US President Bill Clinton - advances an approach to governing that moves beyond the traditional divide between socialism and liberalism; the left and right of political life. It operates on the principle that a strong society can only come from a strength in civil society, and seeks to revitalise the way government operates. It is an approach beyond bureaucracy and marketisation, but one that combines these principles with a core role for civil society. It stresses the importance of involving the community and non-government organisations in the decision making process. 643

643 A. Giddens, “Introduction”, 6-7
The changes brought forward by the ‘Third Way’ highlight the growing shift in public administration; one that moves from bureaucracy and markets to one that embraces the role of the community. With government confronted with more complex policy problems, traditional approaches to public administration are outdated. New ways of working are required. These solutions are often found in collaboration and consultation.

Despite a plethora of literature on consultation and participation in public policy, there is little practical explanation of these issues and the impact that these changes have on day to day policy makers. This thesis contributes a primary research dimension and offers some critique of existing literature. Using the case of Tasmania and the health and human services sector, this thesis illustrates the challenges faced in public administration particularly for ‘on the ground’ policy makers. It illustrates the challenges that the two sectors – government and non-government – face as they try to work together to deliver policy results.

To delve into the practical challenges facing consultation and policy making, this thesis firstly provided much needed secondary analysis of primary source documents. This was designed to illustrate context for Tasmania. It demonstrated the
public administration changes experienced by Tasmania in the mid-1990s. Evidence compiled illustrated that Tasmania had begun to move towards improving consultation between government and non-government sectors, with eventual aims towards partnership style agreements. Much of this process originated and was inspired by strategic plans and compact style arrangements like Oregon Shines in the USA and the Compact of Voluntary and Community Sector working group on Government Relations in the UK. These international drivers set the trend for a number of states and territories – including Tasmania – to explore the role of government and the community sector.

Tasmania has experienced a number of attempts for government and community sector organisations to work together. The Changing Relationships project has been identified as one of the most significant and a catalyst for starting further changes. However, analysis of a number of key sources has revealed that the steps along this process have only been part way completed. The outcomes of Changing Relationships have not been fully realised or developed, and the project has since moved into different directions.
Although *Changing Relationships* did not meet its ultimate goal of a full partnership between the human services sector and government, the project does not need to be perceived as a failure. In contrast, it is a good representation of policy changes in Tasmania. *Changing Relationships* shows Tasmania developing whole of government reforms and embracing consultation and collaboration. This can be placed in context of other strategic plans such as *Tasmania Together* and the *Social Inclusion Strategy*. Under broad frameworks, Tasmania has consciously made re efforts to move towards better consultation arrangements (and eventual partnership arrangements).

Despite movements towards greater partnerships between government and non-government sectors, the relationship between the two spheres of society appears unclear. There is no firm direction marked for the future. Tasmania began as an innovator, moving towards a partnership arrangement and was a leader within Australia to these international trends. This thesis has revealed some significant changes in attitudes in this field. But despite these efforts, partnership agreements were not fully realised.’ Relationships between the sectors are arguably still ‘ad hoc’.
These findings were well supported through the primary research undertaken throughout this thesis. This dissertation conducted semi-structured interviews with ten key informants in both government and non-government sectors. These informants were uniquely equipped to provide insight into the challenges facing policy makers, and the challenges facing government and non-government sector relationships. Through the interview process, these informants revealed significant challenges facing policy making in Tasmania. Key themes emerged which this thesis highlighted, focusing on: power relationships in the health and human services sector; the process of consultation, the role of leadership and the role of organisational memory.

There are a number of conclusions that can be drawn through both the theoretical framework presented in this thesis and the qualitative, primary data. This thesis has shown that policy making is increasingly multi-faceted. Tasmania is seen to maintain some advantage in this area. The small scale of the State gives potential for closeness between workers in both sectors and relationships that operate on a number of different levels. Size and scale has also been shown to be an advantage in allowing greater opportunities to build relationships between the two sectors. Whilst trust and reciprocity are not ‘fixed’, both have been shown
to have grown in the relationships between workers in these sectors. This thesis argues that the scale of consultation allows for greater reciprocity and heightened opportunities for relationships to develop, both personally and professionally. This in turn has been shown to have a positive effect on policy processes.

Key informant interviews perceived far higher levels of trust and reciprocity after the *Changing Relationships* project commenced. Despite progress being professed in this area, *Changing Relationships* still appears to have fallen short of its original aims of partnership Key informants all illustrated constant barriers to policy making. Key constraints interpreted within this thesis, showed that leadership within the Department and Ministerial leadership have a heavy weighting on how policy makers ‘engage’ with external stakeholders. Key informants noted that the degree of emphasis placed on the importance of consultation or partnership between the sectors by senior staff or the Minister’s office, has an enormous bearing on the ability of policy makers to improve or implement policy decisions. Similarly, the ability of the non-government sector to drive reforms or advocate on key issues was also identified as a substantial problem.
Consultation was perceived differently by the key informants interviewed throughout this thesis. Overwhelmingly government informants viewed consultation as about imparting information and asking for submissions or comments. Most frequently key informants from the government sector indicated that their approach to consultation involved conducting a forum where they could present information and gain feedback from non-government organisations.

In contrast, key informants from the NGO sector illustrated a ‘bottom up’ approach to consultation. They argued that consultation was best broached by talking to ‘on the ground’ service providers and discussing their needs. However, there were a number of obstacles for policy makers in the realm of on the ground policy making. Informants in the NGO sector appeared to be conscious of an imbalance of power, particularly towards smaller organisations. With funding links often present, many NGOs felt a distinct problem in not being able to comment freely and openly for fear of reprisal in the form of cuts to funding. Key informants also illustrated that language was a clear barrier, in distinct public service vernacular. Similarly consultation was perceived to be undertaken on government time frames and
locations. These were seen to be barriers to consultation from the non-government sector.

This thesis argues that the two perspectives from key informants in the NGO sector unfolded. Key informants spoke of a highly complex power relationship between the two sectors; one that is not easily defined. Consultation processes were largely hindered by the power imbalance in the non-government sector. Informants demonstrated that consultation processes are often meaningless because larger organisations do not need to rely on collaboration and cooperation in the NGO sector to have their views heard by government. They are not funding reliant and have significant power on their own terms. In contrast smaller NGOs were shown as reliant on peak bodies to support them and on government funding and were much more dependent on policy processes.

The way that consultation was undertaken was a key issue highlighted in the interviews conducted for this thesis. However this issue was interlinked to a number of other concerns. Long term planning appeared particularly to be intrinsically linked to the outsourcing and contracting out of services. These processes were introduced through the Changing Relationships project as a
way of tackling some of the issues facing the health and community sector. However in providing professionalism in the non-government sector, organisations are increasingly preoccupied with ‘bread and butter’ issues with no real funding for research and planning in this field. The gap between smaller organisations and peak bodies seems to be more apparent.

For informants in the government sector, planning challenges to policy making were experienced differently. These informants referred broadly to challenges within the public service, particularly through its organisation and reorganisation. This provided for the abandonment of specific projects and initiatives. Projects would be ‘dropped’, then ‘rehashed’ years later and past problems would often be repeated. An inability to follow through with a project was frustrating for a number of key informants. Departmental restructures also show a lack of organisational memory and little commitment to retaining information or making information on past initiatives accessible to staff.

From the qualitative data obtained throughout this thesis, *Changing Relationships* was shown to have spearheaded a
number of changes in the health and human services sector. It was a project that in many respects showcased Tasmania as an innovator, one of the first states in Australia to start moving towards a partnerships project. However this leadership was short lived. *Changing Relationships* started a process towards partnership. Through the primary research conducted in this dissertation, key informants undoubtedly identified a better working relationship between the two sectors. Network style arrangements are in place with policy making increasingly based on collaboration. Policy making had also become multifaceted with higher levels of trust and reciprocity identified between staff in both government and community sectors.

Despite some pivotal changes in the health and human services sector in Tasmania, there are key influences on policy making that continue produce obstacles to policy making and drive inconsistency in policy approaches. These also have hindered the original formal aims of partnership between the two sectors. Tasmania no longer leads the partnership charge in Australia with commitment to this process seemingly in place in spirit rather than in practice. There are notable barriers to policy making observed by both sectors.
The case of Tasmania explored within this dissertation is taken as a microcosm of more comprehensive changes to public policy process. It fits more broadly within the meta policy network approach taken within this thesis. It provides a meaningful illustration of consultative policy practices. It can be applied to the case study of Tasmania. However the findings presented in this thesis and the framework and context they are placed in is well applicable to other jurisdictions. The theoretical approach outlined in this thesis has the ability to show an interpretation of the relationship between government and non-government sectors through its incorporation of a meta governance structure and a power analysis.

Unlike traditional network approaches, this thesis places the interests of Tasmania in a ‘meta-network’. Trust and cooperation are intrinsic to the network, and goals are often based on an exchange of research, shared interests and agendas.  

Whilst networks are founded on cooperation to achieved shared goals, a micro analysis is not sufficient. Structural analysis must be met in which the role of government is key. This thesis agrees that public administration has moved vastly beyond the heyday of

NPM and of traditional hierarchical approaches to governing. However it argues that the cooperative network is not sufficient. It must take on the role of government as a broader structure. There is no true partnership between government and other network members. Networks operate under a meta governance structure, where government is dominant and often more influential in shaping the agenda.

This thesis this refers to the network involving various NGOs across Tasmania in the health and human services sphere. This example has demonstrated that there is no balanced partnership in this scenario. Government has the ability to exert a clearer influence. The often overlooked facet of power must be employed. Network theory highlights the importance of trust and reciprocity, clearly in a network involving a range of interests from different sectors in society, power imbalances will be keenly felt. There is in the meta governance network an inherent power imbalance in place. Government dominates much of the debate, shaping the agenda be it formally (through the contracting out and funding of key services) and informally (exerting its powerful influence).
The case of Tasmania demonstrates that policy making is increasingly complex with a number of challenges in this field. Government and non-government organisations have become progressively mutually dependent on. Government has become increasingly reliant on the program expertise and service delivery role provided by the non-government sector. NGOs can utilise government for the credibility and emphasis brought to a policy issue or funding for particular areas of service delivery. There is some credence to the network approach in policy making which suggests that partnerships, trust and reciprocity are required. This is accurate in many respects. However it is simplistic to suggest that the relationship between the two sectors is of equal dependence and cooperation.

The case of Tasmania – as set out within this thesis – illustrates the challenges both sectors face as they try to work together more effectively. There are innumerable barriers to an effective, fruitful relationship between sectors with the road to partnership remaining uncertain. This thesis has delved into these at length. In doing so it has argued that whilst there appears to be heightened trust and reciprocity between sectors and well developed professional relationships, consultative mechanisms
have not truly been realised. There remain a number of obstacles to effective partnership.

This thesis has provided an illuminating example from the Tasmanian policy making sphere. It has highlighted a challenging relationship between two different sectors with both government and non-government sectors increasingly required to work together. Although the evidence presented has shown the growing complexity in the Tasmanian policy sphere, this is not limited to State lines. Research in the public policy sphere to date has already shown the increasing emphasis placed on partnerships and consultation in the policy process. Thus, the case of Tasmania and the challenges these two sectors have faced collaborating together has implications for future research in this field. The ‘balancing act’ between the interests of government and the interests of the community sector are becoming increasingly important.

The findings of this research will be highly relevant and insightful for future research in this field. This thesis proves a rich source of information about state and non-government sector collaboration, highlighting both its strengths and its weaknesses. This will prove more pertinent as partnerships and compact
arrangements become utilised more frequently at State and National levels. The lessons from the Tasmanian case, reputedly an incubator for social research, demonstrates application on a broader scale. Challenges faced in Tasmania are unlikely to be experienced across other jurisdictions.

The findings from this research are potentially transferrable, and indeed will be insightful for both national and international audiences. Particularly relevant will be the extended network theory analysis, one that adopts power theory to great effect.
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**Appendix 1** – Interview data from the government sector. Pages 419 - 538
**Appendix 2** – Dissertation interview guide and interview structure. Pages 539 - 540
The research associated with this thesis abides by the international and Australian codes on human and animal experimentation, the guidelines by the Australian Government's Office of the Gene Technology Regulator and the rulings of the Safety, Ethics and Institutional Biosafety Committees of the University.

The Tasmania Social Sciences Human Research Ethics Committee granted Ethics approval for the following on 14th November 2011.

**Ethics Ref No: H0010925**
Project title: Research Pilot Study: Experiences of State Service Employees within the Department of Health and Human Services.

**Ethics Ref No: H0010924**
Project title: Observation of State Service and Community Sector Employees.

**Ethics Ref No: H0010926**
Project title: Interviews with Employees in the Tasmanian State Service and Community Sector.

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645 NB: Please note that whilst ethics approval for participant observation to be conducted was obtained, this aspect of primary research was not progressed. The pilot study for this dissertation discovered little use for this approach. The focus of the thesis thus became qualitative, semi-structured in-depth interviews with key informants from government and non-government sectors.