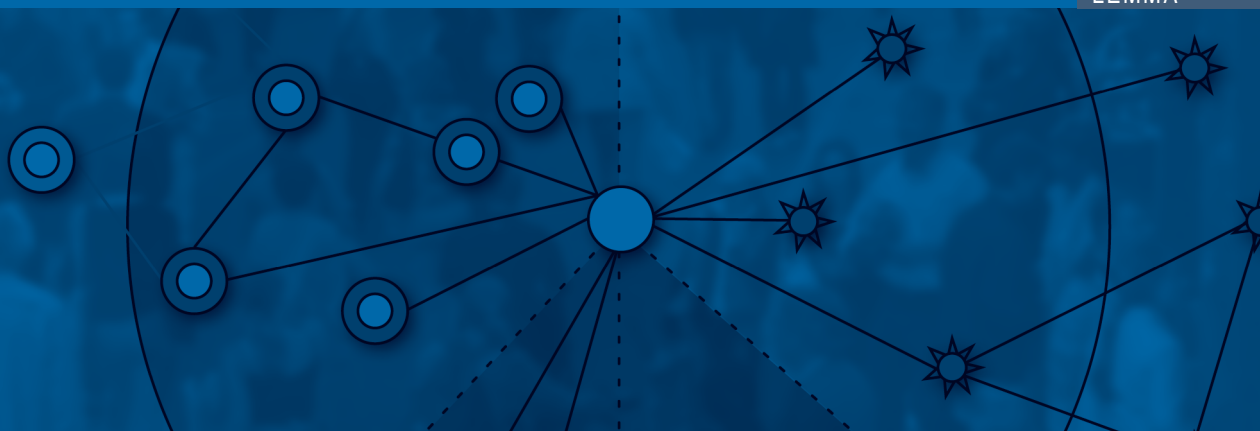


THE PEGASUS PRINCIPLE

Reinventing a Credible Public Sector

LEMMA



Louis Meuleman

The Pegasus Principle

I will not change my horse with any that treads but on four pasterns. Ça, ha! he bounds from the earth, as if his entrails were hairs; *le cheval volant*, the Pegasus, *chez les narines de feu*! When I bestride him, I soar, I am a hawk: he trots the air; the earth sings when he touches it; the basest horn of his hoof is more musical than the pipe of Hermes.

From the Dauphin's exercise in equine hyperbole in Shakespeare's *Henry V*, Act III, Scene VII.

For Inge

The Pegasus Principle

Reinventing a Credible Public Sector

A Field Guide to Transactive Public Process Management

Louis Meuleman



Uitgeverij LEMMA BV – Utrecht – 2003

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Foreword

The emerging 'network society' creates new and urgent challenges for the public sector and for the democratic framework in which it has to work. Our complex society demands new ways of cooperation between societal partners. The legitimacy of the public sector (politicians and civil servants) not only depends upon its formal, legal position but increasingly on the credibility of the public sector as a transparent, visionary and professional partner in societal networks. I encourage citizen participation in policymaking and decision-making processes, but this always assuming there is a strong, balanced and credible public sector in which political leadership is closely interconnected with the professionalism of its civil servants. This is not an easy condition to attain or maintain. In my role as mayor of Amsterdam I experienced how important it is that civil servants have a good, trusting relationship with the politicians who assign them difficult tasks.

We should learn from our successes as well as our failures. *The Pegasus Principle* is a practical search for what the author calls a 'transactive' public sector, and it addresses many problematic issues while at the same time inviting the reader to reflect on new questions. This is essential, as 'reinventing' a credible public sector is an ongoing process.

Ed van Thijn

Former Minister for the Interior of The Netherlands and former Mayor of Amsterdam

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I especially thank my parents: my father, who worked as a civil servant for 40 years, for giving me the feeling that working for the public sector is something special, and my mother for stimulating my creativity and encouraging me in whatever I found important.

The Hague,
Louis Meuleman

Prologue

Ever since the age of 25, I have sensed that working for the public cause is more than just having a job. It took a long time to find out what the 'extra' features are. Now, more than 20 years later, I think I have found some of the things that still 'make me tick for the public cause'. It is connected with my belief that people are intelligent social beings; relations between people should be based on mutual respect (and that means listening to each other); that taking yourself serious is a condition for taking others serious; that integrity, having a vision, and being professional, are key elements for a public sector that stands in the middle of (not in the centre of) the 'public' sphere, the virtual area where citizens try to fulfil their social and democratic hopes and expectations; and that these are factors that are essential for regaining public trust in the public sector.

To be a *participative observer* of the public sector is my way of being a good citizen and in this role, during my career in regional and national public service, I kept wondering why things go the way they do. Why is it so difficult to learn? Why is the public sector so incredibly unprofessional from time to time? Why doesn't it practise what it preaches and knows? The only times things go really well in my experience are at times of crisis. Then the public sector suddenly shows its latent professionalism.

This book is the result of an ongoing search for answers to such questions. Of course, it cannot contain definitive answers – as they are answers that only reflect my personal view of and experience with public-sector process management.

The way I look at organisations in the public sector has been influenced by the fact that I graduated as a biologist and specialised in a special branch of vegetation ecology – plant sociology. Plant sociology was a rather 'obscure' form of biology, lectured by Professor Victor Westhoff, a Buddhist at the conservative Catholic University of Nijmegen. He was a brilliant man of the kind you often see in politics: he loved mankind but didn't like people.

Lecturers in classical sciences such as plant physiology and anatomy, have criticised our type of science because they found it to be an incomprehensible mixture of quantitative and qualitative approaches. From our standpoint, we saw them as people who measured and weighed anything they could lay their hands on and believed that everything could be proven in this way.

In plant sociology, we studied only the eco-side (Greek οἶκος, house, living environment) of ecology: How and why were plants and animals living together in ‘communities’? How did they react on, used, and even changed the characteristics of their environment? What kinds of relationships (spatial, temporal, sociological, and chemical) were there between them?

We studied peat bogs and coastal areas in the same way as I look at public-sector organisations now. A vegetation type was seen as a network of plants of different species (called a *plant community*) in which different species had different roles. These plants grew together in a specific place, for which, collectively, a plausible interpretation was found; in this way they could profit best from each other’s qualities. The logic of network thinking was the reason why a plant species appeared in a certain place. From that logic we were able to predict from the appearance of two plant species that three other species would very likely grow there too, even if they had never been found in the area. We combined many environmental and physical factors, like the way a spot was exposed to sun and rain, general soil condition, temperature, etc., and interpreted the results in a qualitative way. However, our colleagues from the classical biology departments thought we just guessed our conclusions.

This experience helped me to understand several features of complex networks. You don’t have to know all the details but it is enough to focus on the processes that are running in a network. Furthermore, the first features you see are not always the essential ones: beautiful flowers such as columbines (*Aquilegia vulgaris*) do not grow along the borders of nutrient-poor Irish peat bogs because they like to feed on almost nothing, but because they are weak competitors compared to the grasses that would suffocate them in nutrient-rich soils. In the artificial environment of my garden, however, the columbines flourished in good soil because I helped them to fight off competition. My garden was a network that contained around 100 species of wild flowers that would not normally survive together unless the ‘network’ was heavily moderated. This example illustrates the importance of professional moderation in the case where an ‘artificial’ network of partners that might have opposed, is developed around a public issue.

In this book, besides working from my general attitude of perceiving what is happening in and between public-sector organisations as aspects of

networking, I have used several analogies from plant sociology, such as the fact that variety and innovation are stimulated where communities meet in the 'interaction zone' of organisations. Another analogy is that all things that can happen, will eventually happen – a neutral variant of Murphy's Law. In plant communities just as in the public sphere, not the logic of hierarchy (what should happen will happen) rules, but the logic of network communities: what can happen will happen if the right plants (people) are related at the right moment and place, just because of the fact that they have the right characteristics and competencies.

The public sector has to change, and *is* rapidly changing towards becoming more flexible and making better use of the knowledge and competencies of the people who choose to work for the public cause.

I hope that some of the analyses, practical examples, and suggestions presented in this book will be an inspiration to those who (want to) participate in the ongoing process of modernising the public sector.

Part 1

Towards a Transactive Public Sector

1 Introduction

1.1 Problem setting and guiding questions

The public sector in many countries is in the middle of fundamental changes that do not focus on becoming more *efficient* by introducing management ideas and tools from the private sector, like at the time when Osborne and Gaebler (1992) published *Reinventing Government*. They now focus on how the public sector, its organisations, and its employees run public processes successfully (be more *effective*) in what is described as the emerging network society (Castells, 1996). These changes do not aim at better use of resources but at becoming a *credible partner* in public processes that sometimes are, but often are not initiated or managed by public-sector organisations. It is also a shift from focus on *output of projects* to focus on *outcome of processes*.

This challenging transition process has strong drivers in society, such as information and communication technology, horizontalisation, individualisation, and internationalisation.

Many public-sector organisations react to it by strengthening their external orientation. ‘*We have to listen better to what the people really want*’ has become the mantra of politicians and public managers. Numerous experiments with interactive policy-making and other ways to involve stakeholders have been carried out, but many of them do not fulfil the high expectations people have. They sometimes even do more damage to the credibility of the public sector than the classical non-interactive processes do. These relatively poor results puzzle me. During my time in the Dutch Ministry of Spatial Planning, Housing and the Environment (Ministerie van Volkshuisvesting, Ruimtelijke Ordening en Milieubeheer (VROM)), I was responsible for the ‘Pegasus Programme’, a serious attempt at introducing interactive policy-making as the standard way of working. Ever since the programme ended in January 2000, I have had the feeling that we have missed something important.

In order to answer the puzzling central question of why the public sector has difficulties in coping with the emerging network society, questions have to be addressed on three levels of public-sector performance: (1) the level of the 'public sphere', (2) the level of the public-sector organisations, and (3) the level of the public-sector process manager:

- 1 The first question is: What are the main characteristics of the general context in which the public sector works, the *'public sphere'*? Related questions are:
 - a What is the impact of society's shift from a more vertical (hierarchical) to a more horizontal (network) orientation?
 - b Who are the main players in the public sphere and are they different from the players in the public sphere of the second half of the twentieth century? How are societal groups organised: what happened to the corporatist society that preceded the network society?
 - c Citizens and societal organisations show increasing demands for participation in public processes. This stimulated the public sector to develop methods of 'interactive policy-making'. But, as I mentioned above, these seem to have had only moderate success. Even worse, they sometimes have a counterproductive impact: the new 'interactive' public sector seems to have a lower credibility than the old non-interactive bureaucratic public sector. Therefore, another question that this book addresses is: what are the reasons that the more external orientation of the public sector leads to new problems?
 - d Did the emphasis on external relations lead to the neglect of *internal interactivity* and is this a key factor? If so, why and how?
 - e Is it plausible that a better balance of *interactivity* and *intra-activity* leads to a better performance of the public sector?
- 2 The second question concerns the public sector itself. Three groups of factors that influence the success of the public sector in coping with the horizontalising society have to be examined: (a) the *relational* context of the public sector, (b) the *organisational* context of the public sector, and (c) the public sector's ability to execute *organisational change*:
 - a The *relational* context comprises:
 - How does the organisational culture influence the relations of the public sector with other societal actors, and more specifically, what is the impact of the dominant vertical culture of the public sector?
 - The public sector has to relate to a growing international and multicultural setting. Is it still feasible for the public sector to

- develop policies for a general public with ‘average’ social values, that might not exist in reality? Therefore, what might be the impact of deeper cultural differences between national and/or cultural groups?
- The public sector’s and its societal partners’ expectations of participation differ. How do public-sector organisations perceive the public demands for participation, and how can they address these expectations?
 - In complex ‘interactive’ processes, problems often arise around the production and use of knowledge. Competing attitudes towards what is ‘true’ knowledge and to what is ‘useful’ knowledge lead to misunderstanding, disappointment, and often delays in processes. Therefore, the question has to be addressed about how the public sector can manage multi-actor knowledge issues.
- b Within the *organisational* context of the public sector, the main problems and questions are:
- In the public sector, tension seems to exist between the still dominant machine bureaucracy metaphor and the network metaphor. Does this frustrate the establishment of horizontal relations with societal parties?
 - In public-sector organisations, process managers who work with external parties, employees who work mainly internally, and politicians have different roles. Therefore, the ‘work environment’ of the three groups might have to be described differently.
 - Public-sector organisations sometimes show a strong preference for either internal or external relations. In both cases, performance problems develop. In the first case, the societal demands for greater participation are not met. In the second case, the internal organisation is unable to support the external interactivity, as a result of which serious credibility problems can arise. What are the backgrounds of these unbalanced situations? How do the three groups of internal actors behave in differentiated types of unbalanced organisations?
- c If *organisational change* is needed, the question remains as to whether the public sector is able to execute change into an organisation that might better support the relations with the network society: Is it necessary (if possible at all) to change a public-sector organisation into a network organisation? Is the idea of a hybrid organisation (a combination of a hierarchical and a network organisation) feasible?

- 3 Public-sector process managers are the people who do the actual organising of complex, multi-actor processes. However, they have not always been able to learn the ‘art’ of managing complex, multi-actor processes. If they have, then still their (cultural and organisational) environment may be a barrier instead of a support. Therefore, the third question that relates to the public sector deficiently coping with the network society is how well equipped are public-sector process managers to perform their tasks:
 - a How can one make a systematic assessment of the process environment?
 - b How can one cope with different types of public process management risks?
 - c How can one design process meetings that match the objectives of the process as well as the type of participation of the actors?
 - d How can one systematically create a learning situation while running a complex process, and what can be the roles of communication and ICT?
 - e How can one address the differences between projects and processes? What are typical issues the process manager may encounter in all process phases?

To conclude, this book attempts to answer questions regarding the observation that the public sector has difficulties in attuning to the emerging network society. First, some ideas and practical suggestions aimed at improving this situation are given. *The Pegasus Principle* is no more than a subjective¹ introduction to the sometimes extremely complex and ambiguous world of (co-)organising solutions for societal problems. It can be read in two ways:

- 1 In the *first place*, as an inside story about problems a public-process manager has to cope with when working with complex, multi-actor processes. Part A (Chapters 1-6) discusses some general issues, starting with the general context of public sphere, then focusing on the public sector, and narrowing down to public-sector organisations. Part B (Chapters 7-10) addresses specific issues that the process manager encounters in different situations in praxis.

¹ Based upon my experiences as chairman of the Netherlands Association for Public Management (VOM), as a manager in the Dutch Ministry of Spatial Planning, Housing and the Environment (VROM), and on the regional level in the Dutch provinces of Noord-Brabant and Gelderland.

- 2 In the *second place*, this book can be used as a ‘field guide’: If you know what you are looking for, just use the Table of Contents or the Index to get to the checklists, examples, and practical suggestions that are incorporated in the text and appendices.

1.2 The Dutch situation

Although I believe that many of the phenomena I describe in this book are not typical for the Netherlands, it may be helpful to understand the Dutch context. The Netherlands is a small, relatively densely populated country situated in the river delta of two large European rivers: the Rhine and the Meuse. Sixteen million people live in 20 per cent of the 30,000 square km area of the Netherlands; the other 80 per cent are agricultural and nature areas.

The Dutch public sector has three levels of government that are controlled by elected councils: the national level (parliament, senate, a cabinet of 16 ministers who are responsible for their ministries and agencies), the regional level (12 provinces) and the local level (about 500 municipalities). Besides this, there are water boards with elected councils and other (semi-)public-sector organisations. Above all this comes the European Union, which can be considered as the fourth ‘internal’ public-sector level.

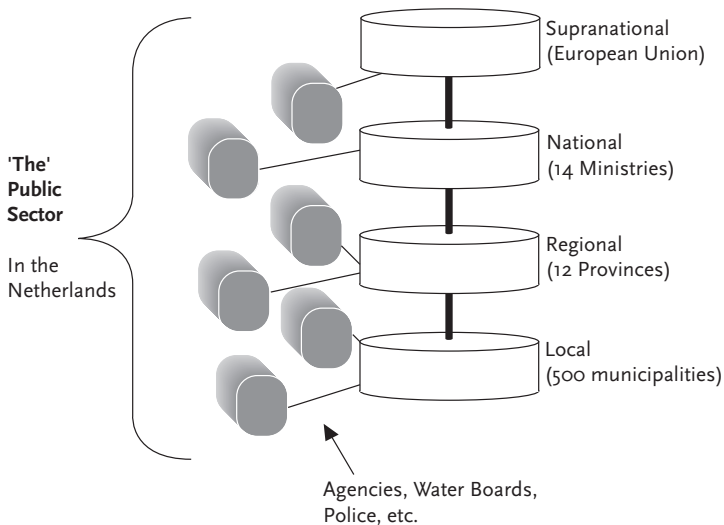


Figure 1.1 Public-sector organisations in the Netherlands

The Dutch public sector was created in the thirteenth century with the water boards (60% of the country lies below the level of the North Sea and the struggle against water has always been a very important public issue). A large part of the country consists of land reclaimed from the sea (polders).

It has often been said that this common public cause is responsible for the strongly consensus-oriented culture of the Netherlands. “To take on a project as ambitious as the building of a polder requires two important attributes, besides capital and property rights. One is a strong government authority; the other an ingrained habit of co-operation and consultation. It is these twin attributes that lie at the heart of the *polder model*, the popular name of the Dutch practice of policy-making by consensus between government, employers, and trade unions.” (*The Economist* 4 May 2002).

This culture of consensus building is also reflected by the position Hofstede (1980) describes for the Dutch in terms of several cultural characteristics, such as the low acceptance of power distance and the high individualism. The Dutch culture has many similarities to the culture of Scandinavian countries. Another thing to keep in mind is that the Dutch society, especially in the main cities, has become a multicultural society during the last 20 years. In cities like The Hague, Amsterdam, and Rotterdam between 40 and 50% of the population are immigrants (first or second generation) – mainly from The Caribbean, North Africa and Turkey. This multiculturalism implies that the public sector has to work with groups of citizens who have quite different sets of values – and to whom different policy instruments may be appropriate in terms of effective intervention (cf. Section 3.3.4).

The Green Heart Area Case: discovering transactive process management

In this book, I use examples from many policy cases. One of the most interesting cases I was involved in was the process to keep the ‘green lungs’ of the densely populated western part of the Netherlands – The Green Heart – an open space. Because this case is illustrative of the complexity of public process management and the role of public-process managers, I use it often in *The Pegasus Principle*. Therefore an introduction to its background seems useful.

The Green Heart is a relatively rural area of about 1500 km² surrounded by a ring of cities. It is the opposite of the Green Belt surrounding London. The Green Heart is one of the oldest Dutch landscapes and still contains medieval land use and landscape patterns. The rural character has to be seen within the Dutch context: The area has roughly the same population density as the Netherlands as a whole (470 inhabitants per

km²), whereas the city ring (The *Randstad*) has 1680 inh/km² (van der Cammen and Witsen, 1995).

The Spatial and Environmental Programme² for the protection and development of the Green Heart Area (1992) is a one billion Euros investment programme of five ministries and three provinces. The objective is to keep the *green lungs* of the western part of the Netherlands an open area for agriculture, recreation and nature, as a buffer against urban sprawl from the four large and several smaller cities that surround the area in which more than 6.5 million people live.

In 1992, the original Green Heart Programme was written as a comprehensive approach with a top-down design. The 60 or so local authorities in the area that represent the 650,000 people who live in the area, were not involved and therefore felt little commitment. The focus of the ministries and provinces who wrote the programme was clearly more on the integration of the *content*, of the societal issues related to the environment and land use, than on stakeholder participation. It took a re-start in 1995 to change the process into a multi-stakeholder process.

In January 1995, Margreeth de Boer, Minister of Housing, Spatial Planning and the Environment, signalled that the 35 years of relatively successful (and internationally well known) spatial policy of keeping the Green Heart area a green and open area, was in danger. She learned that city planners and real estate developers considered it as a too rigid concept. They wanted urban development to be permitted in the Green Heart. The Minister commissioned a process team in which I participated as head of the Rural Areas Division of the Ministry. We were commissioned to design an interactive process with a duration of nine months at most, with the objective of enforcing the existing policy of keeping the Green Heart 'open and green'. The Minister believed that the fairly elitist 'polder model' approach that excludes many stakeholders is one of the reasons that the Green Heart policy had so little support from the public and local authorities. Therefore, *The Green Heart Talks*, as the process was named, had to be an 'open' process in terms of participation of stakeholders and individual citizens. We started it with an open mind, but with a concrete vision. We used all available internal resources of the Ministry, such as expertise to produce a communication strategy and expertise on land use and environmental issues about the area in order to produce fact sheets, as well as external knowledge from

² One of the 11 so-called ROM-projects (Ruimtelijke Ordening en Milieu or Spatial Planning and Environment).

universities and stakeholders. The process became an interesting learning experience that illustrates many aspects of what I call *transactive* public process management.

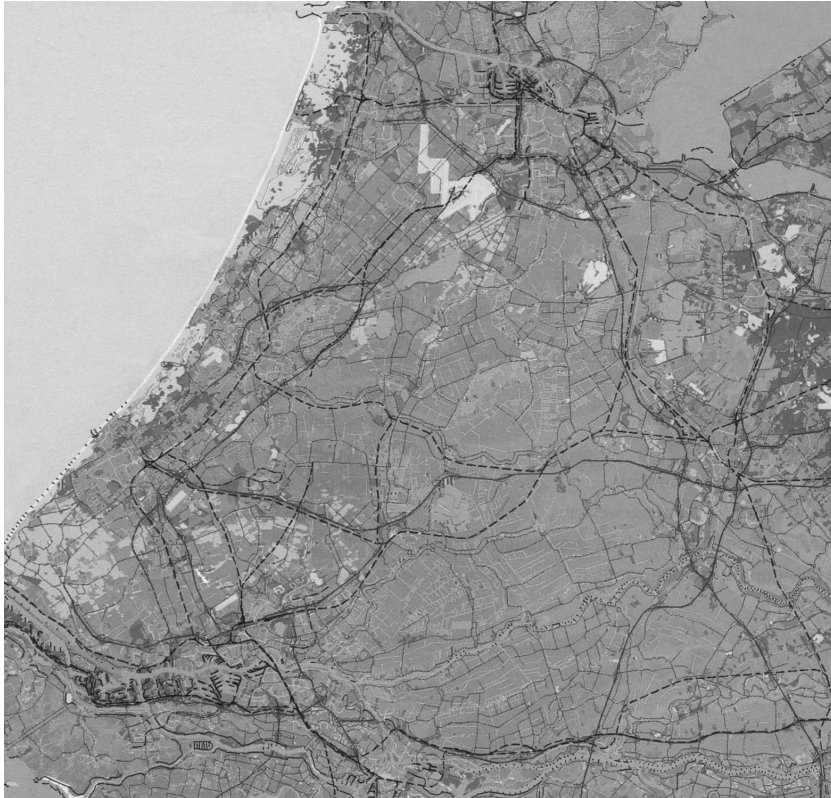


Figure 1.2 The Green Heart area: Green lungs for 7 million people (Ministerie van VROM (1996), page 8)

2 Public Sphere

In this chapter, the question is addressed as to what the main characteristics are of the general context in which the public sector works, the *public sphere*:

- a What is the impact of society's shift from a more vertical (hierarchical) to a more horizontal (network) orientation?
- b Who are the main players in the public sphere and are they different from the players in the public sphere of the second half of the twentieth century? How are societal groups organised: what happened to the corporatist society that preceded the network society?
- c Citizens and societal organisations make increasing demands for participation in public processes. This has stimulated the public sector to develop methods of 'interactive policy-making'. But, as I mentioned above, these seem to have only moderate success. Even worse, they sometimes have a counterproductive impact: the new 'interactive' public sector seems to have a lower credibility than the old non-interactive bureaucratic public sector. Therefore, another question this book addresses is: what are the reasons why the more external orientation of the public sector leads to new problems?
- d Did the emphasis on external relations lead to the neglect of *internal interactivity* (I call this *intra-activity*) and is this a key factor? If so, why and how?
- e Is it plausible that a better balance of *interactivity* and *intra-activity* (I call this balance *transactivity*) leads to a better performance of the public sector?

2.1 Horizontalisation as a shift of orientation in society

2.1.1 *Horizontal relationships and their impact*

Public-sector organisations have always, by definition, a *public* objective: they perform directly or indirectly for the public cause, thus for the people. Sometimes the individual citizen is the customer, ‘victim’ or target of the public-sector organisation. Often, especially on the national level, public-sector organisations deal with matters that rise above the level of individual citizens. However, the public cause is not only served by the public sector: many public, business and citizens’ organisations that form a complex relational system, do this together.

This has become even more obvious since we have observed the development of many new societal organisations that are not part of, or do not behave as the old *corporatist* establishment¹ did. The public sector has to be able to relate to organisations or groups now that they do not position themselves in a hierarchical relationship with the public sector but use the public sector to reach their goals. This shift, called *horizontalisation*, has an impact on (1) the relations between the public sector and society, (2) the relations between public-sector organisations, and (3) the intervention instruments the public sector uses. Following are three examples to illustrate this.

The first example is drawn from the shift from a corporatist towards a more open setting in the field of agriculture and food control:

In the Netherlands until the early 1990’s, the government had to deal with only one national organisation that represented the interest of the farmers, the former *Landbouwschap*. This was a hierarchical, centralised organisation with its headquarters near the Ministry of Agriculture in The Hague. Around 1993, however, many changes occurred simultaneously. Farmers, confronted with more serious environmental laws, no longer felt represented by their organisation. About a decade later, a new, strong organisation was formed, the *LTO*, but at the same time, many smaller, more radical, new farmers’ organisations also evolved.

¹ In the Netherlands, this developed into what is called the polder model (cf. Section 1.2 and 2.1.2).

The Dutch Ministry of Agriculture had always been an ally to the farmers.² But it changed its focus from helping the agricultural sector to improve their economic and social position to improving the quality of food and food production in general. This is a huge change, a paradigm shift that in Germany, for example, has also taken place and there already lead to a formal change of the name of the Ministry of Agriculture, Food, and Forestry to the Ministry of Consumer Protection, Food, and Agriculture. Apparently governments are now more inclined to believe that the quality of food production is a *shared responsibility* of the public sector, the farmers, and the consumers.

The second example illustrates the change from vertical to more horizontal relations *within* the public sector. The dominant vertical *interpublic*³ relations, where the national government only allows the lower levels of the public sector to work within fixed frameworks that were enforced by legislation, have changed. In the European Union Treaty this is more or less laid down as the principle of *subsidiarity*. It is now more accepted that regional and local authorities have their own competencies and that some societal problems can be better addressed on the level and at the scale they appear. This change of interpublic governance is developing very slowly because the relations within the public sector are strongly driven by the vertical culture.

The culture of vertical thinking has always been very strong in the public sector. When I worked for a regional authority, the Province of Gelderland, in 1988, we had a disagreement with the Ministry of Housing, Spatial Planning, and the Environment (VROM) in The Hague – about money, which is the language public-sector organisations often use when speaking to each other. It was a dark November night when we decided to use the ultimate means of influence we had at that time: a fax, signed by the Queen's Commissioner, directed personally to the Minister responsible. Those days a fax message expressed more urgency than a telephone call, because it was a new invention.

2 The closeness of the agrarian policy community made it possible that the Ministry of Agriculture almost had a monopoly on governmental relations with the farmers and, at the same time, was also the only Ministry that defended the farmers' interests in the cabinet (Hoetjes (1993)).

3 Interpublic: Concerning relations between public sector organisations.

The result was that my boss – the *gedeputeerde*⁴, a politician – was invited to meet with a director (a civil servant) at the Ministry. National civil servants deigned to talk to regional politicians and also regional civil servants talked to local politicians: a special type of hierarchy in interpublic relations.

The third type of impact of horizontalisation shows that the change of the interrelations between the public sector and other actors in society into a more ‘fuzzy’, multi-actor and dynamic type has an impact on the form and content of public-sector instruments like strategic plans.

In the field of environmental policy, the Dutch National Plan used to be a list of government strategies and actions. Meanwhile, environmental policy has become an important aspect of business policy. So what happens in the public sphere as far as management of the environment is concerned is the outcome of a mixture of activities by numerous organisations. It is not the National Environmental Policy Plan that steers what happens in society, but the other way around: The plan describes and analyses the societal forces and then *encourages* or *discourages* certain activities which, for example, have a long-term effect, with financial incentives, communication, and/or regulations (carrot and stick model).

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In the aforementioned examples, the public-sector organisation is a partner in very complex and permanently changing partnerships with other actors. The other actors can be grouped into private companies (the private sector) and ‘non-governmental’ organisations and individual citizens (the latter two are together known as the ‘civil society’). Another model of the public sphere differentiates in four groups: Politicians, civil servants, the private sector, and citizens (de Rooij (2000), page 18-19). In this so-called 4B-model (Bestuurders, Bureaucraten, Bedrijven, Burgers), the public sector is differentiated in two relatively independent groups of actors. The downside of this approach seems to me that it effectively discourages good public-sector cooperation, although it may be an accurate description of what sometimes can be seen in the public sector. The Pegasus Principle addresses this as a problem that has to be solved in order to reinstall the credibility of the public sector (cf. Chapter 4).

4 In the Netherlands, a *gedeputeerde* is a member of the ‘cabinet’ of the regional authority or province.

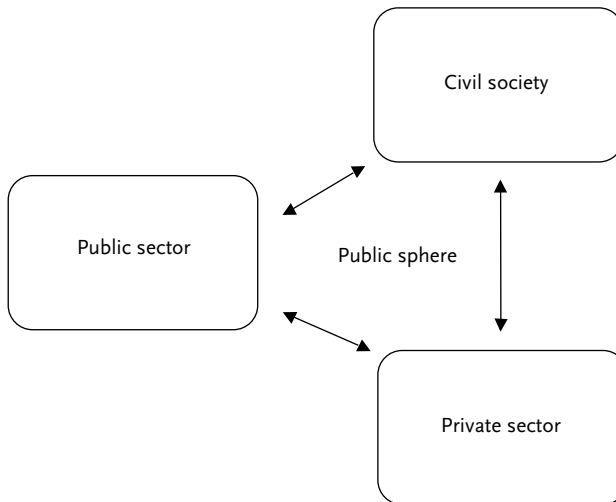


Figure 2.1 Three groups of actors in the public sphere

Public-sector organisations are learning to operate in this more horizontal public sphere via what Laws and Susskind (2001) call *public entrepreneurial networks*. According to them, this change of attitude is necessary: “Unless government agencies learn to operate as part of these networks, the goal of achieving sustainability will never be met.” In these networks, “the locus of initiative and change (has moved) outside the state. Policy development increasingly occurs in an intermediate arena that is neither governmental nor private” (Laws and Susskind, 2001).

This development implies a fundamental change of role, position, and attitude of the public-sector organisation, as it has been perceived for a long time by many people in the public sector and in other organisations. Public-sector organisations have to become partners with *interaction competencies* such as networking abilities and process-management skills. The shift of focusing on processes rather than on institutions is also reflected in a shift in vocabulary: In public administration literature, the institutional term *government* is gradually replaced by the use of the process term *governance*. Gotweis and Hajer (2002) elaborate on the shift of vocabulary: “Terms like governance, institutional capacity, networks, complexity, trust, deliberation and interdependence tend to dominate the debate, while terms like the state, government, power and authority, loyalty, sovereignty, participation and interest groups seem to have lost their grip on the analytical imagination.”

The horizontalisation of the public sphere and the public sector doesn't imply that *all parts* of a public-sector organisation will or can forget about the original hierarchical orientation. Nevertheless, several authors argue that most public-sector organisations will have in the future a hybrid character and therefore can choose the orientation (vertical or horizontal) which matches the issue at stake (cf. Section 5.1.6). For example, see in 't Veld and Kruiter (2002). Other authors predict that the vertical thinking will not survive.

2.1.2 Towards a post-polder process model?

The tendency to have supposedly horizontal instead of vertical relations between the government and social groups has been part of Dutch culture for a long time. I am referring to the successful Dutch model for social-economic issues I mentioned in Section 1.2, the *polder model*: The Dutch practice of policy-making by consensus between government, employers, and trade unions.

The polder model was successful in the 1980's and 1990's because it contributed to social-economical stability. It can be seen as a relict of the corporatist⁵ Dutch society of the first 60 years of the twentieth century. Highly institutionalised interest groups which were segregated along religious lines (both Catholic and Protestant groups existed) played a major role in political decision-making. But with the advent of the anti-authoritarian movement of the late 1960's, the corporatist society eroded. New interest groups emerged that were not organised along the old lines and the old corporations gradually lost their influence.

Only in the social-economic triangle of government, employers, and trade unions did the cooperation remain as it had been. In the 1990's, the Dutch economy became known for its stability and high growth rates.

Although the polder model has been criticised as a rigid, exclusive, and elitist institution for negotiations, the successful image of this model in recent years has led to its use as a general process model for complex social issues, such as environmental problems and problems in the fields of education and welfare. In 1999, the former Dutch Environment Minister Jan Pronk founded a 'Green Polder Model Group'. In this approach, the Minister wanted to do business

5 How much of the 'corporatist' characteristic has remained, or might even be re-established, cannot be answered here.

with a selection of societal (institutionalised) organisations and try to negotiate a consensus behind closed doors. The Green Polder Model didn't survive for long, possibly because the participants didn't have real influence. An analysis of several similar complex processes with limited influence of stakeholders, like the decision on a new transport railway from Rotterdam to the German Ruhr Area, the *Betuwelijn*, leads us to expect that a more open debate probably would have lead to different decisions (in 't Veld, 2001).

The polder process model denies the use of knowledge and interests of large parts of our society. Therefore, polder processes are likely to generate sub optimal solutions and because they work within fixed frameworks, reframing of the issue at stake is often impossible or even explicitly not wanted.

The emerging stakeholder-oriented policy-making approach we see now is not a polder model. It is *post-polder*. In the polder model, the co-operation between government and social actors is a consensus engine for the happy few. The closed doors prevent other, new, smaller, and less powerful groups from taking part in the process. The Dutch polder model has similarities with the Belgian pact-model that has been criticised as well. Between three dominant social groups (the confessional, the communautarian, and the social) were unbridgeable differences. To fill the gap, to pacify the controversies, pacts were negotiated: the school pact, the communautarian pact, and the social pact (Rick Baeten, Belgian Federal Ministry of Social Affairs, 16 January 2002, personal conversation). So the polder model is not transparent, not open, not very interactive, and not innovative. Unexpected partners can take part in the new horizontal social processes and new combinations of actors can create new ideas.

As we have seen, public-sector organisations have a special position in the horizontalising society. On the one hand, in contact with society, they increasingly need to be able to act as partners in networks. On the other hand, they are constitutional institutions with vested powers that should provide the rule of law and legal security which, at the same time, may be a barrier for network cooperation, e.g. the barrier called 'institutional slowness' (cf. Section 2.2.1).

The attitude towards networking should be consistent with its horizontal orientation. This is not always the case. All actors need to be aware of this characteristic and the tasks deriving from it. Nevertheless, it might be counterproductive for the public-sector organisation to develop an attitude of feeling that it is 'more equal than the other parties', because coalitions may be formed in which they are not involved, which then leads to less influence. In the White Paper on European Governance (COM (2001) 428), the European

Commission shows how difficult this apparently is. In the White Paper, the Commission points out that some networks “whose roots reach down deep into society, feel disconnected from the EU policy process”. These networks are then advised that if they succeeded in “structuring better their relation with the Institutions, [these] networks could make a more efficient contribution to EU policies”. The attitude of the Commission seems not to be ‘connecting with networks’ but ‘connecting to us’: it considers itself as central (in ’t Veld, 2002b, p. 51). In ’t Veld uses this example to illustrate his opinion that tensions between networks and central public institutions have to be addressed by both; the institutions also have to adapt. He finds that the EC, for example, doesn’t do this enough and shows ‘very paternalistic’ behaviour.

2.2 Public performance in the public sphere

2.2.1 *Generating public influence in public sphere*

When we consider the public-sector organisations as partners in the public-sphere network, what can we then say about how they can influence society? (Meuleman, 2001b).

First, several general remarks on creating influence with and in public-sector organisations. The main difference between influence and power is the following. You have *influence* when you make things happen, when you get something done, when you get something or somebody to move. You are influential when you convince people to do something for you or with you. This is something else than having power: with *power* you can order things to happen, you can get people to do certain things.

This notion of the difference between power and influence is relevant when you are working in network cooperation with parties that have no hierarchical relations with each other.

If you don’t have a strong formal position in a public-sector organisation and you are commissioned as a process manager of a complex issue, you have to understand how you can develop influential relations with internal and external partners or customers. Appendix 3 contains a checklist of factors that can play a role when one wants to increase influence within the public-sector context. The first part of the checklist is about how to understand which qualities contribute to the attitude that promotes influence. Then several reasons behind influence are mentioned along with three sources: convincing power, credibility, and reciprocity.

The formal power of the public authorities is based on laws and regulations and is also connected with the (experienced) legitimacy of politics. But how strongly the public sector in reality influences what happens in society is something different. It is common opinion that public-sector influence has decreased during the last 10 years. Very complex societal issues, like in the Dutch context, the waiting lists of hospitals, the unfreezing of the Dutch education system, and the restoration of the quality of the railways, are examples of issues that stay on the political agenda for years without much change. In these issues, the public sector is only one of the players in the field and not *per se* the most influential one. One of the reasons could be that politicians tend to want only issues on their agenda for which they already have a solution. Another reason is that public-sector organisations do not always understand what their role as players in the horizontalising public sphere means. Public-sector organisations' actions do not always match with what is happening in society; they don't have a strong sense of urgency. When a private company faces a strategic issue of this size, there is an immediate sense of urgency to tackle the problem by commissioning their best professionals to come up with solutions. This is different in the public sector. A minister, for example, wants to balance the political problems he would get from not solving an urgent societal problem with the problems he would get when the solution leads to him exceeding his budget.

In the public sector, the system still is such that it takes up to one year to set up a discussion infrastructure (steering group, project group, working groups, expert group, etc.) and a research programme. Sometimes the problem is 'outsourced'; a special commission lead by a former minister is installed, that may study more than one year. When the advice is received, things may have changed so much that it is not implementable.

One of my colleagues formulated a classical way of dealing with new societal issues in the public sector as follows: The installation of a commission opens up the possibility of a three-year delay. One year before you can shift issues to the commission, then during the commission's work, you could say that the commission may not be disturbed. One year after the commission has finished you can always quote the commission's White Paper in order to support your current policy. (This could be a citation from the BBC series *Yes, Minister*, but it is not.)

One may argue that the above means that the public sector does its work *too* well. Of course, the public sector has to be a stabilising factor in society. In order to be effective in the long term, in certain issues the government has to be slow, reflective, and think everything through three times. This is why we

have two chambers of Parliament. This is why decision-making on complex issues takes – in my perception – still as much time as it did 20 years ago. Decisions are still taken in the rhythm of fixed days: on Tuesday in local and regional authorities and on Friday by the Council of Ministers.

This *institutional slowness* has become a burden because it is overdone. A big gap has developed between tempo and dynamics of the management of complex issues by public-sector organisations and by other parties in society. Citizens and private companies ask for a different, more dynamic approach. Timing and tempo, two essential factors in having influence, are out of tune with society. The public sector suffers from *temporal mismatch* and that is a problem.

2.2.2 Two public-sector brands: policy- and service-providers

In discussions about the state of the public sector, it is seldom mentioned that the public sector has two distinct types of output: There are two public-sector *brands*. It is interesting that this is not often recognised because nowadays the private sector, especially the multinational companies, seems to focus only on brands (Klein, 2000).

The first brand delivers services (like waste management to external clients and monthly salaries to internal clients) and products (like passports to external clients and financial handbooks to internal clients).

The second brand produces policies (like a human resource management policy internally and strategies on social issues externally) and decisions (like priorities internally and decisions on subsidies or regulations externally).

Both brands have internal and external partners or clients. This makes it possible to differentiate four types of public-sector organisations.

The service and products type of public-sector brand often focuses on good ‘customer orientation’, the policy and decision brand often strives for good ‘partnership’. If your organisation produces services or products, you probably see the people who buy or take your output rather as customers than as partners. If your organisation’s core business is producing policies or decisions, partnership is a more promising type of relationship between you and those who have to suffer or profit from your output.

	Services	Policies
External partners	ES passports	EP sustainable development policy
Internal partners	salaries IS	HRM policy IP

Figure 2.2 Two public-sector 'brands': policies/decisions and services/products

Customer orientation and partnership are terms that have aspects in common, but are also different in several aspects. In a customer-oriented approach, it is essential that you ask for feedback from your customer in order to improve the quality of the output and the efficiency of the process. The service or product is the reason, the focus, and the starting point of the relation you have with your customer. Without the service or product, there is no relation. In a partnership approach, the process of bridging the gap between a required and an existing situation is often the starting point for a relationship between your organisation and your partners.

The two orientations differ in their objectives and the type of relation and have in common that being open and respectful are basic attitudes. According to Claude Zarouk⁶, a customer – and his statement also goes for partners – is somebody whose feedback is a fact for you, something you have to interpret yourself and do something with. The customer is only the king if his critical feedback is taken seriously – which doesn't mean that you should follow it blindly. Zarouk defines a customer in terms of the information quality of the interaction between you and your customer.

⁶ Claude Zarouk (Centre de Recherches et d'études des Chefs d'entreprise, Paris) during a presentation at the Ministry of VROM, 1 April 1998.

Processes of the service and products type don't usually have the attention of politicians; until something goes wrong, of course. The Netherlands has a long history of problems with the manufacturing of a copy-proof passport. A minister and a state secretary virtually broke their necks over this dossier. Another example that is an exception is the agency that is responsible for the temporary sheltering of refugees who want to immigrate to the Netherlands. Although it is an agency, which means that it formally belongs to the service and products brand of the Ministry of Justice, the matter is politically so delicate that there is frequent contact with the Minister. Therefore, it can be dangerous for the Minister or other politicians to believe that they won't have problems with the public-sector organisations under their responsibility.

Processes of the policies and decisions type always have the attention of politicians. The risk here is that they are not asked or don't want to be involved in an early stage which is not yet politically interesting; or that they take an impulsive and uninformed standpoint.

2.2.3 *The interactive public sector as an attempt to relate to societal networks*

After having discussed how the public sector creates influence (Section 2.2.1) and the existence of two public-sector brands (Section 2.2.2) this section addresses why it is apparently so difficult for a public-sector organisation to be successful in co-operating with external parties. The interaction *between* public-sector organisations (such as fights between ministries) is another puzzling issue. The sectoral, instead of thematic (according to societal themes or problems), organisation of the public sector may be one of the key reasons for interpublic interaction problems. In the following chapters of this book, the relationships between public-sector organisations are not differentiated from the relations of public-sector organisations with other external organisations. For further reading about interpublic interaction problems, cf. for example, Niestroy (2000).

It is often argued that an interactive public-sector organisation is the best we can have. *Interactivity* is a buzzword in the public sector. With interactive policy processes public-sector organisations have found a way to work with and in the horizontally oriented, strongly ICT- and knowledge-driven network society that has developed in the 1990's. The focus on external interaction makes the public sector come out of its introvert culture. In many public-sector

organisations a virtual *interaction zone* has developed. Here people from within and outside the public-sector organisation meet and interact with each other, share knowledge, information, experiences and ideas and find partners to help them achieve their goals.

This interaction zone is often in the spotlights. Civil servants find it a rewarding environment. They call it the place where the *primary* process of the public sector takes place. It is the *front office* of the organisation, the zone where media attention is always nearby.

Although interactive policy-making seems to make sense, in fact many of these processes are not very successful. When I was working with the Pegasus team⁷ we supported about 20 processes in an attempt to work in a more interactive way, most of these processes were only partially successful in terms of a better and broader accepted outcome.

I think there are four main reasons for this failure:

- 1 *No clarity about degree of participation.* There are a wide variety of governance styles that have different attitudes to external parties, and policy process architectures are often not explicit about the style. In practice, this leads to a mixture of styles that can be very confusing for the external partners; it is often not clear how much decision-making power is given to them in their role of participators. They may develop expectations about their influence that cannot be met in the end. This unclarity and inconsistency of participation style may be caused by the fact that public-process managers work in a 'schizophrenic' environment. They are in the uncomfortable position of being pulled vertically by the relatively hierarchical thinking of politicians and at the same time being pulled horizontally by the informal network society of the twenty-first century. This 'split' creates internal stress in the civil service.

The scheme in Figure 2.3, adapted from Pröpper and Steenbreek (1999), shows six different styles of governance, varying from a 'closed authoritarian style' that is not interactive at all to a very interactive style (the public sector is only facilitating and the stakeholder takes the initiative and has the lead).

⁷ The Pegasus Programme from 1997 to 1999 aimed at increasing the use of interactive policy processes, a more strategic agenda management, and becoming a more learning organisation within the Dutch Ministry of Housing, Spatial Planning and the Environment (VROM).

Style of governance	Role participant	Public sector asks participant	Public sector gives participant	Interaction outcomes
<i>Interactive</i>				
Facilitating style	Initiative	Own responsibility and readiness for action	Support (time, money, knowledge etc.)	Accepted support
Co-operative style	Partner	Balanced input	Balanced input	Commitment to common and open decisions and action plans
Delegation style	Co-decision-maker	Decision and commitment	Decisions power within preset conditions	Decision of which both parties profit
Open participative style	Advisor	Judgement: open advice	Open question (problem definition and solutions)	Exchange of alternative concepts, problem definitions and solutions
<i>Not Interactive</i>				
Closed participative style	Consultant	Judgement: closed advice	Closed question (problem definition and solutions)	Exchange of visions and arguments
Open authoritarian style	Target group for research or PR	Knowledge/ information about behaviour, attitude, standpoints	Information	Adjusted(research) question to target group
Closed authoritarian style	None	Nothing	Nothing	Nothing

Figure 2.3 Participation ladder of governance styles

- 2 *Not keeping promises:* In some cases, the public-process managers are not able to give their partners what they promised to deliver in terms of money or other ways of support. For example, in an internal re-organisation process within vrom that was presented as interactive, the participants didn't have access to essential information. They were not given insight into the process and were confronted with unpleasant surprises on several occasions.
- 3 *Withdrawal of negotiating mandate:* Sometimes the interactive project team suddenly no longer has a mandate to negotiate with the external partners or has to withdraw from a negotiated result. This happened, for

example, in the first phase of the new land policy process in the Netherlands. The land-use policy project team had already prepared an interactive process architecture and had informally started to talk with stakeholders, when the Minister suddenly decided that the land policy issue was ‘too sensitive’ for an interactive process. The project team was told ‘keep their mouths shut’ about the policy process (see more on this example in Section 4.2).

- 4 *Obstruction from other public-sector organisations:* In other cases, serious credibility problems arise when other parts of the same public-sector organisation that initiates and leads the process – or somewhere else in the big bureaucratic world that is often seen as a monolithic ‘monster’ by the public – obstruct the outcome of an interactive process. Numerous examples could be given. One such example is the following: In Reus, when a small-city interactive project was facilitated by the Autonomous University of Barcelona, several public-sector organisations developed resistance “just because they felt that their roles and powers were threatened and from others because they thought this was the role of their department and that no one else should get into *their* business” (Joan Font Fabregas, Autonomous University of Barcelona, personal communication 8-I-2002). It seems ironic that bureaucrats are some of the worst enemies of interactive processes led by bureaucrats. But it is understandable: interactive processes change the power balance within the public-sector organisation. Involving other parties in policy processes makes these processes less controllable and therefore more risky for public-sector organisations.

These are only four reasons for the failure of interactive projects and processes. In most cases, the failure results in a decrease of public trust in the public sector. The situation *after* the interactive process is worse than before. Citizens are sometimes relatively satisfied with the public sector while they are not participating in interactive processes, because generally they believe that the public sector performs quite well. When they participate, however, the insight into the not always professional way the politicians and the civil servants manage the interactive process, often causes a decrease in trust (Hajer, 2000). It seems that having to react to societal changes creates unbalanced situations in public-sector organisations. Some public-process managers turn their faces on society, become very *interactive* and, in doing this, lose contact with their political leaders. This attitude leads to a loss of reliability and credibility in the eyes of the public.

The four reasons for the failure of interactive processes mentioned above have in common that they are caused by neglecting the *internal* interactivity or *intra-activity* (cf. Section 2.2.5) within the public organisation. Process managers who are on the interactive side, in the *interaction zone*, tend to consider their internal divisions as their supporting office that provides money, people and information. They consider their colleagues as people who have to support them, people who are only responsible for the ‘secondary’ process of the organisation, while *they* work in the ‘primary’ process. If you are one of them, chances are that when you yell for support, you expect it to arrive immediately and tailor-made. You think of your colleagues in vertical, hierarchical terms, which is interesting because it is a way of thinking that you reject when you work with *external* network partners.

The Green Heart Case: Lack of intra-activity in preparing the first programme

One of the reasons why the implementation of the Green Heart Programme of 1992 made so little progress was that it was run by people who had the competency to develop a vision but lacked the competencies to manage all aspects of a complex process. The project managers of around 20 regional projects were content driven and content experts; regional planners, ecologists, environmentalists, landscape ecologists. Most of them didn’t know how to get the money to implement their plans, nor to get to the other resources they needed. This conclusion was drawn in the Green Heart Steering Committee several times, but no steps were taken; the steering committee had little implementation power.

2.2.5 Combining interactivity and intra-activity into transactivity

It is no wonder that most policy processes focus on external interaction. Most books about modernizing public-sector organisations plead for more *interaction* with the *outside* world. They stress the importance of *external* orientation and describe the interactive version of policy-making as *connecting knowledge and interests* during the whole policy-making process. Besides this, however, the public-sector organisation also has to invest heavily in its *internal* interactivity (I call this *intra-activity*). An intra-active public organisation is successful in *connecting internal resources, infrastructure, and internal or collegial knowledge (co-knowledge)* within the organisation itself. It has an active internal orientation.

According to Eyck (2001), the quality of what I call *intra-activity* depends on three factors: structure, culture⁸ and the drive of individual civil servants. She looked at several cases of local social-economic and spatial urban renewal projects in Amsterdam and found, for example, regarding structure, that the differentiation of the organisation in independent sectors can become a failure factor for interactive processes because these sectors tend to not accept cross-cutting projects or processes. In the day-to-day list of priorities, these projects or processes seldom, or only temporarily, appear among the top three items. Projects therefore often lack enough staff and other forms of support.

This means that you either have to change the structure in such a way that projects and processes are better supported or that you create greater knowledge and experience in process management within the organisation.

In the Dutch VROM Ministry, the environment and the spatial planning directorates had so explicit and contrasting cultures that other ministries had labelled them both differently. A colleague from the Ministry of Economic Affairs once told me that they nicknamed the environmentalists 'zealots' because of their strong belief in their truth and the reputation they had for in-fighting. They would always cause trouble and never give up. My spatial planning colleagues, however were seen as 'floaters'. They were constantly dreaming, had their heads in the clouds, and were far from the 'real' world. They were seen as people who didn't want to take part in the policy 'game'.

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A colleague from the UK Environment Ministry gave me a comparable example from the British public service.

The UK Department of the Environment used to consider the Department of Trade and Industry to be the people who stopped the progress of environmental policies – they always opposed environmental policies because of their impact on business, in retaliation, the Trade Department had nicknamed Environment the 'stop department', because all environmental policies seemed to be aimed at stopping successful business activities. Eventually, both departments recognised this mutual

8 The impact of culture on (the management of) public processes is discussed in Chapter 3.

negative perception and since they began to understand that they are both trying to achieve progress, not to stop it, they have learned to work together.

In the cases Eyck (2001) researched, the *impact* of individual civil servants turned out to be crucial. Therefore, network abilities have to be developed (cf. Section 10.3.1: Putting together a project/process team) and these abilities have to be trained (cf. Section 5.3, The MeetingMoreMinds network).

The two main orientations – interactivity with external partners (connecting internal and external knowledge and interests) and intra-activity with internal partners (optimising structure, culture, and individual drive and skills) – come together in what I call a *transactive* approach. My hypothesis is that a transactive public-sector organisation will perform better than an interactive or intra-active organisation. Here, I want to analyse this hypothesis. It is a question that in fact comes *before* the question of how public-sector organisations can best perform in a network society. Interactivity and intra-activity are two ways to co-create, to exchange knowledge and ideas. The transactive organisation may have the creativity as well as the integrity to perform well within networks.

2.2.4 The VIP model for credible public-sector organisations

Besides the balances of vertical and horizontal orientation and internal and external orientation, there is a third balance that is necessary in order that a public-sector organisation can become credible: the balance of vision (V), integrity (I) and professionalism (P). The VIP-model tells us that we should treat our partners, external or internal, as ‘VIP’s’. The VIP model is related to the ‘CCC model’ that is used in training public-sector managers. The three key aspects of this model are Content (cf. Vision), Commitment (cf. Integrity) and Competencies (cf. Professionalism).

Neglecting one of the three above pillars may lead to the following:

- 1 If the public-sector employee lacks *vision*, he may forget to invest enough time in the phase of (re)framing the issue he is working on.

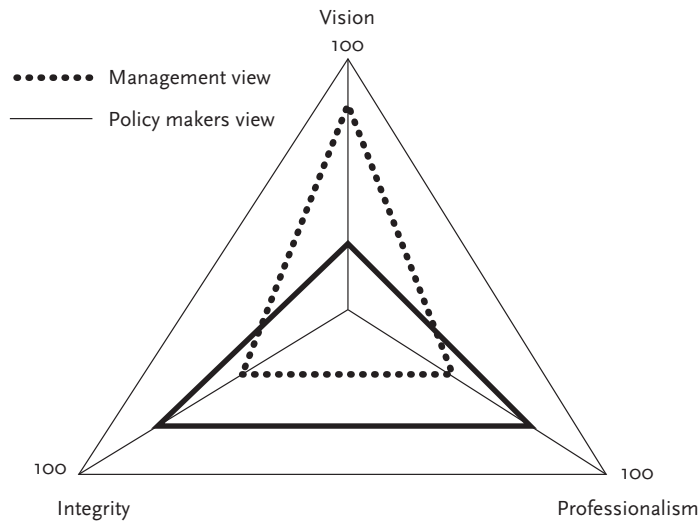


Figure 2.4 The VIP model

When the new Dutch community of Heusden was founded in 2000 as a result of a merger of several smaller communities, the council voted for a budget of five million Euros to build a new town hall to solve the inefficiency caused by the different locations of the former town halls. One of the councillors had the foresight to see that this problem could also be a great opportunity. He succeeded in changing the original plan and used the budget to create a state-of-the-art ICT network structure that made it possible for all 200 civil servants to work wherever they wanted. This resulted in the maintenance of a good public service in all the constituent communities and, at the same time, a very flexible virtual ‘central town hall’. The councillor had reframed the issue ‘building a new town hall’ into ‘creating better public service’ (Jongmans, 2002).

- 2 If the public-sector employee lacks *integrity*, he cannot build productive relations with other people. He is not really committed to his role in the process. “Integrity ... is a state of mind, a quality of character, a virtue that cannot be commanded exogenously. (...) Integrity is more than compliance, even more than the spirit of the law. Integrity is not only the choice between good and bad, but exists in the authentic desire to account for moral dilemmas, thus per definition is about the necessary choice in case there are two bad solutions” (van der Lugt, 2002).

- 3 If the public-sector employee lacks *professionalism*, he will more often than not be surprised by developments or events that he didn't expect and, worse still, is not able to cope with.

In public-sector organisations (but also in private organisations) there is often a difference in the assessment of how 'VIP' the organisation is. Top managers will believe that the organisation is strong in vision and maybe moderate in professionalism. Highly educated policy-makers (often called 'professionals') tend to think that the organisation is very professional but low in vision. Whether there is a gap in the assessment of the integrity aspect depends on the actual organisational situation. So sometimes the 'agreement-space' – the smallest triangle in Figure 2.4 – is much smaller than the potential space or capacity. It is recommended that the top management of any public-sector organisation is aware of this and works on improvements all the time. A low agreement-space makes life difficult for the public-process manager.

3 The Public Sector and its Environment in a Relational Context

As we have seen, Chapter 2 addressed questions relating to the general *position* of the public sector in the public sphere, and how the horizontalisation of society influences the position and the *ways of working* of the public sector.

Chapter 3 addresses how cultures, perceptions, and attitudes of the public-sector organisation and the external parties vice-versa influence their *relations*:

- The *internal organisational culture* of public-sector organisations (Section 3.1), with special emphasis on the question of what the impact is of the dominant vertical culture. Public-sector employees need to be aware of the culture of their own organisations: they are probably carriers of this culture and their partners will react, consciously or unconsciously, to the way this culture makes these public-sector representatives behave (Section 3.1.1, The steering myth; Section 3.1.2, Views on external orientation; Section 3.1.3, Old and new words in the vocabulary of the public sector).
- The *deeper national and sociological cultures* (Section 3.2) of external parties and the employees of public-sector organisations. The public sector has to relate to the growing international and multicultural setting. Is it still feasible for the public sector to develop policies for a general public with ‘average’ social values, that might not exist in reality? Therefore, what might be the impact of cultural differences between national/cultural groups? How do these cultural aspects influence the co-operation between public-sector officials and external parties?
- The public sectors and its societal partners’ *expectations* of participation differ. How do public-sector organisations perceive the public demands for participation, and how can they address these expectations? (Section 3.3).
- The *attitude towards handling knowledge questions* in multi-actor policy processes. In complex ‘interactive’ processes, problems often arise concerning the production and use of knowledge. Competing attitudes towards what is ‘true’ knowledge and to what is ‘useful’ knowledge, lead to misunderstanding, disappointment, and frequent delays in processes.

Therefore, the question has to be addressed of how the public sector can manage multi-actor knowledge issues (Section 3.4).

3.1 The internal organisational culture¹ of public-sector organisations

3.1.1 *Organisational views on external and internal orientation*

When public-sector organisations, or at least parts of them, have relations with the outside world, this outside world may be seen as *challenging* or *threatening*. In the last case, outsiders are ‘enemies’² who are apt to disturb the pattern of internal procedures and strategies. People within the organisation unconsciously compare their image of the external world with the signals they receive from it, and often see only what they expect to see. It is difficult to obtain vital information from outside when there is a dominant vision within the organisation that external partners are ‘enemies’; parties may not trust giving information to a public-sector organisation if they feel that they are not trusted. The Dutch Ministry of Agriculture, Nature and Fisheries, for example, had been reacting slowly to societal changes in the 1970’s and 1980’s. “The Ministry reacted defensively and followed a wait-and-see policy in relation to the rapidly changing ‘strange’ outside world. From being a problem-solving ministry it noticeably changed into a very bureaucratic and juridical procedure-building ministry, that believed more in restructuring the internal organisation than the development of new and challenging policy visions.” This comment was written in 1992 by an official state commission (*Commissie Kroes*) that had to investigate whether the Ministry had the organisational power and culture to guarantee that nature and environmental interests were optimally balanced against the interests of fisheries and agriculture. (Citation from the Commission Kroes Report in van der Kroon (1994), p. 242.)

¹ Eyck (2001) calls *culture* one of the main factors for successful *internal* relations (*intra-activity*) of the public sector. Chapter 3 illustrates this and furthermore, shows that this is also the case for successful *external* relations (*inter-activity*).

² See Section 6.4 (Strength analysis) in which four types of relation partners are differentiated: ‘enemies’, ‘opponents’, ‘coalition partners’ and ‘friends’.

Even if a public-sector organisation has a more positive attitude towards its environment, this may lead to a rigid relations pattern. A strong belief within the Dutch Ministry VROM was that it was important to invest much time and energy in building *long-lasting relationships* with influential organisations in both the private and public sectors. When in 1998 Jan Pronk was appointed as the new Minister and immediately cancelled all the informal meetings that civil servants had scheduled between themselves and external parties, the civil servants of VROM were shocked. They thought his action endangered the results of years of effort in building up sound networks. In a way they were right; it is impossible to change the whole pattern of interaction every four years when a new Minister enters the Ministry. The civil service has to guard a certain continuity, but the new Minister's intervention also had a positive side, as many later acknowledged. He broke up the static network by inviting new parties in and leaving old ones out. On top of this, he announced that he was to organise a dialogue with the unorganised general public.

This example illustrates that it is risky to assume knowing all relevant parties. Every new policy process calls for research to find the relevant parties and, if necessary, help sections of the public to set up organisations to articulate their interests more effectively. The VROM Ministry was only talking with parties who had a vested interest and that made these 'cosy clubs' closed circuits instead of open networks.

Organisations not only have implicit or explicit views on their *external* orientation but also on their *internal orientation*. In this case, the same questions are relevant: Are your colleagues your 'friends' or 'enemies', your customers or your partners? Are you fighting them, selling them products or services, or are you working together?

In the UK the Environment Department was trying to introduce a new major project into a programme which was a collaboration between several departments. Ministers badly needed this programme for political reasons, but it would also deliver major public health benefits. A scientific team in one of the other departments played a leading role in assessing the cases that came forward under the programme, but they decided that they would not participate in the new scheme. They raised every possible argument: "we have always done it this way – it is the right way, we know best, we will not change to the new-fangled scheme invented by the Environment Department." Ideally they should have been involved in decision-making about the new project at a much earlier stage but sometimes policy just cannot wait. Instead, the Environment Department very publicly contracted a private sector company to carry out the work for a year, and the project went ahead, very successfully,

without the recalcitrant team. They realised at that stage that they had been left out in the cold and very quickly joined the project. (Personal communication of Peter Hinchcliffe (UK), e-mail 5 November 2002.)

A public-sector organisation can have a weak internal orientation as well as a weak external orientation at the same time. Around 1992, one of the top managers in the Ministry of Agriculture, Nature and Fisheries (nowadays the Secretary-General of the Ministry) described the internal culture as follows: “All procedures aim at preventing failures and problems As a result, a defensive attitude has developed, that prevents us from adequately translating signals from society. ... There are almost no projects that cross borders of directorates; projects apparently can only be executed in the ‘safety’ of your own directorate.” (Chris Kalden, cited by van der Kroon (1994), p. 242.)

A well-developed *internal* orientation offers the public-process manager:

- a Reliable resources and a tailor-made supporting infrastructure,
- b Highly involved expertise on content and on general issues such as ICT and communication,
- c Collegial feedback, counselling and facilitation,
- d Collegial support: colleagues may have relevant new information because they work in different networks.

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Therefore, a positive attitude towards the *internal* expertise helps to develop better *external* relations.

In order to profit best from this internal expertise, a process manager who works mainly with external parties can focus his attention internally on:

- 1 *Sharing interests with internal parties.* This requires that you know each other and understand what both your core businesses are. This starts with showing some personal and collegial interest in each other.
- 2 *Sharing success with internal parties.* When you ask your colleagues for some highly reliable resources and infrastructures, you are your internal colleagues’ primary customer. Your success is their success, unless, of course, they have to set priorities and your project doesn’t belong to their top ten. In that case, there are two options: try to upgrade your project or purchase your resources from external parties, as the UK Environmental Department did in the above-mentioned example. It is helpful to make your colleagues part of this decision-making process. Their involvement is the least they can give you and is an investment in future contacts. Contracting internal expertise does not only save money but is a good investment in your own organisation. Every expert learns from sharing

expertise and by hiring an *internal* expert, you help your organisation to enrich its expertise.

When I headed a policy division my internal policy was that the most complex projects were, if possible, only commissioned to the people in my division and the simpler or standard tasks they left for others, were done by externally hired people. In this way we learned most from the complex process, whereas when you hire a consultant to do the most challenging projects, in the end he will have learned most and will take the new experience away with him.

- 3 *Sharing feedback and lessons with internal parties.* When one asks colleagues to give feedback, counselling or being a facilitator in the process, this presents the chance to collect lessons via analogies from other policy fields, and unexpected insights may occur.

3.1.2 The steering myth: from steering to moving

Although management by speech can be a powerful intervention tool, public-sector organisations are beginning to understand that just *talking* in terms of steering a policy process doesn't necessarily have an impact on the process. But there still is a lot of *steering voodoo* in public-sector organisations.

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During their New Year's speeches, top managers of public-sector organisations often use the steering metaphor. They talk about ocean steamers that are roaming the waves, fighting storms, and finally anchoring in safe havens. They also talk about super tankers that are on the right course but the motto is 'all hands on deck' because the tip of an iceberg is in sight.

These are beautiful stories, but often there is no indication as to where the ships are heading. Metaphors can sometimes cover a lack of vision. Not the kind of vision that shows exactly where the safe haven is located, but that shows what you can achieve together when travelling: that you can have a common goal and a common road to travel, and that you can work together in an inspired way and that this is more than all individual colleagues think possible from their own point of view.

It is often thought that policy processes have some kind of 'steering wheel' and that public-sector organisations know how to use it. The metaphor of the steering wheel reflects an overestimate of the powers of government. Public-sector organisations have an enormous influence on society but, in general, rarely by steering the course of society.

The Green Heart Case: Steering mythology

The Green Heart Steering Committee (1992-1996) consisted of three political representatives of provinces and non-political representatives of five ministries. The committee had a yearly budget of less than five million Euros and no other formal power. It also had an ambitious investment programme of almost one billion Euros for which the money was not yet found and would come partly out of the pockets of organisations that were not represented on the Steering Committee. This did not prevent the committee from meeting every other month and from taking decisions that altogether created the feeling that 'we were really in charge'.³

The classical way of public steering is that you impose your reality definitions on the societal stakeholders. An alternative to the steering metaphor is *configuration management*. Termeer (1999), pp. 88-89, argues that it is important to develop a way of management that corresponds with the process of reality construction by people. Thus, the public sector does not influence by aiming at a fixed behaviour change but by connecting with social learning processes of (configurations⁴ of) citizens, non-governmental organisations, private organisations, and other public-sector organisations.

Termeer's key point is *inclusivity*: the ability of groups that will be affected by a policy, to participate in the process. *Inclusivity* is also the first of three criteria for interactive or transactive public-sector processes Hajer (2000) describes. The other two criteria are *openness* or transparency and *reciprocity*: mutual interest in each others interests.

3.1.3 Old and new words in the vocabulary of the public sector

The steering myth of Section 3.1.2 is one of the examples of implicit organisation culture aspects. The vocabulary public-sector officials use also tells much about the organisation's culture. The words politicians and civil servants use to express their beliefs and objectives often reveal more about what they *really* think than their explicit statements do.

³ I was the Steering Committee member for the VROM Ministry.

⁴ According to Termeer, a configuration is a group of people whose reality definitions overlap. People are always involved in more than one configuration, they are 'multiple included'.

If employees of public-sector organisations talk about *customers* rather than stakeholders, this tells that the people in that organisation believe that their core business is *selling* a service or product. When they supply drinking water or power, this may be correct but if their business is to ‘deliver’ new policies for a sustainable environment, chances are that they’ll never find serious ‘buyers’. The vocabulary that is used to describe the relations with partners often unconsciously influences the relations between people working in the interaction zone and in the intra-action zone. People who have worked for many years in the public sector are accustomed to *jargon* that expresses the vertical, hierarchical relations of the last decades. All relations are defined in vertical terms, as the following examples illustrate:

Table 3.1 Vocabulary differences in public-sector organisations

Vertical thinking	Horizontal thinking
<ul style="list-style-type: none"> – Government (= institution) – Front office / back office – Primary process / secondary process – Span of control – Information – Attuning to – Representing 	<ul style="list-style-type: none"> – Governance (= process) – Interaction zone / intra-action zone – Interaction process / intra-action process – Span of support – Communication – Co-creation – Participating

The last example in Table 3.1 may refer to project teams: It makes a big difference whether the team members are *representing* their organisation’s interests and standpoints or they *participate*, bringing with them their knowledge, experience, and skills. Gotweis and Hajer (2002) nevertheless put participation in the left-hand column. However, they refer to public participation as opposed to networking. Participation compared to networking is more ‘vertical’ because the first term presumes that the public-sector organisation has the lead and that it asks other people to take part, whereas in the network approach, all partners have joint ownership of the process. See also Section 3.3 (Management of expectations).

If civil servants and politicians are not clear about how they position their public-sector organisation in society, misunderstandings and process failure can easily arise. When you position the public sector as central in society, it is logical that you see other organisations and citizens as potential aides or threats to *your* policy or decisions. This attitude can lead to public-sector behaviour that makes people think that the public sector does not exist to help society, but society has to help the public sector fulfil its tasks efficiently and effectively.

So the vocabulary expresses the employees' perception of the position of their organisation in relation to other parties.

Several years ago, I was invited to a meeting within the Ministry of the Interior, where a new policies report was presented. The project team wanted the advice of a number of 'experts' on external interaction. The new policy was about immigrant youth criminality. The question was how to implement the new policy. The Ministry expected quite some opposition. We asked why that was the case. 'Well', they said, 'until now we have not contacted the local authorities or the organisations of immigrant youth groups. They just might reject our policy.' The Ministry had written a policy that would have an impact on large groups of people without consulting them. They believed that they only needed advice on how to *sell* the policy.

In another example, the vocabulary used reveals how an organisation thinks of setting priorities. In November 2001, a Dutch public-sector authority that has to guard free competition in the Dutch market was criticised because it failed to investigate rumours about illegal price agreements in the building industry. A newspaper journalist asked the spokeswoman of the agency if she agreed that the issue had been given too low priority. "No", she said, "that can't be the case because in our organisation everything has a high priority."

In a multi-actor policy process, all parties may use a different vocabulary for what they hope to achieve:

The Green Heart Case: The stake is in the wording

From the view of spatial planning and nature conservation, the Green Heart area was an open sphere, with 'green' (or non-urban) functions. But city planners called it non-urban wasteland because it lacked what they like most in a landscape: urban elements. For the farmers of the area, it was a rural production zone with economic value because of milk production. These are three different ways of describing the same area, and the words that are used give information about the different interests of the stakeholders.

If the public sector listens well to the different words stakeholders use, it may be possible to formulate common objectives that may at least act as an umbrella objective. In many public-sector organisations such as ministries, the former 'information' departments changed their name into 'communication'

department; from one-way to two-way interaction. The old name of this department in the Dutch VROM Ministry was 'Department of Information and External Affairs'. This did not only unintentionally signal that contact with the outside world was mainly about explaining the good policies of the Ministry, but also that 'external affairs' was something only this department specialised in. Policy divisions were not encouraged, if allowed at all, to share their knowledge and information with 'outsiders'. But of course a new name could also be old wine in new bottles: it all depends on what is done in praxis.

Finally, I believe that words also have an impact if they are not consciously heard.

When the elevators in the VROM Ministry stop at the fourth floor, a voice announced for years that this was the *verdeel-etage*⁵. Five parts of the 100,00 m² building where 3,000 people are working are indeed separated and unite only at the fourth floor. This was a perfect illustration of the implicit hierarchical thinking; the different directorates-general were in fact very much divided in terms of organisational culture. Thinking in terms of dividing the Ministry into quite independent units was normal and I often wondered what the psychological effect would be if the elevators told the employees thousands of times a day that the fourth floor is not a place of *division*, but the floor where the five parts *unite*.⁶

3.2 The (inter)cultural dimension and public-sector organisations

The behaviour of people is based upon their value and belief systems. These are partly individual, but on a deeper level, grounded in the values and beliefs of the respective societal groups, nation, region, or tribe they belong to. It is helpful to understand such differences when working internationally, and also nationally, facing an increasingly 'multi-cultural' society. However, cultural differences are most evident when one works with people from different countries. In the following sections, I describe two theories about the impact of cultural differences and relate these to practical examples.

The first theory is developed by the Dutch social scientist Geert Hofstede. (Hofstede's most noted work (Hofstede, 2001) contains the results of a survey

⁵ The Dutch word 'verdeel-etage' has two meanings: 'distributing floor' and 'dividing floor'.

⁶ After I proposed to change the elevators 'voice' the Ministry changed it in January 2001. It now says 'Fourth floor, verbindingsetage' (wich means connecting floor).

of 116,000 IBM employees.) He has done research on the cultural differences between people living in different countries. A second approach, developed by Clare Graves (1965), looks at societal groups with common value systems or life styles. Both approaches present explanations for behaviour that a public-process manager encounters in multi-actor processes.

It takes further research outside the scope of this book to be conclusive about the meaning of these theories for public process management, so I only present them here to illustrate that social sciences have interesting knowledge to offer for administrative and political science – a knowledge that, as far as I know, is seldom used in the public sector.

3.2.1 Intercultural differences and public process management

Hofstede's work on the deeper cultural differences between people from different countries and its impact on the work place has a twofold meaning for understanding how public-sector organisations work and how their performance can be improved.

In the first place, it helps in understanding your own culture – the only one you can't see clearly because you are part of it. Of course, other cultures are also only visible when you focus attention on them. In the second place, it helps in understanding why people with a different cultural background behave like they do – or don't show what *you* may find to be normal behaviour.

Hofstede used empirical data collected and analysed in a research programme in which a very large number of interviews were carried out using a standardised questionnaire that covers behaviour and attitude. He came up with four categories (Hofstede, 2000):

- The Power distance index (to what extend do people accept that power is distributed unequally?)
- The Individualism index (to what degree are people oriented to the individual or to the group?)
- The Masculinity-Femininity index (to what extend do people expect explicit gender roles in a culture?)
- The Uncertainty avoidance index (how comfortable are people towards ambiguity and risks?).

Hofstede generalised these data, using the entity 'nation' as a starting point, which leads to a certain profile of each country. Quite interestingly, the results reveal a kind of cultural divide in northern and southern Europe (Figure 3.1). Of course we have to keep in mind that these results do not offer a blueprint for the behaviour of individual people.

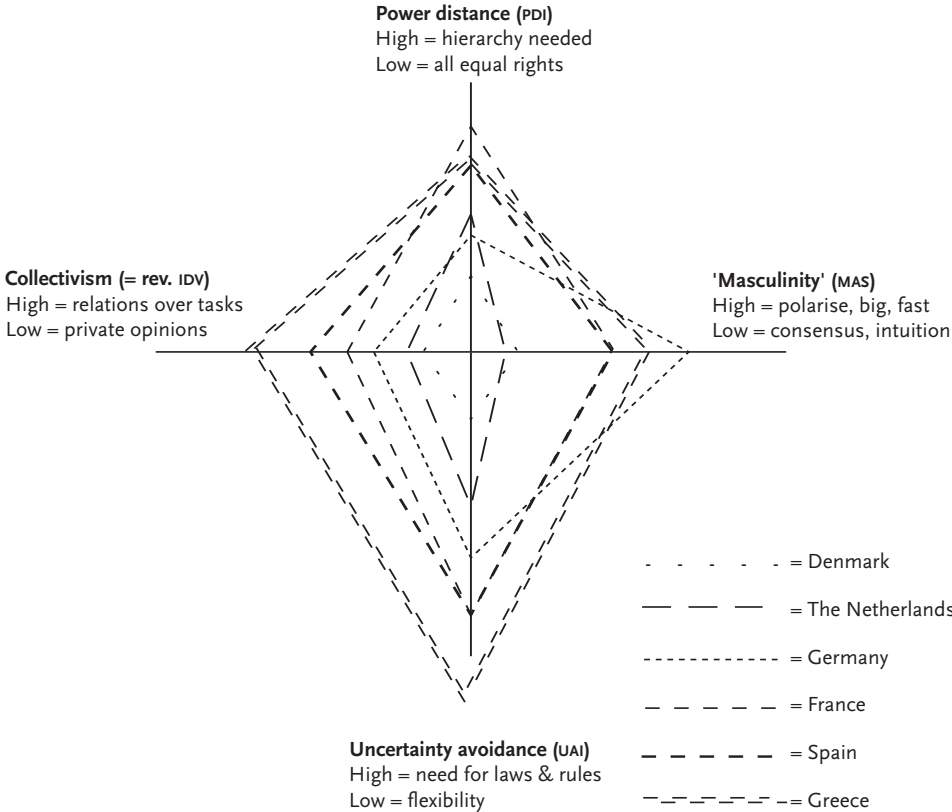


Figure 3.1 Cultural differences in six European countries. Based on data from www.itim.org

This north-south cultural ‘watershed’ in Europe has several characteristics set out in Table 3.2.

Table 3.2 Cultural differences between northern and southern Europe

Culture basically seen in Northern Europe	Culture basically seen in Southern Europe
<ul style="list-style-type: none">– Low power distance– Individualistic– ‘Feminine’ (ambiguous in gender roles)– Low insecurity avoidance	<ul style="list-style-type: none">– High power distance– Collectivist– ‘Masculine’ (distinct expectations of gender roles)– High insecurity avoidance

More data on European countries presented in Table 3.3, show national cultures often differ in one or more categories.

Table 3.3 Data on PDI (power distance), IDV (individualism), MAS ('masculinity') and UAI (uncertainty avoidance) for 10 European countries and the United States. Data derived from www.itim.org

Country	PDI	IDV	MAS	UAI
Denmark	18	74	16	23
Sweden	31	71	5	29
The Netherlands	38	80	14	53
Germany	35	67	66	65
United Kingdom	35	89	66	35
United States	40	91	62	46
France	68	71	43	86
Belgium	65	75	54	94
Spain	57	51	42	86
Portugal	63	27	31	104
Greece	60	35	57	112

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We can question now whether the shift towards more horizontally oriented, network organisations is a typical northern European phenomenon or not. The Hofstede plot leads us to believe that this new economic and social organisational culture (of which the transactive public-sector organisation is an example) is mainly stimulated by the Nordic culture. It may not work well in every culture. At the moment, it is easier to imagine a 100 per cent network organisation like the Dutch *The Vision Web*⁷ functioning in the Netherlands than in a southern European country.

An international research project recently concluded that countries with a directive (vertically organised) political culture, like Spain, France, and Great Britain, seem to react less effectively and not very quickly to acute crises such as the scandal of blood transfusions using HIV contaminated blood, than countries like the Netherlands, where public policies are determined in a dialogue with many interested groups ('t Hart, Bovens, and Peters, 2001).

⁷ The Vision Web is a private consultancy company with more than 400 consultants, and no managers.

On the other hand, during the past years, especially in countries like Spain, Portugal, and France, many initiatives have started with public participation and with bottom-up processes as an alternative or in addition to top-down styles of public governance. There is for example much experience in Spain and Italy with the concept of citizen juries, in which groups of randomly selected citizens work together for a three day period in which they get informed, deliberate and come to a recommendation (Matthijsen (2000), p. 16).

Tensions caused by differences in cultural backgrounds may not only occur *within* any public-sector organisation, in the intra-action zone, but also in the interaction zone, working with external parties where tensions may arise when policy solutions are prepared that do not take into account the different cultural backgrounds. This will work out differently in every policy field.

Inter-cultural differences are not only a problem; they can be a solution too. A multi-cultural process team has, in principle, more options for organisational solutions than a mono-cultural team.

In public management literature, references are seldom made to cultural anthropology research like that of Hofstede. It is interesting, however, that multi-national corporations invest a lot of money and energy in understanding how these inter-cultural differences affect the co-operation within their organisation and when working with others.

Inter-cultural differences in international co-operation: The Rhine-Meuse Case

When in 1995 the rivers Rhine and Meuse flooded, hundreds of thousands of people, particularly in the Netherlands, but also in Belgium, Germany, and France, had to temporarily leave their homes. Ministers from six countries who happened to have a scheduled meeting in Arles, France, immediately issued the 'Declaration of Arles', by which they installed an international working group that should develop a comprehensive trans-national policy and write a programme for projects for which the European Union was going to provide 145 million Euros in subsidies. I was appointed chairman of the Trans-national Working Group.

The first thing I stumbled upon was the fact that there is a cultural watershed on the Dutch-Belgian border. Like many Dutchmen, I always thought that the Dutch-speaking part of Belgium was culturally close to the Dutch culture, because between 1796 and 1830 Belgium and the Netherlands were one country. But that is not the case. The Flemish

delegation behaved much like the Walloon (French-speaking Belgians) and French delegations. They shared the conviction that a large power distance is acceptable in organisations. So they never had a real mandate to negotiate, whereas the Dutch delegation even negotiated when they had no explicit mandate, because they were convinced they could explain to their ministers that it made sense what they had done. The German delegation was somewhere in-between. They basically have quite a hierarchical culture, but were amused and charmed by the informal way the Dutch operated.

As chair, I asked the Flemish and Walloon delegations to do part of the homework after the first session together. I underestimated the tensions between the two groups. The Walloons punished the chair by lowering the hierarchical level of their delegation at the next meeting. A type of ‘punishment’ typical for cultures with large power distances.

I gradually regained trust during the next meetings. We established a routine that suited our southern culture colleagues – like long lunches with wine instead of the gruesome Dutch habit of drinking *karnemelk* (buttermilk).

The French delegates – who were not allowed to use English as a conference language because the United Kingdom was not a member of the working group – insisted on simultaneous translation of the meetings that lasted from 10 in the morning until 5 in the afternoon. The French delegation normally took quite some time to come to their point when they presented their views. They first wanted to picture the context of the question, “... because, as we all knew, since we had witnessed at least two flood periods of which the second, as we may remember, especially in France, caused severe problems, and in other countries too, the French have seen that of course and therefore it is a good thing that we have come together here to exchange our views, with recognition, and that could not be said too often, of the fact that so many aspects of the problem were different in France than in other countries ...” (paraphrased by me). After five or even 10 minutes, the French delegation would then explain their position and do this in a very *nuancé* way. The Dutch delegation did it the other way around. First they summarised their standpoint and then explained how they had developed this standpoint. The thing is that the French never heard the Dutch view, because during the first minutes of the Dutch presentation, the French were still talking with each other or fiddling with the headphones, before putting them on. They didn’t expect a real standpoint until the end of the Dutch presentation. This is also based on

a difference in culture. If, like the French did, you take your time to develop or build your position, you are able to see the verbal and non-verbal reactions of the listeners and, if necessary, reformulate your conclusions before you have expressed them.

It is a way of handling risky or ambiguous situations.⁸ Within this context, my personal conclusion from several stays in Greece is that they picture the future *behind* you and the past *before* you. It makes sense of course when you value the future in the first place as something unknown, something you can't see, and something that has a lot of uncertainty in it. The past is what you can see; no surprises anymore. In northern European countries, the future is pictured *before* you; it is full of new opportunities, challenges, new beginnings and innovations. That is the direction they want to look. Of course, the future is not knowable, but who cares? (says the Dutchman...).

The French found the frank way of speaking of the Dutch quite rude and impolite. The Dutch didn't like the stalling of the French, and criticised them for their lack of clear positions.

None of the participants of the Trans-national Working Group in the Rhine-Meuse Case had ever had an introduction to dealing with cultural differences, although these differences clearly had an impact on the co-operation process.

All is relative; in this book I address the problems deriving from (mainly) Dutch public-sector organisations not having fully developed appropriate attitudes for a more horizontal society, although in international comparison, the Netherlands culture has, in principle, a quite favourable starting point for this.⁹

⁸ The Greek who, on the Hofstede scale, have an uncertainty avoidance quote of 112 out of 100 ... have a culture in which people feel at ease when many things have been regulated. They don't feel very comfortable towards ambiguity. Maybe that is the reason why, during my first visit of the Greek islands for two weeks, I got the same answer to my question if the restaurant served *moussaka*: 'Yes, we'll have it tomorrow'. Instead of the Nordic alternative; 'No, I'm sorry and I don't know when because there are no aubergines at the moment'.

⁹ According to itim, the Netherlands have a low power distance index (38/100), a high individuality index (80/100), a very low masculinity index (14/100), and a medium uncertainty avoidance index (53/100). See also Table 3.3.

3.2.2 Intercultural differences in public-sector organisations

The northern European approach is neither good nor bad. According to Hofstede, it is just a different view. For example, 'being collectivist is no better or worse than being an individualist. For perfectly good historical reasons, some cultures veer towards one type and others towards another'. Recent research by Hofstede shows that the impact of cultural differences is not really influenced by the spread of the Internet. 'Hierarchical cultures will use the Internet in a hierarchical way, using it to communicate downwards. Feminine cultures, meanwhile, will use the Internet more for chatting. I think it is too optimistic to expect that any tool – and the Internet is only a tool – would have an impact on the way any person thinks', Hofstede explains (Geert Hofstede, interviewed by Sarah Powell in *Emerald Now*, 2001 and at www.managementfirst.com).

Hofstede uses two of his four dimensions to categorise organisational culture: power distance and insecurity-reduction. Four types of organisations can be described then:

- The pyramid organisation; a classical bureaucracy with low insecurity because for everything there are rules and regulations.
- The well-oiled machine organisation; an organisation with mainly standard work that is regulated and controlled by standard procedures.
- The family organisation; basically hierarchical but allows more flexibility and creativity. Hierarchy gives the necessary insecurity reduction.
- The village-market organisation. The work is so complex and divers that standard procedures make no sense and management is not giving instructions but supporting people.

In 2000, managers of five Dutch ministries were interviewed about their organisation culture. Significant cultural differences were found. The outcome (Table 3.4¹⁰) is no surprise. The Ministry of Agriculture, after having had a defensive culture for decades, had developed into a ministry that knows how to deal with complex issues where many actors and interests are involved (developments in agriculture, nature, environment, the European market, urbanisation, etc.). This is the type of ministry where it is crucial that process managers have learned to

¹⁰ The Hofstede classification is used by de Kreij (2000) in his investigation of five Dutch ministries.

work with interaction and intra-action: the village-market organisation culture is a perfect breeding ground for the transactive organisation. The more hierarchical culture of the Finance and Justice Departments could have to do with the focus on rules; they set rules for others (budget rules, legislation) and have to be the best working example, according to them. Employees are expected to work under strict guidelines, thus accepting a high-power distance.

In the Health Ministry and in the Foreign Affairs Ministry, mistakes can lead to catastrophes; maybe this explains why they have a high insecurity reduction culture. In the Foreign Affairs Ministry employees are trusted to work quite independently; diplomats have a direct communication line to the Minister. The Health Ministry aims at security at all costs, which may be an explanation for the hierarchical, high-power distance culture.

Table 3.4 Four culture types in Dutch Ministries (de Kreijl, 2000).

	Low power distance	High power distance
Low insecurity reduction	Village-market type <i>Min. of Agriculture</i>	Family type <i>Min. of Finance, Min. of Justice</i>
High insecurity reduction	Well-oiled machine type <i>Min. of Foreign Affairs</i>	Pyramid type <i>Min. of Health</i>

3.2.3 Cultural differences and value systems: Spiral dynamics

The inter-cultural approach of Hofstede is not the only way to look at cultural differences. Another theory is a spiral developmental model of worldviews, called *Spiral Dynamics*, developed by Graves (1965).

In a summary book on spiral dynamics by Beck and Cowan (1996), the eight dominant cultural groups or *vMemes*, as Graves calls them, are summarised by a range of factors that reflect such a worldview. There is a hierarchy involved, but it is more factual than evaluative. Graves believes that social groups can develop from one of the ‘lower’ groups to a ‘higher’ one. Higher is not better than lower, but in the higher groups one can handle more complexity.

Beck and Cowan summarise the eight groups as follows:

- 1 *Beige*: Semi-Stone Age, not generally very active today, dominated by nature and basic survival instincts, acting much as other animals. Results in loose, clan-based survival groups.

- 2 *Purple:* Tribal animistic, magical, spiritistic, close to the earth and cyclic in outlook. This leads to tribal groupings, focus on rituals to appease ancestral spirits. Blood bonds are strong. Management of purple demands respect for clan rules and allegiances, respect to the clan 'leaders'. Rewarding someone too visibly can break the group bond with negative consequences. Change must be embodied in rituals, traditions, and symbols
- 3 *Red:* Exploitative, rough and harsh, rugged authoritarianism, finds expression in slavery or virtual slavery, exploitation of unskilled labour. Generally run by a Top Boss and series of proxies, strict division of have's and have not's. Assumption is that people are lazy, must be forced to work. True leaders must suppress natural human tendencies. Currently evident in street life and gangs in inner cities. Motivated by 'heroes' and conquest. Feudalism.
- 4 *Blue:* Authoritarian, loyal to truth, which is defined by social grouping. Purposeful and patriotic, leads people to obey authority, feel guilty when not conforming to group norms, try to serve the greater good through self-sacrifice. Works very well in industrial economies. Discipline is strict but usually fair and often public (flogging in Singapore, e.g.). US has shifted away from blue industries, which have moved to Mexico, Taiwan, Malaysia, and elsewhere that this blue is now strong. Blue industries will eventually move to Africa, in Beck's opinion. Moralistic-prescriptive management techniques. Organisational structure is pyramidal.
- 5 *Orange:* Entrepreneurial; personal success orientation, each person rationally calculating what is to their personal advantage. Motivations are largely economic, people are responsive to perks, bonuses, money rather than loyalty, group belongingness, or life employment. Rational capacities allow people to test many options. Competition improves productivity and fosters growth. This is probably the dominant cultural group in America today. Main concerns are autonomy and manipulation of the environment. Usually results in free market economy and multi-party democracy.
- 6 *Green:* Communitarian; sensitive and humanistic, the focus with green is community and personal growth, equality, attention to environmental concerns. Work is motivated by human contact and contribution, learning from others. Being liked is more important than competitive advantage, value openness and trust, fear rejection and disapproval. Leaders become facilitators, less autocratic. Hierarchies blur in the move towards egalitarianism with a resulting tendency towards inefficiency and stagnation. Can become so bogged down and ineffectual, though, that people revert to the go-getter individualism of orange.

- 7 *Yellow*: Systemic. This is the first vMeme of the second tier (described below) in which there is a quantum shift in the capacity to take multiple perspectives in life. Yellow is motivated by learning for its own sake and is oriented towards integration of complex systems. Change is a welcome part of the process in organisations and life; yellow likes the challenges. It is characterized by systems thinking, an orientation to how parts interact to create a greater whole. Unique talents and dispositions are honoured as contributing something valuable to the whole. Yellow likes engineering complex systems and dealing with ideas. It is also ecologically oriented, but in a more subdued, behind the scenes way. Yellow thinkers often work on the periphery of organisations, quietly fine-tuning situations and procedures, much to the bafflement of the first tier vMemes.
- 8 *Turquoise*: Holistic; focused on a global holism/integralism, attuned to the delicate balance of interlocking life forces. Synthetic and experiential, emerging focus on spiritual connectivity. Work must be meaningful to the overall health of life. Feelings and information experienced together, enhancing both. Able to see and honour many perspectives, including many of the 'lower' cultural groups. Structured in multi-dimensional ways. Conscious of energy fields, holographic links in all walks of work and life, urge to use collective human intelligence to work on large-scale problems without sacrificing individuality.

The spiral dynamics approach is interesting for the public sector, because most public-sector organisations, in the Netherlands anyway, point their policies and interventions at a general public with common values that doesn't exist in reality. I believe that public-process managers should try to understand the value systems of the people who will have to profit or 'suffer' from the policy they are preparing.

One of the differences of the Hofstede approach and the Graves theory is that the latter is a development model whereas the first is more static (see Table 3.5).

Table 3.5 Comparison of Hofstede's and Grave's approaches of cultural differences

Hofstede: intercultural differences	Graves: spiral dynamics
– national cultures as basis	– value systems, world view groups, lifestyles
– deeper cultural layers	– closer to the surface
– static model	– developmental model

3.3 Managing expectations

Participants in public processes behave according to what they think the purpose of a the process is. Therefore, if the expectations of the amount of influence actors in participation processes are not well managed, serious problems can arise in the execution of a public-sector process. Process managers have to be sure that they are understood well. It is not enough to have written the objectives in a letter to all participants, because they may do not read this letter carefully.

In Section 2.2.3 (Figure 2.3) a wide variety of types of participation is shown. In practice, it is often not clear to participants what type of participation is meant. The use of the term ‘participation’ in itself may already be confusing; ‘participants’ expect to take part, to have a say in the decision-making process. On the other hand, in the public sector itself, the term decision-making is used for a wide variety of activities. Sometimes *decision-making* is seen as the core activity of a public-sector organisation. This usually refers to (legal) government decisions. But this is only one type of the decisions that are sometimes useful or necessary, and there are many other types and options for problem-solving. If you start to develop a new policy to eliminate or mitigate a societal problem, you don’t know where the process will end and what kind of result it will achieve. The output can be a major (government) decision or a series of smaller decisions, or it can be a report, a video, and/or concrete actions taken independently by private sector and non-governmental stakeholders. In the end, it is possible that *no* government decision will have to be made at all because the issue is solved without that.

Policy processes cannot be organised like building houses, where the output must never be a surprise. The common term ‘process *architecture*’ therefore is maybe too static to describe the dynamic organisation of a policy-making process. I find that defining the job of a public-process manager as ‘finding creative solutions for complex social issues’¹¹ is more inspiring than seeing it as preparing decisions.

Section 3.1.3 illustrated that the public-process manager’s vocabulary has to be consistent with what he thinks and wants. In line with this, the methods he uses should be consistent with the objective of the (sub)process. People will discover any ‘lies’ sooner or later and the process partner will take him just as seriously as he takes himself.

¹¹ Proposal for a mission statement for the VROM Ministry, formulated by former secretary-general Roel den Dunnen.

During the first phase of a major policy process in the Netherlands¹², a series of meetings was organised. They were meant for brainstorming and first reactions, not for decision-making or reaching any agreement or whatever. The invited journalists didn't expect that. Inviting the Press to them obviously meant that there was going to be 'news'; a decision or at least conflict. The disappointment of the journalists (they felt they were misled) was responsible for negative press reports.

Therefore, a process manager should anticipate what his information and his experience tells him about the participants' expectations, and also better check that with them. Sometimes the participants in the process in fact very often know what you aim at with the meeting, but they may still plan to intervene and try to change the context (the type of meeting) in their direction.

The quality of the process profits from an honest and clear attitude about the kind of participation the public sector wants when it invites people to take part in a process. If the public-process manager doesn't have the mandate to negotiate, then he shouldn't negotiate. Nothing is more embarrassing when, after a long negotiation process, he has to tell his partners that 'by the way, we have no outcome yet'. That, of course, 'the Minister will have to evaluate the outcome and there is no guarantee whatsoever that the Minister will agree with the result of the negotiation'.

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However, most civil servants are experts in playing with words. They can easily avoid the truth without telling lies. For example, sometimes a minister asks his civil servants to buy him some time by ordering a further research project, and it is evident that the research project will not add new knowledge.

Not telling the whole truth can be acceptable in (politically) sensitive issues, but telling lies is a *no go area*. For example, external partners should never be told that there is money for pilots and experiments, when it isn't certain that the money will be available. Process managers sometimes want to be smart by using the external pressure to safeguard the budget by promising them funds that are not yet decided upon.

If honesty is a relevant aspect of your management of expectations, should one then always be very transparent?

¹² The 'Nederland 2030' process aimed at discussing scenarios for long-term spatial (land use) planning.

In 1998, Dutch Minister Margreeth de Boer of Spatial Planning and the Environment initiated a series of meetings where four different scenarios for land use in the Netherlands in the year 2030 were presented as the basis for discussion. In an interview with a newspaper, the Minister wanted to be very honest and transparent and told the public which one of the four scenarios appealed most to her. It was the one closest to her present policy. She said: "With what I know now, I like this scenario best. But I am anxious to learn more, to hear other ideas and arguments, and am open to being convinced that our best or most probable future lies in one of the other examples."

The Minister was accused of starting a fake debate; her mind was already made up, people said. They said she should never have revealed her first impression. I think the critics did not value what she gave them; she shared with them the point of reference she was going to use for herself in the process of evaluating/assessing the four possible futures. She made it clear that she wanted a dialogue. And a dialogue in which people keep everything open and have no preliminary positions is not a real dialogue. On the other hand, the Minister seemed to believe that *scenarios* are models for the future and that one can choose one of the scenarios. However, I believe that scenarios are stories about a possible future that give insight into what you should do now, they don't give insight in the future (cf. Section 10.4.2).

Taking all stakeholders seriously in the interaction or intra-action process requires an *open mind*. If a process manager keep the doors of his office closed, he can't see what happens outside. Having an open mind is, however, not the same as having an '*empty head*'; in other words, no own (general) idea about the issue. This situation sometimes appears when civil servants have the attitude that the role of public-sector organisations is to act as neutral process managers who only bring parties together. However, in order to be flexible, listen properly and share knowledge a public-process manager needs to have an initial vision; a clear idea of the key issues and the possible goal of the policy process. Using this initial idea as a point of reference, he can be open to the possibility of reformulating the key issue – for example, restating the issue of 'getting rid of traffic jams' as 'improving access to the inner cities'. Furthermore, it is difficult to evaluate the ideas of other parties without a point of reference.

An open mind in the Green Heart process meant that the process team of the ministry that lead the process said: 'We believe that we have a sound policy, but we really want to understand what people think is wrong about it. If we listen well, we might be able to change the policy in a way that the negative aspects

(or images) can be taken away. And maybe part of the policy turns out to be not so sound as we think now.’

Another example of unclear management of expectations comes from a radio documentary about a communications campaign of the Dutch Ministry of Transport, Public Works and Water Management.

The campaign was about new plans for flood protection that included the potential inundation of specific areas in cases of extremely high water. An information boat sailed to a number of river communities. The Minister’s representative said: “We want to hear all comments the people might have on the plans we designed to protect them. Our ears are wide open. All questions will be answered. We’ll explain all the details.” In the radio broadcast, a local citizen gave the following comment on this attempt for dialogue: “I think this campaign stinks. We are not allowed to talk with them about issues that are important to *us*. They only have their own agenda.” But the project manager stayed on track. On the question of what she hoped the people would remember from this campaign she replied: “We would like them to understand completely what is going to happen to them. And that they can be sure that their voices will be heard.”

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A last Dutch example in which the awareness of the importance of the management of expectations may be discussed is the public participation process during the preparation of the Fifth White Paper on Spatial Planning in the Netherlands, in 1998-2000.

About 17,000 citizens participated in the interactive sessions of the National Spatial Plan, formed working groups on the future of the Netherlands, and expected influence in return. They thought that afterwards they would be informed what had happened with their ideas and why they were or were not incorporated into the White Paper. This, however, was not the case.

The Ministry’s objective was to have an open brainstorm and discussion, but most participants thought it was an interactive process in which influence was shared. When I gave a lecture at the University of Amsterdam, one of the students heavily criticised the ‘unfair’ process into which she had put a lot of energy. For her, this was likely to be the last time she would participate in a policy process, as she felt ‘used’.

Resuming; a good management of expectations is necessary to get (lasting) cooperation and agreement in the end. Things to keep in mind:

- Be clear about the degree of influence; is the process consultative or aiming at co-decision-making?
- Invest more time in the process kick-off than seems necessary in the beginning.
- Look after relationships between means and goals; attune to the goal; form and content, choice of participants and ways of communication. With every goal there is a matching type of conference or meeting. Not only the organisation, but also the participants should be aware of this (cf. Chapter 8).
- Publish an information bulletin. Take care that participants stay well informed about the proceedings. Make clear to them what they can expect and – even more important – what they should *not* expect.
- Use existing media (professional journals, internal bulletins), put your information on an Internet site.
- Give super-feedback; whenever a participant during the process seems to have different expectations (compared to those of the project manager) you should take this feedback serious ('something seems to be wrong') and give a constructive reply (feedback on feedback, or 'super-feedback').
- Organise a guarantee for congruency between expectations and outcome, for example by appointing an independent person to take care of this aspect.

3.4 Problems with the production and use of knowledge

The attitude towards handling knowledge questions in complex multi-actor processes organised by a public-sector organisation can have a big impact on the outcome of the process. This section first describes in general terms two conflicting approaches to the creation of knowledge, and then discusses several practical problems that can be observed in knowledge-intensive public-sector processes.

In knowledge theory, since at least the 1960's, much debate has concentrated on the value of two distinct approaches. The first is the *rational/technocratic approach* that implies that there is an objective, scientific 'truth' that can be found on the basis of empirical research. The second is the *constructivist approach*. In this approach, knowledge is considered as *negotiated* knowledge.¹³ The assumptions are (in 't Veld, 2002a):

- knowledge is meaningful information;
- what's meaningful depends on ones values;
- values are often the subject of discussion and negotiation.

The main interest of the public sector is not whether the produced knowledge is 'true', but if it is *useful* in relation to the societal problems. Three types of knowledge questions can be differentiated (Eberhard, 1999, pp. 15-18):

- Phenomenal knowledge questions; What is happening? What can we see?
- Causal knowledge questions; Why is this happening? Why is it the way it is?
- Actionable knowledge questions; What should be done? What are the possible actions?

Some parties have a preference for one type of question. This causes problems when deciding on the 'usefulness' of the gained/negotiated knowledge. NGO's such as environmental pressure groups, often focus on the first question type: what is happening? Research institutions tend to prefer the second type of question: why is this happening? Politicians in general seem to prefer the third question type: what actions have to be taken? Therefore, it seems that in (political) processes of gaining (negotiated) knowledge all types of questions have to be covered. Another reason for covering all types of questions is that parties may come up with new questions at a most inconvenient moment, such as just before the final conclusion or decision is made, which can cause a delay of the process.

In the five-year research programme of the Dutch government¹⁴ into the problems and possibilities of a new national airport in the North Sea that started in 2001, the project bureau outsourced the issue of covering all relevant questions. The independent Advisory Council RMNO was

¹³ The idea that science is a social construction was introduced by J. Habermas (1970). There are many competing theories about knowledge production for societal problems, but I can't elaborate further on these within the context of this book.

¹⁴ The 'Flyland' project is an initiative of the Ministry of Public Works and Water Management and of the Ministry of VROM of the Netherlands.

requested to ensure that all possible stakeholders and other parties are able to contribute to the research agenda. The RMNO interviews parties and organises workshops in which the research questions are gathered and discussed.

In public policy processes, conflicts arise when parties with a more rational/technocratic and parties with a more constructivist approach are involved in the same knowledge process. Rational/technocratic scientists tend to want more and more research and don't accept knowledge that doesn't fit into their scientific paradigms. Constructivists tend to include all kinds of knowledge (scientific and practical) and construct (negotiate) a tailor-made process 'truth'. This approach causes problems for the other faction because they often suppose that knowledge is *biased* or *manipulated*.

When knowledge is brought in by (opposed) interest groups, there is always the assumption that it is biased; it only supports their desired solution. But even science, at least natural science, does not always produce credible knowledge; theories cannot always be tested in practice, and test results may only apply to the test environment. Frissen (1998, p. 63) formulates it as follows: "Every social scientist knows that research with an intelligent manipulation of the posing of questions, can prove anything that is desired. Simultaneously, the preoccupation ... of the parties involved with natural sciences plays a role. Research is used to reduce uncertainty. However, necessarily the reverse effect occurs: research increases uncertainty."

When a public-sector organisation and/or stakeholders in a policy process want to 'order' useful knowledge from a research institute, they are sometimes disappointed with what they get as an answer. What is 'useful' anyway? Is it knowledge that supports a desired solution? But different parties may have a different desired solution. Is it knowledge that proves that an undesired solution is impossible to implement?

The public sector sometimes doesn't take the time that is necessary for 'sound' research. A process manager may experience in practice that there are moments in the process of dealing with strategic policy issues where decisions have to be made immediately. The timing of these moments does not depend on the amount or the quality of the available knowledge that is at hand at that instant. Sometimes, a minister has to take a stand and it would be unacceptable to wait another year until new, better research results will be available. Therefore, researchers and civil servants often think different timetables.

As a head of a policy division in the Dutch VROM Ministry, I sometimes had to deliver to the Minister immediate answers to questions he or she had posed.

The best answers were when we had them ready just before the Minister called for them – anticipating a question because we kept ourselves well informed. Sometimes we had three weeks, but quite often, only three days or even three hours to produce some sound advice, based upon our best available information and experience. These timeframes are not compatible with the world of research institutes or universities. Therefore, public-sector managers more often guess than ‘know’ that their advice is good.

Knowledge production is sometimes used strategically. (One may also call this ‘abusing’.) When I worked on regional measures against soil pollution caused by industrialised pig farming, our politicians once ‘bought’ three months’ extra time by ordering a research project that, all of us were certain, would not produce any new knowledge. The consultants knew this too. But as long as the researchers were doing their work, quiet negotiations could go on and the political arena was being prepared to accept the new policy.

Another example that the public sector isn’t always sincere in dealing with research reports is illustrated in the following hilarious citation from the BBC series ‘Yes, Minister’, in which the secretary general advises his Minister (Lynn and Jay, 1990, pp. 257-259):

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“There is a well established governmental procedure for suppressing – that is not publishing – unwanted reports:

Stage 1. The public interest:

- 1 You hint at security considerations.
- 2 You point out that the report could be used to put unwelcome pressure to government, because it might be misinterpreted.
- 3 You then say that it is better to wait for the results of a wider and more detailed survey over a longer timescale.
- 4 If there is no such survey being carried out, so much the better. You commission one, which gives you even more time to play with.

Stage 2: Discredit the evidence that you are not publishing. This is of course much easier than discrediting evidence that you *do* publish. You do it indirectly by press leaks. You say:

- a that it leaves important questions unanswered.
- b That much of the evidence is inconclusive.
- c That the figures are open to other interpretations.
- d That certain findings are contradictory.
- e That some of the main conclusions have been questioned.

Points a-d are bound to be true. In fact, all of these criticisms can be made of a report without even reading it. There are, for instance, always some questions unanswered – such as the ones they haven't asked. As regarding e, if some of the main conclusions have not been questioned, question them! Then they have.

Stage 3: Undermine the recommendations. This is easily done with an assortment of governmental phrases:

- a Not really a basis for long term decisions...
- b Not sufficient information on which to base a valid assessment...
- c No reason for any fundamental rethink of existing policy...
- d Broadly speaking, it endorses current practice...

These phrases give comfort to people who have not read the report and who don't want change – i.e. almost everybody.

Stage 4: If stage 3 still leaves doubt, then discredit the man who produced the report. This must be done off the record. You explain that:

- a He is harbouring a grudge against the government.
- b He is a publicity seeker.
- c He is trying to get his knighthood.
- d He is trying to get his chair
- e or his vice-chancellorship
- f He used to be a consultant to a multinational company, or
- g He wants to be a consultant to a multinational company."

Against this background, many tensions can be observed between the public sector, research institutions, and other parties involved in knowledge production for public policy processes. An analysis of four cases in the Netherlands (the Betuwe railway line from Rotterdam to Germany, the planning of the Fifth Runway on Schiphol Airport (Amsterdam), the planning of new housing areas near the city of Utrecht, and the policy on the manure surplus (caused by industrial pig farming) by the Dutch Research Council RMNO resulted in a list of observed problems in this area (van der Aa, 2000¹⁵):

¹⁵ This study of the Advisory Council for Research on Nature and the Environment (RMNO) of the Netherlands, analyses these tensions, contains four case studies, and formulates possible solutions.

- Selective perception; the need for knowledge is seen within the framework of the dominant problem definition. Here are several pitfalls:
 - Hesitant or steered problem recognition
 - No integral problem analysis and problem defining
 - Technical solutions as the only problem approach
 - Social developments seen as fixed phenomena instead of dynamic processes
 - Ignoring of problem levels and problem owners
- Unbalanced interests and dominant paradigms; the acceptance of knowledge depends on the norms and values of the major players:
 - Social or shared view is absent
 - Social-economic interests are dominant
 - Dominant concepts and fixed points of departure for policy
 - Hierarchical steering role of the government
 - Natural science paradigm is favoured most
- Taboos and polarisations in the decision-making process can influence the use of knowledge:
 - Solution-oriented policy phrases and decision trees
 - Persistent taboos that stay out of the decision-making process
 - Polarisation in the policy discussion (yes-no discussion where knowledge is used to convince other parties)
 - Interwoven policy and research system (only using research institutions with which good relations exist)
 - Closed political arenas and negotiation circuits
- Selective steering and use of knowledge; the public sector influences the availability of knowledge:
 - Every party involved in the policy process orders its own research
- Technical research and quantifiable norms; a preference for making choices on the basis of certainties instead of uncertainties:
 - Late and static input of knowledge about certain aspects such as nature and environment
 - Dominance of technical-scientific arguments for a known solution
 - Lack of integration and synthesis.

The RMNO report presents a view on how to deal with these problems. Some of the ideas put forward are:

- I In current society, science more and more relates to, and has to take into account, fundamental uncertainties in policy questions about, for

example, social risks and the environment. The traditional styles of (normal) science activity are no longer suitable within such a context, for those depart from an objectively knowable reality, from certainty, and from control over the natural system. The RMNO assumes that science is not an activity that takes place in a social vacuum, but is constructed socially, just like all other social activities.

- 2 Knowledge production has to take place in a transdisciplinary way; crossing not only the borders of the disciplines but also of the research world. Knowledge production should not only be carried out in multi-disciplinary teams, but must also take place within the context it will be eventually applied. Knowledge production not only takes place at universities but also in other types of societal organisations.
- 3 Knowledge production must not take place exclusively from one paradigm that is dominant in a specific policy arena, but from a range of paradigms that is just as varied as the range of paradigms represented in the policy arena.

The above ideas are especially meant for complex, multi-actor, unstructured societal problems where there is a dissensus about the values *and* about the knowledge (in ‘t Veld, 2002a). In these cases it is important to include fact finding and knowledge production in the transactive process: a *knowledge-inclusive* approach.

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	Consensus about values	Dissensus about values
Consensus about knowledge	Separation of knowledge and policy	
Dissensus about knowledge		Intertwining of knowledge and policy

Figure 3.2 Relation of knowledge and policy

4 Public-Sector Organisations

After having looked at the public sphere in general (Chapter 2) and the relations of the public sector to its environment (Chapter 3), this chapter concerns the *organisational* context of the public sector. Here the main problems and questions are:

- In the public sector, tension seems to exist between the still dominant machine bureaucracy metaphor and the network metaphor. Does this frustrate the establishment of horizontal relations with societal parties? How does this work? (cf. Ch. 4.1).
- In public-sector organisations, process managers who work with external parties, employees who work mainly internally, and politicians all have different roles. However, these three groups of internal actors are not usually differentiated within the classical vertical organisation structure; the latter focuses mainly on power and efficient decision-making. The question therefore is if it is useful to describe the ‘work environment’ of the three groups in terms of network zones. Could this contribute to a better performance in relation to external network partners? (cf. 4.2–4.4).
- Public-sector organisations sometimes show a strong preference for either internal or external relations although in both cases, performance problems develop. In the first case, the societal demands for more participation are not met. In the second case, the internal organisation is unable to support the external interactivity and serious credibility problems can arise. What are the backgrounds of these unbalanced situations? How do the three groups of internal actors behave in differentiated types of unbalanced organisations? (cf. 4.5).

4.1 Public-sector network zones

4.1.1 *Organisational metaphors*

What one perceives as the main features of an organisation is reflected in how one describes the organisation. The series of organisational metaphors that Morgan¹ (1986) developed shows that the same organisation can be described using more than one 'correct' metaphor. One of the most used metaphors is the *machine bureaucracy* metaphor, which has a focus on structure, hierarchy, and procedures. This metaphor was very practical as long as society had a dominant hierarchical culture. Although society now is developing into a more horizontal network society, it is still often used to describe the essentials of a public-sector organisation.

The Dutch Ministry of the Environment (VROM) pictured itself, on a web site that was launched in the beginning of 2001, as a classical machine bureaucracy. Figure 4.1 signals that the Ministry considered the power and decision making structure to be the most important characteristic to show to the outside world and thinks that others are mainly interested in this.

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An alternative is to present a public-sector organisation with a diagram of the centres of specific knowledge in the Ministry. This allows external partners to see in which parts of the Ministry they can find potential network partners. For example, the city of Tilburg in the Netherlands, presents itself as a cluster of knowledge and service centres for specific groups of clients. (Cf. www.tilburg.nl.) The small community of Heusden (www.heusden.nl), close to Tilburg, goes even further: On their website there is no organisation chart, but a search module for all questions citizens and organisations may have.

¹ Morgan differentiates eight organisational metaphors: the organisation as a machine, an organism, a human brain, a culture, a political system, a 'mental prison', flux and transformation and an instrument for ruling.

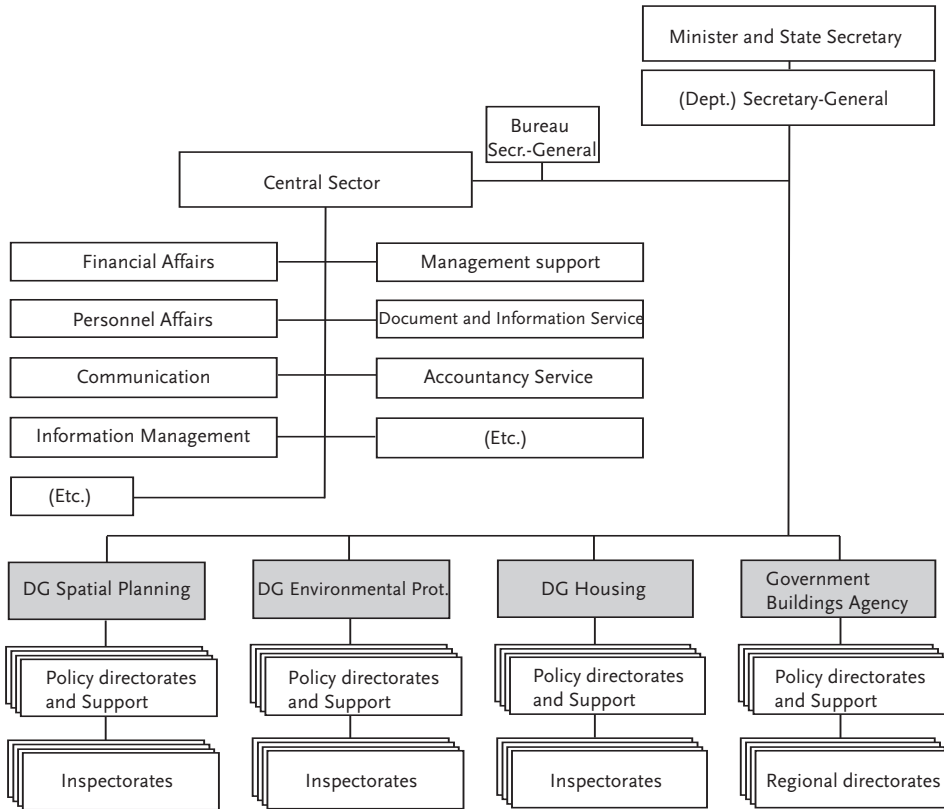


Figure 4.1 The Dutch VROM Ministry as a power and decision-making structure.
After www.vrom.nl (2001)

An organisation that presents itself with a hierarchical organisational diagram illustrates its belief in the ‘vertical’ machine bureaucracy as the most practical organisation metaphor. However, nowadays the ‘horizontal’ network metaphor may be a more accurate way of describing crucial characteristics. If an organisation only intervenes via influence and knowledge (the main intervention strategies of a horizontal network organisation) and not with power (the main intervention strategy of the machine bureaucracy), it completely relies on people’s rationality and transparency. However, public-sector organisations have ‘power-oriented’ instruments such as laws that they should include in the process of finding solutions for societal problems. Working only from the network metaphor can lead to vulnerability; it is too

easily lead to obstructions and therefore is too risky.² Wielinga (1999), pp. 23-26, developed the 'ecological paradigm' as an alternative to what he calls the communicative paradigm, in an attempt to connect the communicative with the power-based bureaucratic approach. In the ecological paradigm, the metaphor of '*living networks*' is used to explaining relations in the networks. This metaphor (which he also calls the *biological metaphor*) refers to similarities between animal and human behaviour. He argues that: "... most human behaviour is either automatic or intuitive and escapes from rational reflection. Actually, we only resort to rationality at the breaking points; the times when we feel that our standard behavioural patterns fall short." In this ecological paradigm, leadership becomes a leading issue; when the people are 'ignorant', it is vital that there are leaders who do understand what is best. (This way of looking at (social) networks is related to the 'red' value systems of Spiral Dynamics (cf. Section 3.2.3). In the 'red' value system, the assumption is that people are lazy. True leaders must suppress natural human tendencies.) This way of reasoning is often seen in the environmental movement and in the environment departments of the public sector, and may be in all one-issue movements.

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Although presenting a public-sector organisation as a network organisation may stimulate productive relations with external and internal partners and customers, it is not a guarantee that the organisation is successful. A modern network organisation can, in a pro-active way and with empowered staff and flexible teams, still focus on the wrong issues. The description of the mechanisms of the internal and external network relation structure and ways of working of public-sector organisations presented in the following sections, may help to understand why these and other deficiencies may occur and can be prevented.

4.1.2 Organisational network zones

In Section 2.2.5, I proposed three network zones that differentiate the type of relations employees of public-sector organisations have: the *interaction zone*, the *intra-action zone*, and the *political zone*. These zones are described in more detail in the following sections.

² Personal communication of Eelke Wielinga, 17-1-2002.

The main characteristics of the three organisational network zones of a public-sector organisation are:

- 1 The interaction zone has an external orientation and focuses on connecting interests. This virtual zone is the working place of the civil servants who interact with external partners specific (policy) issues. They create products, organise knowledge and co-operation, and produce innovations.
- 2 However, they can't do this without a well-balanced partnership with their colleagues within their own organisation who are providers of resources or work on different policy issues. These colleagues work in what I call the intra-action zone. This virtual zone has an internal orientation and focuses on connecting infrastructure and resources.
- 3 What differentiates public-sector organisations from other organisations is, apart from the focus on the public cause, the fact that they are directly or indirectly lead by politicians. Therefore there is a third zone, the political zone, where the main relation process is *connecting visions*.³ This zone has an external (parliament) and an internal (minister) orientation and focuses on ideas and visions.

The three zones appear as different systems with their own rules and cultures and they form the different *arenas* that the process manager has to work with. The interaction zone looks mainly at external actors, whereas the intra-action zone contains only internal actors.

The political zone is a difficult one because it has an internal *and* an external orientation. It can therefore be positioned as an aspect of both the interactive and the intra-active orientation. This adds to the complexity of the three-zone model. Nevertheless, because the political actors behave like a separate group, the political zone has to be described as a separate zone. Politicians (for example, the minister) within and outside the public-sector organisation (a member of parliament) form a 'family', a *social-cognitive configuration*.⁴ A typical phenomenon that happens in these groups is that of social or cognitive

3 The political zone can, in my perception, also be described as the place where *solutions* are produced, for which civil servants have to find appropriate *problems*.

4 Katrien Termeer describes the characteristics of these configurations as the presence of intensive interactions between certain people who share a large part of their definitions of realities. Configurations, Termeer says, seldom match the boundaries of organisations (Termeer (1999), p. 88).

fixation; people in one configuration primarily talk with people from their own group and the group as a whole stops developing and acts defensively to outsiders. This is, in my observation, happening in the political configuration nowadays. Sometimes politicians consider the dynamic changes in our society that are caused by, for example, higher education and by the easier accessibility of knowledge, as threats against the political system which they equate with democracy.

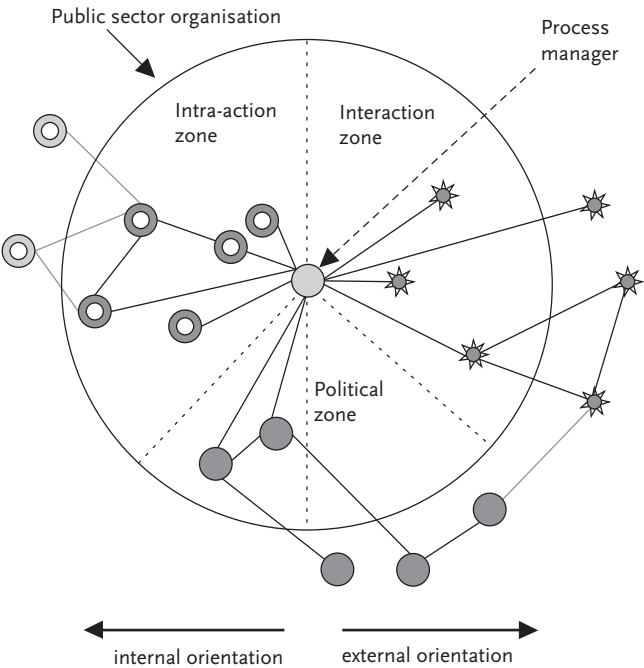


Figure 4.2 Three network zones the public-process manager has to work with

Figure 4.2 positions the process manager in the centre of the organisation. One can also draw a similar picture with the minister or a divisional head in the centre. It depends on what the purpose of the picture is. In *The Pegasus Principle*, the process manager is considered as a central employee in the process of doing what the public sector is there for in the first place; creating solutions and services for societal questions.

Drawing the three zones that the process manager is working with in the hierarchical organisation diagram of Figure 4.3, illustrates that there can be a tension between the organisational power structure and the areas the process manager influences. He or she may, for example, have direct access to the minister without the possible intervention of his hierarchical bosses, and may invite colleagues from other divisions of the organisation to share their expertise without the involvement of their division's head.

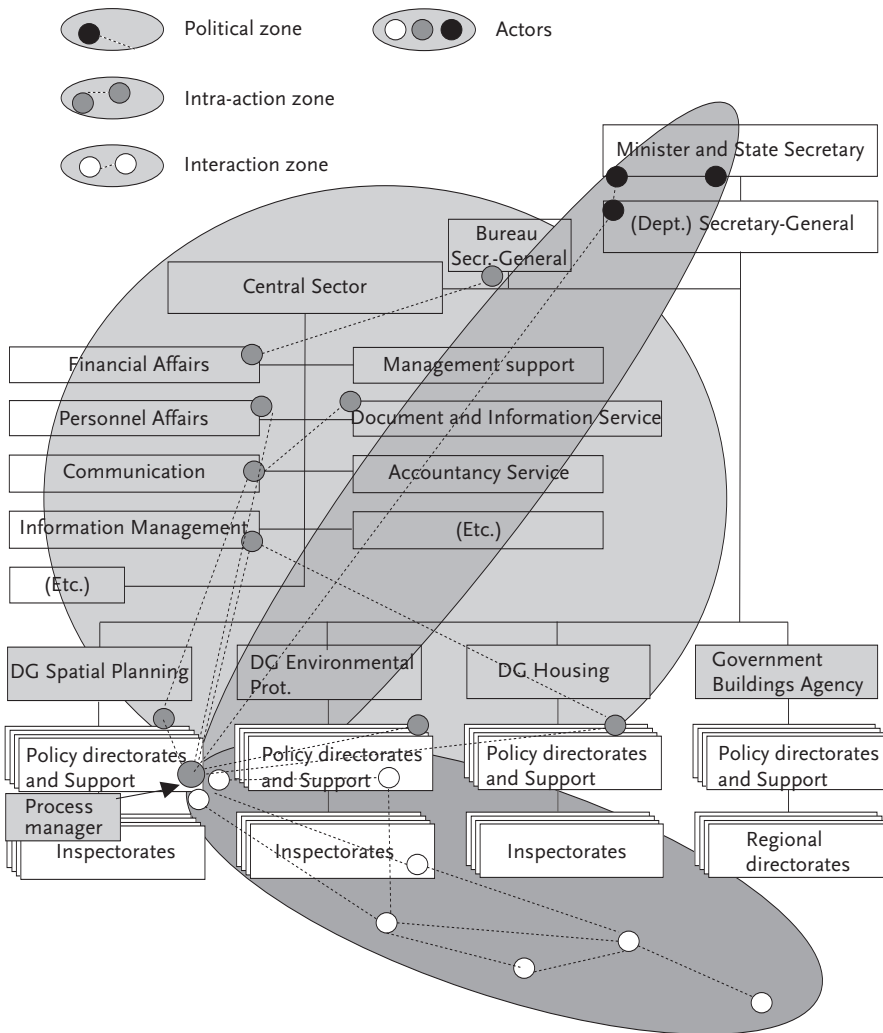


Figure 4.3 The process manager and the three zones in a hierarchical organisation chart

Although public-process managers often have to deal with all three zones, they usually have the interaction zone or the intra-action zone as their ‘home base’. If they work on a policy issue in society, it is the interaction zone. If they work on an internal issue like the ICT infrastructure, it is the intra-action zone. But for civil servants, the home base is rarely the political zone. An exception might be the case where he is a personal secretary to the minister, or works on the minister’s personal staff. In the Netherlands, a minister may have a personal political secretary, but has no political staff. This is different in many countries, like in Belgium, where a minister has a ‘cabinet’ of political civil servants.

4.2 The interaction zone

4.2.1 Introduction

The first virtual zone of the transactive public-sector organisation is the interaction zone. Public-sector organisations invest much time and expertise in the process of interaction with the outside world, but they do not always have a clear strategy for this. It is often not clear who the employees are who work in the process of external interaction, and what their tasks, skills, and attitudes are. Are they professionals with negotiation mandates, process management skills, and network abilities or are they front office people who can only answer questions or complaints? Is their attitude internally driven – in other words, determined by the views of the organisation – or do they see things through the eyes of the organisation’s partners or the public? How broad is the spectrum of expertise in the interaction zone? Do they understand the chances for more co-operation and innovation that exist in the *border zone* between organisations?

An analogy from ecology illustrates how productive an interaction zone can be. When there is a broad *interaction zone* between two ecosystems (called a *limes divergens*) this is the *ecotope* where one can find the largest number of species of plants and animals, the highest biodiversity. This is also the zone where the biggest chance of new subspecies developing exists. It is also a place where very rare plants grow. Vegetation ecologists can spot from a distance where nature is at its richest in terms of diversity and ‘innovative power’.

Managers in public-sector organisations who are able to see those zones are more able to stimulate innovation and to nourish these fruitful zones. They can become the *webbers* (cf. Section 5.4) of these innovation areas.

Stimulating interaction zone activity has an impact on the roles of public-sector line managers. Their employees will start to co-operate with external partners and the outcome will be more or less unpredictable. This might decrease the manager's steering influence, but this doesn't have to be a problem. Shouldn't the public sector concentrate on *issues*, rather than on the *organisations* and its captains?

In the interaction zone, the public-process manager meets his process team colleagues and other colleagues who interact with external partners. These partners work for other public-service organisations, institutions, private companies, interest groups, or represent themselves (experts, citizens). It is crucial for the public-sector organisation, how well people are chosen to be partners in the interaction process for a policy issue. In Chapter 6, several ways of executing this selection process are described (see, for example, 6.3 Actor analysis) and some examples are given of how it can go wrong (see, for example, the *participation paradox*, described in Chapter 7 (Risks and risk management)).

In some complex societal issues, the public-process manager is not the only one who may pick the participants. Furthermore, the type of relations with actors strongly depends on the type of public-sector process he is running. When the process is meant to produce a policy and/or a decision, the form of relation can vary from informing to co-decision-making (cf. 2.2.3). When the process aims at having a service or a product as the outcome, the relationship between the process team and other stakeholders is more a producer-customer type of relationship.

4.2.2 The interaction zone and social self-organisation

If excellent partnership and, besides a good internal orientation, an active external orientation (interactivity) are critical factors for a successful public-sector organisation, what happens if a public-sector organisation decides not to interact but to prepare a new policy 'behind closed doors', and to keep the interaction zone empty?

When the team I headed in the VROM Ministry in 1999 started preparing a new policy for regulating the buying and selling of land for building houses in the Netherlands, this was seen as a complicated and sensitive process. The land policy involved huge financial interests for local authorities and private-project developer's interests, they were not happy about talking about it openly. Stories appeared in the media about enormous profits that private companies and local authorities made when cheap farmland was turned into residential area. In some cases, this change of function multiplied the land value some twenty-fold. Debates on land policy brought down three governments in the 1960s and 1970s (De Vries, 1989). It was therefore not unexpected that, in 1999, Minister Jan Pronk of VROM⁵ decided that the issue was too sensitive to be the subject of an open, interactive policy process. But something interesting happened. While the process team tried to work according to the literal instruction 'keep your mouths shut'⁶, all kinds of other people and organisations got together to share ideas and swap factual information and myths about the subject. Conferences were held in which the Minister didn't allow us to participate, and the 15 top experts (consultants and specialists) in the country suddenly found themselves in the middle of a complex informal network made up of all kinds of coalitions and other types of temporary groups. While the government positioned itself outside of this societal debate, an apparently 'autonomous' (from the point of view of the public sector) process of policy development got under way. In the first few months, the debate on the nature of the problems produced a huge range of ideas, but gradually, as the knowledge of all the participating groups increased, the myths were exposed and a degree of consensus was reached on the main problems. It was as if the two main phases in the process (first divergence and then convergence, see Section 10.1.2) were happening without any clear 'leader'. Although the Ministry did not involve itself openly in the informal interactive debate, it benefited from it. Behind the scenes, of course, the Ministry had to communicate extensively with the hired top experts who, at the same time, advised various societal groups, including political parties, involved in the debate and they had, formally

⁵ Jan Pronk was also a minister in the first Cabinet that fell over the land policy in 1977.

⁶ '*Houdt uw mond over grond*' (keep your mouth shut on the land policy issue) was the motto the Minister of VROM developed for the policy development process. He announced that the Council of Ministers had decided on this motto.

for consultation reasons, access to almost every piece of information the Ministry had. The Ministry influenced the informal public debate by the type of questions it asked the experts and in return got answers that the external experts had already discussed with various stakeholder groups. (Case description based on Meuleman, (2000a)).

The speed and thoroughness in the above example of societal self-organisation was in my mind due to three situational circumstances:

- 1 The use of the Internet and e-mail (which meant that any report or article could be circulated around the country within minutes);
- 2 the high level of professionalism of all the groups that were real stakeholders in the land policy (from private investors to non-governmental organisations such as agricultural groups); and
- 3 the strong culture of consensus-building in the Netherlands.

The above example illustrates that when an issue is on the public agenda, public debate can simply emerge spontaneously. In certain issues, society goes ahead and organises an interactive debate by itself. If the public sector doesn't support, organise, and participate in that societal debate, it may well end up without essential information, whereas all the other parties will have been improving their knowledge by sharing what they know and what they want. If public authorities do not choose to play a leading role, or at least a facilitating one, the chances are that they'll end up playing a role that they do not want or with no role at all.

For these reasons, a non-interactive policy process is not in many cases a viable option anymore. Nevertheless, apparently politicians and public managers sometimes believe that if they don't organise a public, interactive debate, nothing will happen.

The afore-mentioned type of 'autonomous' self-organisation process will not occur in all cases of public issues. There has to be at least one stakeholder who has or can organise access to the media, and the involved stakeholders have to be able to get relevant information which is not difficult now that the Internet exists. The issue also has to be relevant for society, there has to be something at stake and, to be honest, public-sector organisations have been known to execute projects which do not match this second criterion and will therefore never have to face an interactive, public self-organisation process. Examples are processes that have the objective of refining already existing policies or regulations, and that are typically started in a situation where no other urgent and important issues exist.

Some politicians consider the phenomenon of societal self-organisation as a threat to democracy. Others consider it as an enrichment of the complex new democracy that is developing; a development that brings us back to the basis of democracy in Athens where people organised themselves too. They see this development as a challenge to public-sector organisations and political leaders; they have to 'go with the flow' or risk being 'flushed away' into insignificance.

Five conclusions for policy development processes can be drawn from the phenomenon of societal self-organisation:

- 1 *Choose a role.* The question of whether new policies should be prepared in interaction with society moves to the question: *how* is it done? Which role (producer, director, facilitator, player) does the public-sector organisation choose from the options it has at its disposition? A choice for a non-interactive process means that the public-sector organisation denies itself the possibility to take part in the – partly autonomous – social debate and that it will become difficult to obtain essential knowledge.
- 2 *Use timing.* The timing of interventions by public-sector organisations becomes more important than ever before. Being too late can result in a less significant role.
- 3 *Enforce balance in stakeholder selection.* In the land policy example, most involved parties (except the people who buy new houses) are well organised. They can effectively take part in the debate. In other social issues, for example the waiting lists of hospitals, that is not the case. Then the public sector should help the weaker interests to articulate their arguments better so that in the debate a more democratic balance is created. The public sector should not leave the social debate to the most powerful organisations.
- 4 *Restrain from thinking of White Papers as the only type of output.* During the policy process, one should stay alert to the question of whether the *outcome* of a process should be written up in a White Paper at all; White Papers can be used as a *starting point* for a societal dialogue, while the outcome may be anchored in a different way.
- 5 *Develop a strategic vision.* Whatever role the public-sector organisation chooses, it always has to work with a strategic vision that guides its own actions and is a point of reference for others. The public-sector organisation that participates in a policy process without a strategy of its own, may not be seen as a respected partner by other parties.

4.3 The intra-action zone

4.3.1 Introduction

The second virtual zone of the transactive organisation is the intra-action zone; the zone where internal relations are organised. Every process has its own intra-action zone.

If policy-makers in the interaction zone are doing their work according to the rules of the network society, it is possible that their boss, who is part of the *intra-action zone*, will evaluate their achievements only on the basis of machine-bureaucracy standards such as accuracy and absence of conflict. I've observed several cases of young civil servants enjoying an expensive traineeship, who have been educated, trained, and have left public service out of sheer frustration because of this, all within two years.

All internal colleagues of a public-process manager who are involved in infrastructure, resources and / or related policy fields, are part of the intra-action zone. A public-process manager who works in the interaction zone has to develop good relations with the intra-action zone.

One of the first priorities is to develop good relations with the internal resources departments. When a process manager or project leader gets his commission, his superiors often believe that the project can start the next day. Practical problems such as budget issues are beyond their scope. But the first day of a process can feel like falling from heaven to hell. The process manager's boss, even if he is the Minister, may think that everybody will help him to start his project bureau. However, this may not be the case. Especially in hybrid organisations where 90 per cent of the work is done within the classical hierarchical line organisation, the process manager is an intruder. He disturbs the 'natural order'.

When the management team of the Dutch VROM Ministry commissioned me with the Pegasus project in 1997, it went on for six months before the budget that they had decided to invest in the project, was in fact made available. During those six months I borrowed money from befriended colleague-directors within the Ministry and with that money, I went to a computer shop in the city and ordered computers for my team because the Ministry's internal computer procedures involved a long waiting list. I was already aware of the fact that there were at least six ways in this Ministry of getting

staff without paying for them.⁷ In spite of this, we succeeded, after three months, in installing a Pegasus project bureau that was a very visible unit with the same good connections to the internal resource divisions as normal divisions had. During this period I also fought my way into the Ministry's main building, where there were no rooms available for the project – at first.

This was not the first time I had experienced that the first battle a project manager has to fight is the one against the bureaucracy of his own organisation. We followed the motto of the former Dutch soccer player and self-styled philosopher Johan Crujff, '*Every disadvantage has its advantage*', and used our experience to write a brochure about how to start a project bureau within the setting of a hierarchical organisation (Sietaram and Meuleman, 1999).

From the above example, I submit the following issues that are relevant for a process manager in the interaction zone who has to build relations with the resources part of the intra-action zone:

Organisation and control

What is your organisational position? Who are your *peers*? Who is your direct boss? Which control rules apply to your project bureau and which do not (like quarterly management reports)?

Staff

It is important to know the formal and informal ways you can find people for your team. This part of the process is also about the quality of relations between people. If a process manager can't intra-act to get the resources for the project start-up, will he then be a good inter-actor or intra-actor in the next project phase?

If the project offers learning possibilities, then who would you like to take the lessons? It would be nice if it were people from your own organisation. Secondly, it is a good thing to get people from your own organisation in your team. If necessary, hire consultants to replace them and be sure that your own organisation will have the learning benefit, not the external consultants. Besides this, inviting someone from another organisation to become a team member may prevent 'group thinking'.

⁷ Such as traineeships, exchange programmes with other ministries, re-integration programmes for employees and the use of students.

Information and communication

This is about how to obtain telephones (hardware and internal phone book), computers, intranet and internet connections and communication resources (for example, a communication plan, tools, logo, and stationary).

Housing and materials

This concerns location and/or dislocation, how to order furniture, stationery, etc. The location of the project team may be worth fighting for. If the project is of strategic importance, then never accept an offer of using any other building than the headquarters, especially when you will have to work together with many internal colleagues.

Being persistent to get a good project location is one of the success factors Dutch police chief Peter van Zundert recalls when he looks back at the nine months in 2000 when he was in charge of the project that had to take care of all safety aspects of the European Soccer Championship that took place in the Netherlands and Belgium. He had to have very short communication lines with the Minister of the Interior and didn't accept housing his team anywhere else but in the same part of the Ministry building as the Minister's office (Peter van Zundert, personal communication).

In the case of the Pegasus project, in the VROM Ministry we too were offered an external office location for the project team, whereas our task was to provoke change in the Ministry's ways of working and culture, and our work was to influence everybody, and had to reach into the 'capillary vessels' of the Ministry.

It is interesting that many of the crucial projects of Dutch ministries are externally housed. It is as if they could be dangerous when housed in the core building of the relevant ministry. Dislocation is good for team spirit, but bad for performance.

Finances

Check if the promised budget is really available. Furthermore, the process manager has to be informed about the internal procedures concerning payments and financial administration. It has also to be clear who is responsible for the money: the process manager or his hierarchical boss?

Knowledge management, library, news services, etc.

Sometimes there is an internal service that delivers literature reviews or sources. In the Dutch vROM Ministry, this service is readily available but is also seldom used.

Archives and administration

Often there are internal specialists on hand who know how to start a project archive and what the formal procedures are.

4.4 The political zone

The third zone of a public-sector organisation is the political zone, in which politicians (net)work together. The political zone is internal (the minister and his state secretary or deputy minister – or on the regional or local level on the Netherlands, the Queen's Commissioner and the *gedeputeerden*, respectively the mayor and the councillors) as well as external (the members of parliament or of the regional or city council, active members of the political parties and the research offices of the political parties). Also belonging to the political zone are politically appointed civil servants such as the personal political secretary of a minister and, in some cases, the minister's cabinet of political employees.

The dominant role politicians play in the public sector is often criticised with the argument that they do not really represent the people anymore. In the Netherlands, only about 3 per cent of the adult population are members of political parties (van der Heijden and Schrijver, 2002, p. 27). There are non-governmental groups in the Netherlands, particularly in the area of nature conservation, that have more members than all political parties put together. (The two largest environmental and nature NGO's in the Netherlands, Natuurmonumenten and Greenpeace, in 2001 had 1,5 million members, whereas all political parties together had only 293,000 members. Source: Bovens and Michels (2002), p. 56.)

The number of people who participate in elections has been decreasing for many years now. People seem to look for other ways of participating in society, and very often they find these ways.

Politicians sometimes seem to think that people are less involved in their role in society than in the past, but maybe they have only lost confidence in the politicians. The Dutch parliamentary elections in May 2002 showed a major

loss of public trust in the old political parties. A new populist political party that was founded only two months before the election won 26 out of the 150 seats in Parliament.

These facts underline that the *formal* legitimacy of the government and the *perceived* legitimacy don't have to be the same.

An important debate over the past years, at least in the Netherlands, is the debate on *responsibility* and *accountability*; who is personally responsible and accountable for what happens in or through a public organisation? Are politicians the only people to be responsible or could civil servants also be held responsible by Parliament? The answers differ according to the political view you may hold, and with the public system the country has.

4.4.1 Political primacy

The idea of political primacy means that the political leader of a public organisation, i.e. a minister, delegate, or alderman, should be able to 'steer' the process of solving political issues in a hierarchical way. From the fact that he or she is appointed by a council that is directly chosen by the people, the idea is derived that decisions made by a minister and/or parliament are *always* legitimate. They are always democratic, even if no external interest groups have been involved in the preparation of the decision.

The concept of political primacy does not ask external interactivity nor internal intra-activity from the public organisation. Within this concept, the citizens or interested groups may in reality only directly involve themselves in the public sector every four years during the election.

A former Dutch Environment Minister, in one of his New Year speeches for his civil servants, expressed a vision that reflects a very strong political primacy. He said (I paraphrase): "The people have chosen me as their minister for a four-year period. I don't want them to interfere before the end of the mandate I received. They have the right to evaluate my performance at the next election, but not now." Apparently, he saw himself as the captain of a big ocean liner. He did not favour the idea of shared responsibility with the civil servants who served him. He signalled them: "You are working for me. I was appointed to this job, not you. So you are here to do what I tell you to do."

The minister in this example did not really consider his civil servants as partners, nor as responsible and responsive process agents who see their task as the organisers of creative solutions for complex societal problems, whose main goal is to create connections between the societal arenas with knowledge,

interests, and ideas. In the above example, the political primacy is seen as a matter of *power*, whereas one could also see it as a matter of *content*: different responsibilities of the politician (strategic policy and decision-making) and the civil service (management of the policy cycle) (van Thijn, 1999).

When a colleague and I asked this minister if he objected to our wish to write a contribution to the open dialogue that was going on in the Dutch press at that time on the relation between politicians and civil servants and publish an article (Meuleman and van Velzen, 1998) stating that, in our view, civil servants should be both entrepreneurial *and* loyal to the minister, the Minister approved of this with the surprising comment that it was a discussion for civil servants in which he didn't want to interfere.

The people's representatives in parliament or regional and local councils sometimes find themselves in a bend or bow situation. A minister and/or his civil servants who involve private and non-governmental organisations in policy and even decision-making, do not leave much room for political choices by the representatives at the end of the process.

Sometimes a huge gap grows between an administrative politician (a minister) and the political representatives. I once assisted two ministers, sitting between them, in a meeting with a commission of the Dutch Parliament. The minister on my right side had quite a low opinion of the intelligence of the members of parliament and wanted to help them to influence the policy proposal that was on the agenda (we already had prepared what we called 'small change': elements in the proposal that could easily be missed). The minister on my left side, however, didn't trust the MPs and didn't want to accept compromises that would weaken the proposal, unless the MPs were very convincing. The first minister saw the MPs as weak opponents (opposite interests but to be trusted), the second as weak enemies (opposite interests, and not to be trusted) (cf. 7.4 Strength analysis).

One of the arguments used by members of parliament is that they are the only legitimate bearers of democratic decisions. But this seems problematic considering the gap between them – and politics in general – and the public. One possible action against this background is to involve representatives in the early stages of policy preparation, not to take the place of the minister and his policy workers, but with a clear, own position. People's representatives can be invited to contribute in two areas where they should be very good: their political vision and their specific expertise (Meuleman, 1999a).

If politicians come up with their visions on a complex issue at an early stage of the decision-making process, the issues will be dealt with in a more integral way. Some political parties look at issues from a more economical perspective; others see the issue primarily as a social issue. The question: 'what is this issue really about?' can thus provoke different answers. Politicians also take good notice of what their voters want. This is a specific type of 'expertise' that may be useful in defining the policy issue and the range of possible answers.

In order to use these specific input types of politicians during an early process phase, the minister or councillor may invite the proper representatives' commission for a public consultation. Public, because that adds to the transparency and open flow of information, and it also keeps the political dialogue within the political zone, thus not mixing the responsibilities of the minister (dealing with interest groups) and of the parliament (giving directions and verifying afterwards).

4.4.2 Political leadership

Former Dutch Minister for the Interior Ed van Thijn, writing about the role of the political head of a public-sector organisation such as a minister, states that: "... even in a multi-stakeholder society, how paradoxical it may sound, or even better, ... especially in a multi-stakeholder society political leadership is needed." (van Thijn, 2000). Van Thijn calls for interactive political leadership. That means a "leader who keeps the decision-making process going and watches over the coherence and integrality (putting things together); who makes sure that democratic values and the principles of the constitutional state are not sacrificed for the sake of efficiency; who does not lose sight of the individuals behind the statistics; who is capable of counterbalancing the dominance of interest groups; who fights for the public interest ... and sets clear normative policy-making conditions; ... someone who listens to those who, for a long time, were deprived of participation and therefore fell behind," In this he agrees with Osborne and Plastrik (1997), who wrote: "Reinventing government asks for political leadership, for profiles in courage." This new political leader is in fact a *webber* of his political network.

The past years in the Netherlands have produced a number of political crises in which ministers turned out not to have had essential information when they made strategic decisions. They acted more as spokesmen for their ministries

than as political managers of their organisations. Public opinion and parliament, however, held them responsible for the deeds of their ministries, resulting in panic reactions and hearings to find out what had happened.

4.4.3 Political black box management

It is interesting that many politicians don't see themselves as managers, or as leaders of an organisation. They think of themselves as leaders, but they lead 'the people', not a ministry with thousands of 'pig-headed' civil servants who don't want to be lead.⁸ On the other hand, they also could see themselves as *political* process managers of the political decision-making process. In this role they can create connections with their own organisations (intra-action) as well as with the external environment (interaction).

What sometimes happens though is that ministers, regional deputies, and councillors sometimes consider their public-sector organisation as a *black box* (Meuleman, 1999b). They don't know how the black box works, what happens inside, and therefore their organisation is quite unpredictable for them. The top management team of the ministry may have an interest in keeping the minister in the dark, although from what I have seen in the Dutch context, in general the top civil servants are very loyal and try to develop teamwork situations with the minister.

Jo Ritzen, former Dutch Minister for Education, wrote a 'handbook' for ministers (Ritzen, 1998) that addresses the relationship between political and bureaucratic leadership. In his opinion, a minister should show very active and strong leadership of the ministry, and start doing this the first day he enters the job, otherwise it can be too late.

As long as some of the politically responsible people leave the understanding of the organisation they formally lead to their public managers, incidents and scandals may happen on a regular basis. In this case, politicians continue signing documents of which they don't even know the content. They will go on being surprised at what jumps out of the black box.

It is unclear why politicians often seem not to be very interested in knowing how the organisation they are responsible for works. One reason might be that going into politics is seen as a *vocation* instead of a *profession*. Inspiration, transpiration, and a well-developed political antenna seem to be enough to

8 The secretary generals of the ministries often have no strong profile either; they have to be in the shadow of the minister.

become a government minister. If political parties turned away from the discussion about political *primacy* (too often seen as ‘who has the power?’) and invested in political *leadership*, the performance of the public service as a whole could be increased.

4.5 Four types of public-sector organisation

4.5.1 Introduction

In the above sections I proposed that, for a public-process manager, there are three virtual zones that have *two orientations*: external and internal. Along two axes with the key processes *interactivity* and *intra-activity*, four types of public organisations or processes can be described: In all four types, the political zone has a specific form and all four can be of the policy and decisions type or the service and products type:

- 1 Some public-sector organisations lack both internal and external orientation. They are neither interactive nor intra-active. I call them inert as they have an introvert culture. Most people don’t know that they exist. When they are (re)discovered, it means the end of the organisation. Other inert public-sector organisations execute tasks that have lost their sense of direction.

It is possible that the now defunct Dutch control authority that was responsible for the collection of annual fees to support public broadcasting, was an inert-type organisation. This agency was only active in the collection of licence fees. The government had decided that only those who possessed a radio or television receiver would be required to pay for the financing of the public broadcasting organisation. When a new state secretary ‘discovered’ in 1998 that this organisation cost almost 30 million Euros a year to run, he soon decided to transform the fee into a part of the income tax, and close the Control Authority.

- 2 The 100 per cent interactive public-sector organisation is a perfect customer and partner-oriented organisation. It is a very interactive organisation that has a high profile in the media. In the Netherlands, the *Kadaster* (The National Land Registry Office) is a good example.
- 3 The 100 per cent intra-active public-sector organisation. This type of organisation exists mainly for itself. It is like the new hospital in the BBC

series ‘*Yes Minister*’, that won the award for the most efficient hospital because it did not allow patients in the building because they were considered to be ‘disturbing elements’.

- 4 The last type of public organisation is the one that combines both interactivity and intra-activity in a well balanced way. I propose to call it the transactive public-sector organisation.

An example of the transactive type is the Dutch national tax agency. With their slogan ‘We can’t make it cheaper for you, but we can make it easier’ and a strong external orientation, they acquired a positive public image. At the same time, quite extraordinarily for an agency, the director-general is in close contact with the Minister of Finance as she is a member of the management team of the Ministry and has weekly meetings with the Minister.

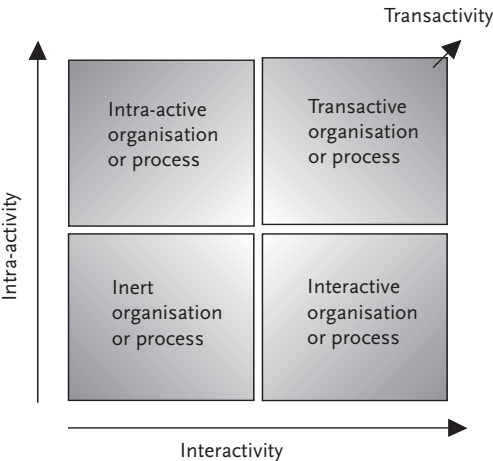


Figure 4.4 Four types of public-sector organisations or processes

4.5.2 The inert public-sector organisation

An inert public-sector organisation has a mission that rarely involves external factors like customers or partners. The mission statement explains their powers and assignments in that part of the public sector that is in *their* domain. Within this context, it is remarkable that most Dutch ministries have formal mission statements that describe their powers and legal tasks, instead of the type of social issues they have knowledge and experience to invest in.

The inert public-sector organisation aims at continuity, predictability, and conformity. If you aren't working in an inert public-sector organisation, it is difficult to find one; they often hide or they have some innovation projects that are merely window dressing.⁹ In an inert public-sector organisation, the outside world is seen as the enemy. Change is a risky issue and the employees are afraid to take initiatives.

An inert public-sector organisation likes to set its own standards. It is not open to outside initiatives. They are received with a 'not-invented-here' welcome. Their own initiatives are likely to fail in getting support when brought to the attention of its customers or partners, because they are not products of a relationship. Inert organisations do not build relations with outside partners or strong internal relations. They inform rather than communicate. Sometimes they build coalitions with similar organisations, on a non-interference basis.

The internal service divisions of ministries have a tendency to become inert public-sector organisations because they don't have competitors.

The personal affairs division that sent new human resources management policy reports to the other divisions in the organisation twice a year is a typical example. These reports were not prepared in intra-action with the other divisions, who therefore did not implement the new policies. Inert divisions of this type are not triggered into changing their attitudes as long as their performances are measured in different terms. An inert personal affairs division therefore may continue to vainly produce new policies on learning, management development, etc.

Another example of the inert type was the inter-ministerial steering committee on the management of a huge (pig) manure surplus that polluted soil and groundwater. There was no political commitment to take measures that would attack the problem at source (the intensive, industrial pig farming industry) and, as a result, no real decisions were taken for many years. At the same time, there was a high-level steering committee that ordered continuous research projects and made it look as if the problem was under control.¹⁰ This example

⁹ A window-dressing type of innovation process can be 'exposed' when one proposes that the process will involve a pilot using one of the 'crown jewels' of the organisation; the strategic issues or plans that are crucial for their continuity. The proposal is nearly always instantaneously denied.

¹⁰ As a member of this steering committee between 1992 and 1994, I observed that about every three months there were new and more alarming research data on the amount of hectares of land that were saturated with phosphates from the dumping of pig manure (the first data in 1985 showed 5000 hectares and, at the beginning of the 1990's, the figures had risen to hundreds of thousands hectares (somewhere between 200,000 and 400,000) – numbers that were so enormous that the problem, for that reason only, had already become (politically) unsolvable.

clarifies that an inert public-sector organisation can be active but, at the same time, not effective (they show what I call '*dynamic inertia*').

An ambitious process manager who is employed by an inert public-sector organisation has a difficult task. If he only designs an internal process, if that is possible at all because maybe no one is interested, the outcome will not be valid for society. If he creates an external process too, if he is not explicitly forbidden to do so, like in the land policy example (4.2.2), he will blow up so much dust that everybody in his own organisation will become angry at him. A solution may be to get firm support from the political leaders and top managers of the organisation. Of course, that is no guarantee for success.

Several years ago, a Dutch minister wanted to introduce drastic changes in the policy of his ministry, based upon advice from the head of his strategic division. The Minister's actions were not only boycotted by his own civil servants, but also by the experts in this area within Parliament and within society itself. The Minister – and his head of strategy who was replaced within a year – found himself isolated. Even when the Minister tried to introduce the changes in small steps, those steps were easily recognised as part of the bigger picture and were therefore rejected.

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A process manager who works in the interaction zone of an inert public organisation doesn't get the information he needs. Every question he asks leads to unclear answers and delays. This happens on two fronts. In the first place, the colleagues in his project team who are his co-players in the organisation's interaction zone are probably not used to listening to and communicating with external partners. External information is not seen as being very welcome and most external partners are seen as amateurs. They can't come up with interesting ideas because they are not seen as experts as his colleagues are.

In the second place, the internal divisions that are not involved directly in his project, see him and his team as a disturbance of the normal procedures – a temporary disturbance because all projects finally come to an end – so his colleagues simply wait until it's over.

In the political zone of the inert public organisation, the minister does not get the information he needs to take strategic decisions. This concerns both information on policy issues as well as on internal issues concerning staff, financing, etc. Because the minister cannot know if the information he gets his hands on is essential or trivial, he may make strategic blunders on a regular

basis. Even if he has gathered a group of political advisors who he trusts, the distrust he develops in his staff ensures that he will go from crisis to crisis. The political leader of an inert public organisation is basically a crisis manager.

When only a part of the organisation is of the inert type, it is possible that the politician in charge is not even aware of the existence of the inert division. But this is also a risky situation; he will never know if and when he had had to know about its work.

In some cases, the minister and civil servants have a tacit agreement – of which they may not be really aware themselves – not to bother each other with specific information. The reason for this is that such information could lead the minister to adopt a political stance too soon, a possibility which could tempt civil servants to present a report that was less thorough than they would have liked it to be. Behind this kind of tacit agreement not to inform, lies the idea that information can be damaging. This belief accounts for the fact that vital policy information is often missing at an early stage when its influence could be great.

4.5.3 The interactive public-sector organisation

The *interactive* public-sector organisation is the opposite of the inert type, in terms of connectivity with outside partners or customers. This type of organisation is completely committed to interactive policy-making and to co-operation in implementation processes, but has a very low level of intra-action.

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The Dutch Ministry of vrom, that has a long history of working with a method called Implementation Challenge, based upon the Harvard Negotiation Approach of Larry Susskind¹¹, has offered quite clear examples on this. In the 1990's, I saw a head of the environmental directorate of the vrom Ministry explain on national television that his colleague, a director of the spatial planning directorate of the same ministry, had developed a crazy policy. The spatial planning people had ordered that new office buildings should be built within a range of several hundreds meters from railway stations to encourage the use of public transport. At the same time, the environment people had

¹¹ This course focused on finding so-called 'win-win situations' in multi-actor policy processes. The downside of it was that some civil servants turned this into the belief that it is possible to find win-win solutions in any situation. This was heavily criticised. A weekly magazine in the Netherlands once had a cover story with the title 'The win-win dogma of vrom'.

developed a policy that declared a 300 meter zone around railway stations as a no building zone because of the risks connected with the transport of explosives and toxic chemical substances by rail. Both policies were agreed upon by the same minister, their boss, so they both thought they were right. I am sure that it did not strike them that it wouldn't look good in the eyes of the public.

In the interactive, customer-oriented public organisation, the minister is periodically informed about the results that his project managers achieve in negotiating with external parties. The front line, the policy workers, see the minister as part of the 'back office' of the ministry, so he is often surprised by results that he thinks are politically not sellable. In that case, he might decide against the negotiated results, leaving the ministry as a whole with a credibility problem. In the interactive public organisation, the minister has much trouble managing the expectations of the rest of the political network and of the voters. His decisions are often seen as contradictory.

This kind of deliberate non-involvement of politics situation often develops when civil servants think that specialists like themselves, together with external experts, are the best people to run policy processes. For example, they can be heard to say that they work for the environment rather than for the Minister of the Environment. Formally, of course, the minister is in charge, so the time always comes when he or she has to adopt a position or take a decision. It does nothing to enhance public respect for government if, at the end of an interactive process, the minister appears not to have been involved and decides to disregard the consensus or result that has been reached. For this reason, civil servants should always act with an explicit ministerial mandate in the field of public interaction as elsewhere.

Even if the minister or the councillor of a municipality involves himself actively in the interactive process but neglects connecting with the political network, things will go wrong.

In the community of Wassenaar, a plan was put forward to improve and broaden a regional motorway that carries much traffic. The councillor responsible for infrastructure decided it was going to be an interactive process. Gradually, he became so involved in the interactive policy process that he neglected to involve his political network. So the municipal council rejected the negotiated consensus he and his civil servants together had achieved. This did not add to the credibility of the Wassenaar municipality among its inhabitants.

4.5.4 The intra-active public-sector organisation

The opposite of the interactive organisation in terms of connectivity with outside parties is the public-sector organisation that is completely committed to *internal* co-operation and co-creation or *intra-activity*, and lacks external interaction. This organisation places itself on centre stage. It produces information brochures that inform you in 'full colour' and on the finest paper how the organisation is dedicated to working as a whole, and informs everyone who wants to know, about every detail of the internal procedures and processes.

In the early 1990's, I took a brochure from the information stand of the Dutch province of Gelderland about citizens' participation that illustrates this quite well. The brochure stated that participation of citizens was very important on the one hand but, on the other hand, the provincial council was elected to take decisions and they did their very best to take decisions in all the people's interest. So, the brochure continued, it was important that the policy preparation process was an undisturbed process. Right after the decisions were taken, citizens who didn't understand the correctness of the choices made by the provincial council could, if they insisted, use a legal procedure to obstruct the implementation of the decisions.

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In the intra-active public-sector organisation, the minister or councillor does not get through to the policy workers who should work on politically relevant issues. The organisation seems very active and the internal communication and information infrastructure is perfected. The minister gets nothing done, but doesn't do much wrong either. He is not really in charge of the organisation.

4.5.5 The transactive public-sector organisation

The public-sector organisation that combines both interactivity and intra-activity in a balanced way (tailor-made for the projects and processes it is organising or involved in), I call the *transactive* organisation.

An example is the organisation of the temporary closure of the A10 West Motorway around Amsterdam in 2001. The normal daily traffic jams on this motorway had already caused substantial problems and so closing the road should multiply the problems. But not this time. Tens of thousands of cars

seemed to have disappeared. The secret probably lies in the very good process management which involved many internal parties (within the Ministry of Transport, such as the road renewal divisions, the communications division) and external parties: private companies, police, several municipal services, and public transport organisations.

The type of organisational behaviour can vary in time and issue. The same organisation can behave inert in one policy issue, interactive in another, and intra-active in others.

The Green Heart Case: Transactivity

In 1995, the Green Heart process was an example of a process in which the internal co-operation between the communication division and the rural areas division of the Dutch vROM Ministry was productive. There was a mutual respect of each other's professionalism and there was a shared vision on how to interact with outside partners: make clear our basic policy, but listen very carefully in order to improve the policy and to understand how the interests of most people could be better served in measures that were going to be prepared. The expertise of the internal colleagues was welcomed but, at the same time, it was acknowledged that outside partners had far more expertise in many of the issues the process covered. Last but not least, there was close co-operation with the minister, with whom a weekly meeting took place.

In the transactive public organisation, the minister or some other political manager is involved in all major internally and externally directed processes. He believes that policy-making and resources management are equally essential. He explicitly gives or withdraws mandates or delegation to his civil servants, so he can not only be in charge but can also be held responsible and accountable for the performance of the public organisation. He is very much aware of having a strategic role in connecting the political network with the internal and external networks of the public organisation.

He is aware that it is necessary to involve members of parliament. He knows that they want to base their political standpoint on the best available information and will profit from participating in the network where information is shared and knowledge is developed on the issue concerned. One way to encourage this might be to invite members of parliament to take on special roles that do not require them to express an opinion before they are ready to do so. Examples might be chairing debates and organising hearings (Section 4.4).

The process manager of a transactive process has to cross boundaries in order to create well-balanced and productive relationships with actors in different network zones. The attitude he has to have in order to be able to do this, probably stimulates him to organise his knowledge production and fact finding in a transdisciplinary way (cf. Section 3.4).

4.5.6 Intercultural differences and the four types of public-sector organisations

The relation between the four cultural axes of Hofstede (3.3.1) and the four types of public-sector organisations I described, depends on the culture you are part of. In the Dutch and related northern European cultures, this might look as follows:

- 1 The North European (NE) *inert* public-sector organisation is a great hiding place for people who want to avoid insecurity. A certain amount of collectivity helps the status quo to remain, as does the hierarchical thinking (power distance). At the same time, this type of organisation is more 'feminine' than 'masculine' in Hofstede's terms.
- 2 NE *interactive* public-sector organisation is very masculine and individualistic. The people who work in interactive public-sector organisations are willing to take risks (low insecurity avoidance) and believe in a low power distance, because the power lies in the extraversion of each employee.
- 3 The NE *intra-active* public-sector organisation shares high insecurity avoidance (as a social hiding place) with the inert public-sector organisation. The internal dynamics, however, can be very masculine and hierarchical. Its tendency is more collective than individualistic.
- 4 The NE *transactive* public-sector organisation, the organisation that is networking both externally and internally is individualistic (empowered professionals), has a low power distance (horizontal organisation), uses the qualities of gender differences ('feminine'; works with and invests in competencies of people), and has a low insecurity avoidance factor (you learn best by doing and you're allowed to make mistakes). It is close to the deeper culture of the people in these countries.

5 Transition to Transactive Public-Sector Organisations

Chapter 5 is about the public sector's ability to execute *organisational change* into an organisation type that better supports relations with the network society (the *transactive* type).

Is it necessary (if possible at all) to change a public-sector organisation into a network organisation? Is the idea of a hybrid organisation (a combination of a hierarchical and a network organisation) feasible? (Sections 5.1–5.3).

Organisational change has to be 'carried' by employees on crucial positions. In this case, the middle managers who function at the intersection of vertical and horizontal orientation, might be the best *change agents*. What are the roles the middle managers may play and are they encouraged to do so? (Section 5.4).

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5.1 Creating organisational balance

The four different organisation types (the inert, the intra-active, the interactive, and the transactive type) introduced in Chapter 4, can appear in any public organisation at any time, or in any process:

A director in the Dutch Ministry of Agriculture and Nature gave two examples when I asked him about unbalance in his ministry's internal and external orientation. "The *Nature Management Programme* that was meant to implement the National Nature Plan, is an example of a very intra-active process. Well organised internally, but with too little effort to involve external parties that could be our allies." He takes an opposite example from the same directorate of Nature Policy. "*Operation Tree House*, that was meant to set the foundation for a new nature policy plan, was a very interactive process. Unorthodox, creative, imaginative sessions were organised based on the idea that nature is not only a common good that has to be protected against people, but also has a specific personal value for every citizen." To the outside world, this was

an innovative process, but he now says, "It didn't land in our own organisation. We didn't feel we had much to do with it. The political superior, the State Secretary for Nature Conservation, was not involved that much either."

Both of the above examples show an unbalance in interaction and intra-action within the same organisation. Sometimes the organisation *as a whole* has an unbalance that is deeply imbedded in the organisational culture. In that case, what might be ways of stimulating organisational change in a more transactive direction?

- 1 Change involves new methods; changing an organisation with methods that are part of the 'old' organisational culture is difficult. In the literature on organisational change, it is widely accepted that change is more successful when methods are used that are part of the new organisational paradigm. This is not easy when the 'change agents' are deeply involved in the 'old' system. A recent research project into what public managers really do (not what they claim to be doing) concludes that public (process and line) managers are working in a very ambiguous situation. "Competent public managers are professional sense-makers. They know how to perceive cues, stimuli and triggers, and how to relate them to new or existing issue streams (interpretive competencies), they know how to initiate and maintain issue streams (institutional competencies), and they know how to bring issue streams to a head (textual competencies). This makes their work inherently ambiguous. ... They must alter the form and content of meetings by attending meetings and they must alter the rules of the game by playing according to the rules of the game." (Noordegraaf, 2000).

Therefore, in a change process of an unbalanced public-sector organisation (that is, in terms of Chapter 4 *inert*, *intra-active* or *interactive*) into a transactive public-sector organisation, the methods should be transactive; they should involve internal and external partners. This means that external (expertise, interests) as well as internal forces (ownership, ambition) are used.

- 2 Another aspect of organisational change is that the complexity of changing the public sector is so great that changing is always a *process* and not a project. Therefore, there is no unique method for these changes. There are no 'thirty-nine steps' to change vertically organised public-sector organisations into more horizontally oriented transactive organisations. Those who are involved have to be aware of the complexity of what is happening and have an open-minded attitude towards learning

from each other. Fixed route maps pointing the one-and-only correct way to achieve the ideal organisation may turn out to be counterproductive. Therefore, the basic attitude for a change process like the one towards a transactive public-sector organisation, may be similar to what I call the *Law of the River*:

Picture yourself as a tourist in Paris. You are standing in front of the *Sacré Coeur* church that overlooks the city from Montmartre, and you want to walk to *Notre Dame* down on the embankment of the River Seine. There are two options: You can take out a map and check your route at every junction, thus focusing on the map rather than on what's around you. Or you just start walking, using *the Law of the River* that says that if you follow roads that go downhill, you'll always get to the river in the end. If you do the latter, you have plenty of time to look around and see the people, the shops, and everything else a lively city has to offer.

- 3 A third change issue is how to create ownership, one of the three critical success factors for processes organised by public-sector organisations, described in IO.I.I.I.

One of the ministries in the Netherlands wanted to create a new identity for the whole organisation. The change process started with management team decisions that were meant to 'abolish' the subcultures of the five departments of the organisation. For example, they had to stop printing their own periodicals. A public relations company was hired to communicate a new, general identity to the employees of the ministry. There was little enthusiasm for this change process. People felt hurt because their identification with their job was taken away from them and they were not involved in the development of the new 'coat' they had to wear.

The idea of a *general* cultural identity for the whole ministry (4000 employees) is something that comes from a machine-bureaucratic organisation concept, where 'control' is more important than 'support'. Ownership seems an important factor. When you want to empower civil servants to work in and with external networks, it may be counterproductive if you try to impose one common cultural identity on them; they might feel like puppets on a string. It just might be more appealing to talk about 'building transactive public networks' than about 'banishing bureaucracy' (Osborne and Plastrik, 1997).

- 4 Communication quality is also a critical success factor for organisational change. Paul Geelen, head of the environmental policy's management support unit at the Dutch Environment Ministry, sees it as a question of bad communication. "Most of the misunderstanding and tensions in the ministry originate from the fact that people are living in two separate worlds; the vertical, hierarchical world of the minister, the top management and many people working in the intra-action zone, and the horizontal, networking world of many people who work in the interaction zone." Two different paradigms about the same public sector, separated by a sea of non-communication.

A process manager who is not in a position to start a general change process in an organisation that has an unbalanced culture and/or structure, can still take action to improve the situation:

- I When the basis of the process manager's work in the public sector is in the intra-action zone, he may
 - a Work from the assumption that his colleagues in the *interaction zone* need him. He may try to enforce his *customer* orientation. One step further is to investigate if he can develop *partnerships* with the interaction zone.
 - b Open a service desk for process managers' resources in his organisation. The process manager doesn't have to walk from desk to desk to get all his resources, and the resources provider will learn better what his or her needs are.
 - c Do not develop new command and control tools to 'get the networkers on track again'. ISO-certification (standardisation) of network organisation seems a *contradictio in terminis*. But his interactive colleagues do have to monitor their progress, to manage their resources and to deliver an outcome. Could a tool like a Balanced Score Card (BSC) do the trick? It stimulates interaction, personal development, empowerment, *and* delivers the hard figures the colleagues in the interaction zone need. Offer them to develop a BSC tool together.
 - d Ask his colleagues how he can be of more help. For example, how can he organise his process differently in order to facilitate maximum flexibility for the interaction zone colleagues?
 - e Check if he can abolish some of the old command and control mechanisms and tools that only survive because everybody is used to them. Forget too detailed questionnaires and standards for management reports. Stop routine staff meetings.

- 2 When the process managers' work is mainly externally oriented (he works in the interaction zone), he may
 - a Be more aware that his colleagues in the intra-action zone need him. He is their customer. He might try to see if he can improve his feedback and offer his knowledge and experience in order to help them do a better job.
 - b See above under (c): he may develop together with his intra-active colleagues tools like a BSC, for monitoring, support, and control.
 - c Inform his colleagues about things he learns in the external world that might interest them, such as:
 - new forms of human resource management, like new legal constructions,
 - new forms of financial organisation between organisations,
 - new forms of contracts etc. that will be of interest to the legal department.

5.2 A hybrid organisation model for transactive process management

In Section 4.1.1, the tensions between the vertical and the more horizontally oriented transactive public-sector organisation are illustrated. How can the vertical-horizontal balance that is often coupled with the internal-external balance, be improved?

Whereas a vertical orientation may be more appropriate for internal affairs (power and decision making), horizontal orientation is generally more appropriate for externally oriented processes. Figure 5.1 shows that both types of organisations can be drawn in one picture. The upper organisational layer is a knowledge-based network organisation (Roobeek, 1999). The lower layer, the foundation one could say, is the hierarchical organisation. Both can function together, but the critical thing is how they are connected; do they have reliable interfaces?

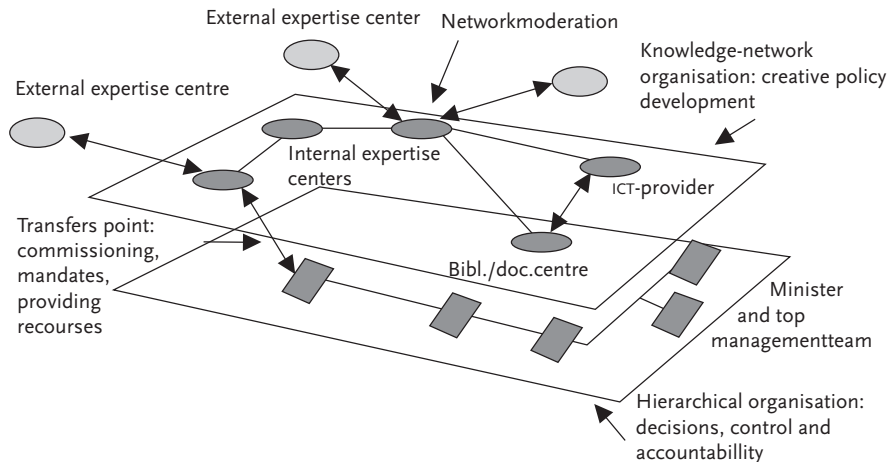


Figure 5.1 The hybrid public-sector organisation: connections between the hierarchical and the knowledge-based network organisation

5.3 Characteristics of a transactive public-sector organisation

A transactive public-sector organisation:

- I Has a flexible form. The one-cell life form *amoeba* is a good analogy. The three zones of the organisation permanently change their shape, but they all work together.

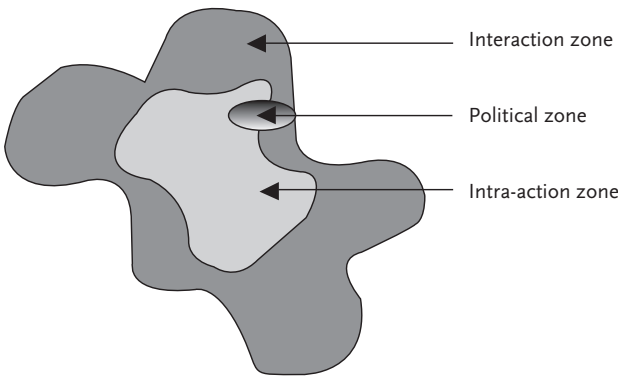


Figure 5.2 The transactive public-sector organisation as an amoeba

- 2 Has three distinct network zones or sub networks: the interaction zone, the intra-action zone, and the political zone.
- 3 Has a hybrid organisation form that combines the qualities of the hierarchical and the network organisation.
- 4 Has an optimal communication and co-operation between the three network zones; all processes are in balance in this respect.
- 5 Has three types of (temporary) units: clusters of knowledge and experience, process teams, and organisational basis resource units (like human resource management, finance).
- 6 Has an ICT-based internal infrastructure for communication and support.
- 7 Has professional process managers.

When the transactive public-sector organisation has an internal balance, it can begin to improve its performance in the network society. Networking is when people share what they want, what they know, and what their competences are, to create added value in terms of a better outcome for a complex strategic process, new ideas, innovative solutions, etc. Networking is not drinking wine with colleagues and stakeholders. It has to have an objective, a direction.

Most of the networks I co-initiated in recent years had knowledge sharing as their main purpose. With the Netherlands Association for Public Management, we created a network of innovators in process management on a national level, and a network for decision-makers in the field of e-commerce and e-government. The two most recent networks I co-initiated go one step further; they are designed as *productive* networks. The first is a national knowledge network on the issue of the public sector as an employer: human resource management, strategy, ICT, etc. About 20 consultant and training companies started the Akelis network together with the foundation the Stichting Algemene Bestuursdienst voor Decentrale Overheden (an organisation that originates from the Netherlands Association for Public Management) that is responsible for moderating the network. This network has organised the knowledge-sharing with the rule that all participating organisations have to share with the network, once a year, a best practice and a worst-case practice. The second objective of Akelis is to co-create knowledge, but creating pilots on issues that are not yet touched upon for several reasons (for example, scale). An example is an interpublic traineeship project for small and medium-size local authorities that are too small and don't have the knowledge to start a trainee programme alone.

Another example is the pilot phase in 2002 of the interpublic network MeetingMoreMinds Public. This concept originates from the intercorporate

initiative of Annemieke Roobeek and Erik Mandersloot of Nyenrode University, called MeetingMoreMinds Corporate, in which a group of 12 companies developed a free working space for work on innovation and strategic problems. In the MeetingMoreMinds approach, the variation of physical (high touch) and virtual (high tech) meetings is crucial.

The MeetingMoreMinds Public network is intensively moderated. The interpublic pilot started with several ministries and large cities: an interorganisational community of about 125 people. The participants of this community worked on projects they chose together by sharing their strategic agendas. The issues that were chosen were innovative (interactive and transactive) policy-making, innovation of inspection and maintenance of laws and regulations, the relation of the public sector and citizens, social cohesion, and integration of policies. The projects were a combination of high tech (virtual, via internet) and high touch (physical) meetings. e-learning programmes on such issues as network abilities, network organisations, and scenario techniques. The fact that civil servants who never normally come into contact with each other because they work in different policy fields such as social security, transport, or agriculture, worked together on these projects, was a guarantee for the production of some new and surprising ideas. Interorganisational networking should not involve extra work, it should be merely a different way of working. Although the participants liked this new way of working on strategic issues, they had trouble finding enough time for the projects. The reason was that the strategic agenda they formulated for their own organisation did not match with the daily priorities. Only a small percentage of the people in a ministry work on projects or processes that are in the top 10 of strategic issues. Urgent and standard issues often take priority over the more important ones. In the second phase of the pilot, we learned from that and asked the participants to put forward issues that were not only considered of strategic *importance* but were also *urgent*.

This example illustrates that the classical method to prioritise the paperwork you have on your desk (Figure 5.3) seems also to be useful for prioritising issues for interorganisational cooperation.

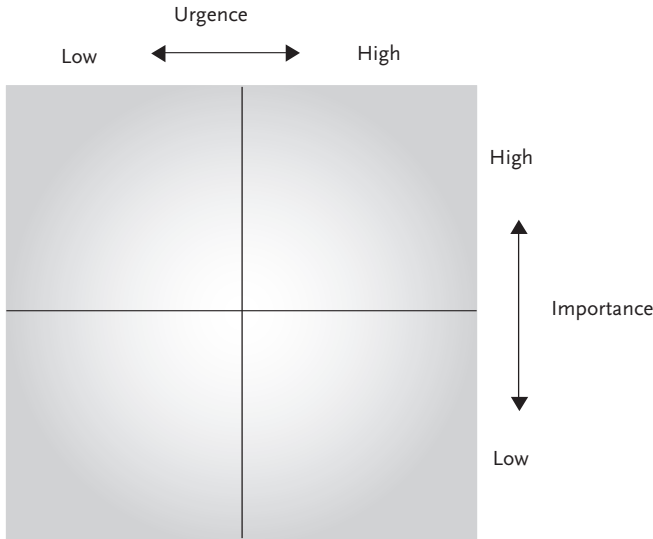


Figure 5.3 Prioritising interorganisational cooperation

5.4 The enabling roles of middle management

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Maintaining and constantly renewing an organisation that helps people to act effectively in transactive processes, requires managers with a support-centred rather than a control-centred approach. These managers have the task of creating and facilitating the network infrastructure by all means from using the best information technology to stimulating a networking culture.

However, managers in the middle and lower echelons of public-sector organisations often don't have this attitude. In 1999 we discussed the new role of middle management with several groups of middle managers in the Dutch VROM Ministry and found that they were very much a *lost* group. They felt neglected – and they were. For example, the Ministry did not even possess a list of all its 350 middle managers and management training was available only for the 'top 100' in the organisation. Some middle managers felt trapped – kicked around both from 'above' and from 'below'. They also felt there was no time to talk about these feelings with each other. In order to mitigate this problem, we proposed the establishment of mutual support groups. We took them seriously by asking them what they felt and what they wanted, instead of just producing methods and procedures to transform their units into open, externally orientated groups. If we had not done this, I am sure that we would have found

that they were 'conservative', filled with 'negative energy', and building up huge resistance to any process of change.

On another occasion, we discussed the roles the (middle-) manager has to play with about 75 public (middle-) managers (Meuleman, 1999c). They came up with the following roles:

- 1 The commissioner: points of attention are a clear formulation of the commission, the commissioner is one person, not a group responsibility, and the commissioner should stay away from process managers' responsibilities.
- 2 The interface with the political arena: points of attention are provide a mandate or instruction, translate the political position (which has a broader perspective) to the process manager.
- 3 The coach and line manager: points of attention are criteria for evaluation, provider of (infrastructure to) resources and give feedback.
- 4 The knowledge interface: provide ICT tools, stimulate knowledge management, organiser 'knowledge-friendly'. (Like one my colleagues did when he organised his large policy division in the Ministry (about 30 people) in two ways: all employees worked together in production teams or process teams, but were all also part of an expertise team.)
- 5 The networker: participate in horizontal and vertical networks that may provide (as such) redundant information that can be very useful for process managers.

Apart from these five roles, there are at least three other roles the middle-manager of a transactive public-sector organisation can play:

- 6 The webber: Managers have to learn to navigate with their employees on the knowledge streams inside and outside the organisation in order to connect internal and external knowledge sources. The manager here becomes the 'webber' whose most important task is to create the infrastructure – in every way – for his or her employees so that they are able to move freely in a knowledge network of colleagues. The webber is someone who works inside and outside the organisation, who develops relations and puts them through to employees. The typical webber is not the hierarchical middle-manager, although he can be one, but is more often a team leader within an organisation.
- 7 The T-shaped manager According to Hansen and von Oetinger (2001) in an organisation that is both hierarchical and networking, the manager should divide his time between two types of activities. The vertical type is taking decisions and reporting on the financial, personnel, and other

resources issues that make up the organisation's framework. Maintaining and building the network infrastructure can also be part of that. The horizontal activities are those in which, for example, new connections between organisations are formed, process teams meet, diagonal strategy teams meet. Hansen and von Oetinger found that this is a successful type of management in the multinational BP Corporation.

- 8 From the same authors, and also from the BP example, originates the role of managers – but also other professionals could take this role – to connect people who have specific questions but don't know the colleague who could have the answers. They call them 'human portals'. This can be executed by simple e-mail correspondence but, compared to hiring consultants to answer your question, works much faster and makes better use of the knowledge in your organisation.

5.5 The Pegasus Principle

The first five chapters of this book form an introduction to the central question of this book, the question of why the public sector has difficulties in attuning to the emerging network society. In Chapter 1, Dutch society is pictured as one with a strong consensus oriented culture. Against this background, Chapter 2 describes the position of the public sector within the public sphere, the arena where organisations and citizens work together for the public cause. The public sector with its dominant vertical, hierarchical culture has difficulties in coping with the new informal, horizontally oriented network society. This becomes evident when we look at the cultural background of the relations of the public sector with this environment, the perception of public expectations, and the attitude towards knowledge (Chapter 3). In Chapter 4, it is argued that a plausible explanation for these difficulties can be found in the unbalance of public-sector organisations in their internal-external orientation as well as in other orientations. A three-zone model is introduced and four types of public-sector organisations are described. It is then argued that the *transactive* model with its combination of internal and external orientations may be the most successful to operate in the public sphere. In Chapter 5, several aspects of changing an unbalanced public-sector organisation into a more transactive one are discussed.

A new public-sector organisation that is successful in the network society has to be creative, professional, and reliable. This led to what I call the Pegasus Principle.

When I managed the process that had the objective of stimulating the Dutch VROM Ministry into more interactive (externally oriented) behaviour, and we were often disappointed about the results we got, the answer (or at least a plausible answer) was so close that we couldn't see it. It was as if we were sitting on it. When I proposed using the image of the winged horse *Pegasus*¹ as the image of our programme, I only had a general idea about what it stood for: it was an intuitive decision. But now I know that it stands for two key issues in changing the public sector into a more credible partner in societal networks:

The first is connectivity. *Pegasus* connected two worlds, the world of men and the world of the ancient Greek gods. Both worlds are arenas, networks of interaction. When a public-process manager interacts with the external world and doesn't invest in good relations with the public-sector organisation he is employed by (I call this intra-acting), this process manager can turn out to be unreliable. I realised that in many of the interactive policy processes I have observed or taken part in, only the external world was the 'target' of interaction. But then it became clear that connectivity means creating a tailor-made balance in interacting with the external *and* intra-acting with internal networks. I called this balance of active external and internal orientations the transactive approach.

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The second issue is creativity. *Pegasus* was also the horse of the Muses and therefore stands for musicality, spirituality, in short, for creativity. The second pitfall of public processes is that they often follow linear methods with no room for serendipity. Operating in complex networks, however, is not a linear thing. You cannot develop a 25-step method for managing strategic public processes. More than ever, public issues are risky or ambiguous and cannot be solved by classical line or project management. Like *Pegasus*, a public-process manager has to be alert all the time, taking into account numerous aspects, and be flexible and creative in the decisions he takes.

The combination of *connectivity* and *creativity* in one principle leads to the Pegasus Principle:

¹ The Greek Pegasus myth is the story about a winged horse that was able to connect the worlds of men and gods. It could travel on land and in the air, it helped heroes to victory but also possessed the gift of spurring the artistic, the creative activity of men.

The better a public-process manager is able to combine interactivity with external partners and intra-activity with internal partners into a transactive approach, the more reliable and therefore the more successful he (and the public-sector organisation as a whole) will become as a partner in public-sphere networks.

According to this principle, the professional *process manager* is crucial for the success of the public-sector organisation. This is in contrast with the fact that, for example, in the Dutch VROM Ministry, policy workers are only trained in *project management*: the art of controlling situations that are predictable. A public-sector manager should, in my view, be trained in both process management *and* project management.

Part II

Transactive Process Management in Praxis

Part I introduced the context in which the public-sector process manager works. Questions were addressed about the public sphere, the relational context, and the organisational context of the public-sector organisation.

Part II focuses on the roles of public-process managers. They are the people who do the actual work of organising complex, multi-actor processes. However, they have not always been able to learn the 'art' of managing complex, multi-actor processes and if they have, then still their (cultural and organisational) environment may be a barrier instead of a support. Therefore, when investigating the deficient coping of the public sector by the network society, it is important to know that public-sector process managers are equipped to perform their tasks:

- a How can one make a systematic assessment of the process environment? (Ch. 6)
- b How can one cope with different types of public-sector process management risks? (Ch.7)
- c How can one design process meetings that match the objectives of the process as well as the type of participation of actors? (Ch. 8)
- d How can one systematically create a learning situation while running a complex process, and what are the roles of communication and ICT? (Ch. 9)
- e How can one address the differences between projects and processes? What are typical issues the process manager may encounter in all process phases? (Ch.10)

6 Assessment of the Process Environment¹

6.1 An environment assessment ‘menu’

The analysis of the process environment is a crucial phase in the preparation of a policy or other process. What are the relevant factors? Who are the relevant parties in the three network zones? How do they relate to each other? Many methods have been developed and tested for questions like these. The following is an overview of the methods that are presented in Chapter 6:

Factor analysis: describing the problem field (6.2):

- Problem definition,
- Type of issue (complex or simple),
- Mapping relevant developments.

Actor analysis: listing actors and their interests (6.3):

- Mapping the most important players,
- Types of possible roles,
- Assessment of interests and standpoints,
- Selection of representatives.

Strength analysis: identification of power and positions (6.4):

- Trust and interests,
- Position and stake of the actors.

Network and relation analysis (6.5):

- Identification of networks,
- Multiple networks.

¹ This chapter is based on van der Ent *et al.* (1999). The literature used in that brochure is Vrakking and Van Oosterhout (1996), Hoppe and Peterse (1998), Diepenmaat *et al.* (1997), de Bruijn *et al.* (1998), Ministerie van vrom, Pegasus/Twynstra Gudde (1998), and Senter (1999).

Argumentation analysis: the present state of the debate (6.6):

- Ideological level,
- System level,
- Problem level,
- Technical/instrumental level.

6.2 Factor analysis

The factor analysis is the first step in process environment analysis. It is a quick scan of the problem environment in order to make a first 'diagnosis'. Following the next three steps gives an insight into the problem the process will focus on:

- Problem definition,
- Typing the problem (simple or complex),
- Mapping relevant developments.

- 1 While defining the problem, several questions have to be asked: What is the motive, the occasion that it is an issue now? Who is the commissioning person or body? How would you describe the problem? How would others describe the problem? What objectives could a project or a process have that has to deal with the problem?

The definition of the problem will probably change during the process. A complex public process can be described as problems and solutions looking for each other. Therefore, it is better to find a matching/agreed problem definition than to stick to the first problem definition at any cost.

- 2 Some problems are complex, others are simple. Some ask for creative and transactive process approaches, other problems can be solved with a straight, classical project approach. If you answer the following questions mainly with 'no', then you probably cannot use the classical linear, project, routine approach, but you'll have to develop a dynamic, iterative, non-linear transactive process (de Bruijn and in 't Veld, 1998).²

2 More about linearity versus non-linearity (project versus process) in Section 10.1.1.

Table 6.1 Aspects of complexity

Aspects of the complexity of the problem	Yes	No
Is sufficient 'objective' information available?		
Do we have unified standards to weigh different solutions?		
Can the problem be solved without solving other problems?		
Can the problem be solved without co-operation with other parties?		
Is the number of stakeholders small?		
Is the measure of contradiction of the interests low?		
Is the problem expected to stay stable (not dynamic)?		

A second way of typing problems relates to the structure of the problem. If there is much consensus about the goals, standards, and values, and there is enough information about the impact of policy instruments, then the problem can be considered as highly structured. It is probably not necessary to invest much energy in transactivity.

Table 6.2 Problem structure

		Consensus about standards and values	
Availability & accuracy of knowledge		Low	High
		Low	High
↓	Low	Unstructured problem (transactivity about objective and means)	Semi-structured problem (transactivity about objective)
	High	Semi-structured problem (transactivity about means)	Structured problem (classical linear project)

- 3 The third step of the factor analysis is the mapping of relevant developments. This may involve:
- A description of actuality (recent developments);
 - A summary of the statements politicians, experts, agencies, stakeholders have made recently (collect newspaper clippings and proceedings of meetings);
 - An inventory of the main starting points for the process. For example, existing legislation, policy frameworks, recent political choices, role of the public sector, financial and other internal and

external restrictions and possibilities. It is relevant to assess which measure you can use to influence these starting points; for example, a province has more difficulty in aiming successfully at a new national law than a ministry.

6.3 Actor analysis

The complexity of an internal or external policy process is not only caused by the complexity of the *content* but also by the complexity of the relations between the involved *parties*. A picture of the external and internal stakeholders network can be developed in two steps:

- Mapping and selecting the most important stakeholders (6.3.1),
- Describing the possible roles they (will) play (6.3.2).

6.3.1 Mapping and selecting the actors

The basic questions for the *actor analysis* is which parties should be involved in the process, and when and why? Is it important to involve all parties? If there are many stakeholders, the process may become too complex, so the selection of stakeholders may be necessary. One has to find actors who have important interdependencies. If a stakeholder is left out, he can show up at unexpected times and disturb the process.

The following checklist can be useful for making an inventory of the different types of actors in the three network zones:

- Internal actors (resources and procedures producing divisions as well as policy divisions) in the public-sector organisation you are an employee of,
- Societal sectors (agriculture, youth, cultural/ethnic minorities),
- Public sector (other ministries, regional and local authorities, agencies),
- Non-governmental, non-profit organisations (peace movements, environmental groups, etc.),
- Consumer organisations (patients groups, tenant groups),
- Interest groups,
- Semi-profit organisations (unions, employers' organisations),
- Councils (National Advisory Council for Culture, for Environment, etc.),
- Research institutions (universities, etc.),
- Action groups,
- Political actors (ministers, councillors, representatives, party leaders),

- Last but not least, because most of the above are *vested interests*: unorganised interests (citizens, public opinion, new interest groups that haven't found their way into the media). This is where you may consider starting because here you may find the most unexpected innovative ideas.

The last type of stakeholders, the unorganised interests, is often neglected. The public sector is used to working with institutional parties but not with informal, 'un-organised' interests. But these interests increasingly organise themselves in non-institutional ways: in informal, temporary networks, in (Internet) communities that are 'suddenly' there and have no institutional history or background. Ways to make contact or to find those interest communities are polls, city conferences, digital debates via the Internet, etc. (Section 7.3 (The participation paradox) discusses how to deal with non-organised interests.)

6.3.2 Typing the possible roles

What type of role do the actors actually play in the problem environment? What role would the process manager want to give the actors during the process? What role do the actors themselves want to play in that process? The first question can be answered with the assistance of Table 6.3.

Table 6.3 Actors' roles in processes

Process managers	Those who are commissioned to organise the (policy) process and are responsible for the quality of the process
Decision-makers	Those who take part in the decision-making process, which can be a sub-process of a policy process
Influencers	Actors who influence the (co-)decision-makers (for example NGO's, intermediate organisations, stakeholders, knowledge organisations)
Users	Those who use the outcome of the process – or are confronted with the outcome
Suppliers	Actors who provide staff, resources or knowledge for the process
Executers	Those who will work with the decisions after they have been made
Citizens	Those who have to focus on influencing via, for example, citizens consultations and appeals

As shown in Table 6.3, decision-makers form a separate category of actors. However, a public process does not always lead to a government *decision*; the problem may also be solved by an agreement of the stakeholders that fits into the existing government policy.

6.4 Strength analysis

6.4.1 Analysis of trust and parallelism of interests

A *strength analysis* gives insight in the expected attitude of the actors in the process. Whereas the actor analysis is about content (interests, visions), the strength analysis is about power and positions. This analysis can lead to specific actions towards specific actors.

The first step may be typing the actors according to the following two questions:

- Are the interests of the party parallel or opposite to the interests of your project?
- Are the parties to be trusted? Are the relations with them based on trust?

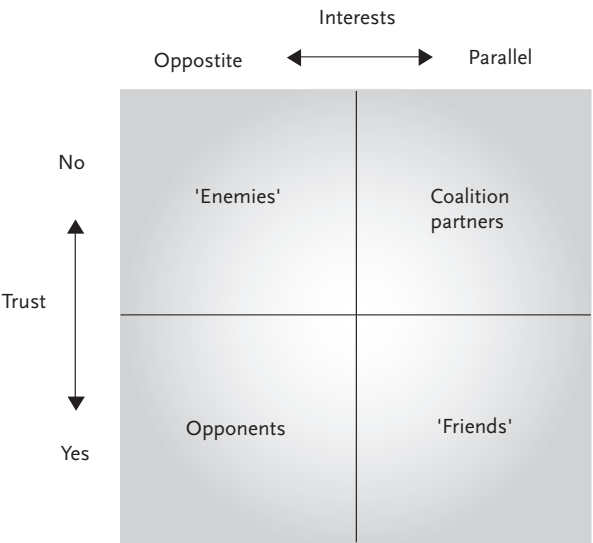


Figure 6.1 Strength analysis of participants

An example of the difference between trusted and not trusted parties comes from the decision-making process around drilling for natural gas in one of Europe's most important natural areas, the Wadden Sea. I was operating as a divisional head in the Environment Ministry. The Ministry of Agriculture, Nature and Fisheries was clearly our 'friend', but the Ministry of Economic Affairs was our main 'enemy'. They not only had an opposite interests (they wanted to support the gas companies), but they were also not to be trusted: Information they gave on the risks of drilling for gas in open water turned out to be inaccurate when we checked it. The gas company was our 'opponent'; they had opposite interests but could be trusted. Their spokesman, Henk Dijkgraaf, now CEO of Shell Netherlands, was genuinely looking to find a compromise. Finally, they came up with an interesting compromise: not drilling *in* but *under* the Wadden Sea, via diagonally drilled pipes according to the latest techniques that started from the mainland. There would be no harm to the environment of the Wadden Sea.

But most environmental groups were not satisfied. They changed their objective from preventing the installation of drilling platforms in the Wadden Sea to a campaign against the use of fossil fuel, and supported the use of sun and wind energy. This is just one example; many stakeholders are willing to do this if they think it serves their interests. So I was not surprised when some of the environmentalist groups now have a campaign against wind energy production because windmills can kill birds. The environmental groups were clearly our 'coalition partners', but not our 'friends'.

Minutes after the Dutch Parliament agreed on the Wadden Sea diagonal drilling compromise in December 1993, Minister Hans Alders was approached by two representatives of Greenpeace. They congratulated the Minister on his success. They said they were surprised how good a compromise he had been able to reach and that they were very satisfied with the result, but that the Minister should understand that this was not what they were going to tell the Press. To the Press, they would play the underdog, because that would provide them with more public support. Minister Alders was not amused by this attitude. The Greenpeace representatives were unpredictable and although they had similar objectives, they were not 'friends'.

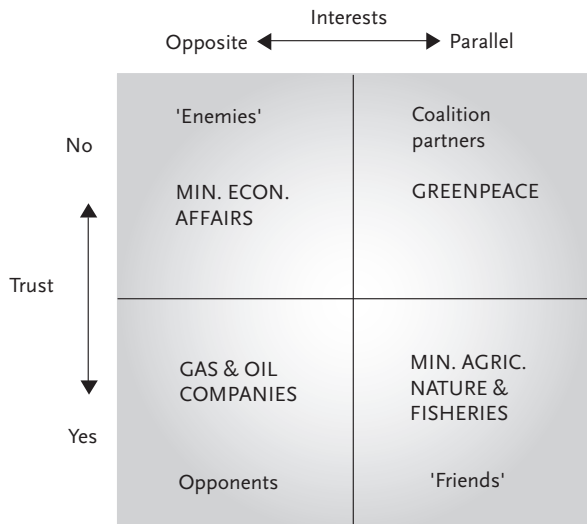


Figure 6.2 Position of participants in the Wadden Sea example

The above example illustrates that a public-sector process manager can meet actor types such as ‘enemies’ or ‘friends’ in the public sector (other ministries, other authorities) as well as in the outside world. This reflects the fact that the public sector is not a monolith, but a complex system of many organisations with sometimes conflicting objectives.

6.4.2 Strength management

The following codes of conduct can be given for the four types of actors:

- 1 Coalition partners: These parties have the same or parallel interests as you have. Their behaviour is, however, not predictable. If there are other developments that are important for them in a different network, on a different issue, this can mean the end of the coalition. Coalition partners can become friends, but that takes time, therefore it is important to invest time in them.
- 2 Friends: These actors have a positive attitude towards the process and can become sponsors and a sounding board for the process. It is important to maintain the good relations with the ‘friends’.
- 3 Opponents: These actors have opposite interests, but can be trusted and are reasonably predictable in their behaviour. They often have a different

view on the process. Talking with them can lead to new insights and the sharpening of your arguments. Opponents can become friends if you can find a common interest. Because there is a trust basis, the change from opponent to friend can develop faster than from coalition partner to friend. A strategy can be to look for common interests (maybe on very different issues) with the 'opponents'.

- 4 Enemies: all attention you direct to these parties seems to be a waste of energy. Every advance will be received with a negative attitude. However, when the enemy is important for the process, it may be necessary to try to build trust or to find a common interest. This may be surprisingly easy.

The Green Heart Case: Strength management

During the Green Heart process, every few weeks we did an external actor typing according to the above method. (The internal actors were not changing positions very much during this process.) We invested much time in building trust in order to be able to promote changing 'coalition partners' such as the farmers associations into 'friends'.

The local authorities in the Green Heart area, were opponents in the beginning because they thought our plans would stop them building new houses for the children of the residents of these communities. The minister's policy was to prevent local authorities creating new building areas in the open landscape of the Green Heart. But it was a policy with a 'double lock'; they were not only denied possession of the open area but, as an extra security, we restricted the number of new houses they were allowed to build. This second lock turned out to be not necessary in relation to our main purpose: keep the open space open and green. Within 24 hours after we became aware of this during a debate with representatives of the local authorities, the minister decided to forget about the second lock. Now the communities could begin building again on open spots in the existing residential area, or change one house into two apartments for the elderly. They had become our 'friends'.

Finally, we had only one 'enemy' left: the regional chambers of commerce. They thought we were against economic development. First we toyed with the idea of neglecting them, because we thought they didn't have enough power to obstruct the process. But we decided to invest in talking with them and, after one meeting, we found the 'formula' that turned them from 'enemies' into 'coalition partners': we promised to help them with innovative industrial building areas where the same area could be used in a multipurpose way. Redeveloping existing but old sites could be turned into modern areas with fewer hectares spoiled.

The four terms coalition partners, friends, opponents and enemies are labels that express what the process manager thinks of or experiences from the attitude stakeholders show at the time he makes the inventory. Different attitudes lead to different types of actions for the process manager.

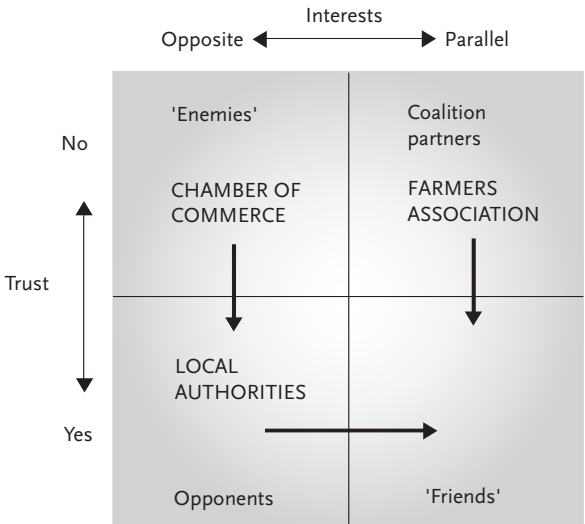


Figure 6.3 Results of strength management in the Green Heart Case

Another example of strength management, and specially of how a process manager can stimulate a change of actors from opponents to friends, comes from the UK (Peter Hinchcliffe, personal communication, November 2002).

A colleague chaired an international committee for a couple of years during a period when its deliberations had numerous political and financial implications. The negotiations were consequently extremely difficult and, as chair, he needed all the friends he could get. One particular group of Latin American countries had a serious problem, a big political issue in their countries, but one that was quite outside the scope of the committee. Their delegations had been instructed to raise it and to get a ruling. The chairman's 'correct' course of action would have been to refuse to take the issue – all other delegations would have backed him, particularly as the committee was working to a tight deadline and could not afford to be distracted in this way. Instead, after talking quietly to the heads of the NGO, industry, and key government delegations on the committee, he allowed the leader of the group to

address the committee. The chairman gave his analysis of the situation and regretted that it could not be considered further. He then ruled that he would refer the matter to the committee's parent body, pointing out that, although the matter was outside the terms of reference, it was felt to be so serious that a special group should be set up to examine it. All this took up a lot of the committee's precious time on a topic that was not its business, but the Latin American group was thus able to report success to their governments. They became active supporters of the chair after that and, with their help, much was done.

If one has little or no information about the trust or the interests of the involved parties, the next approach can be helpful.

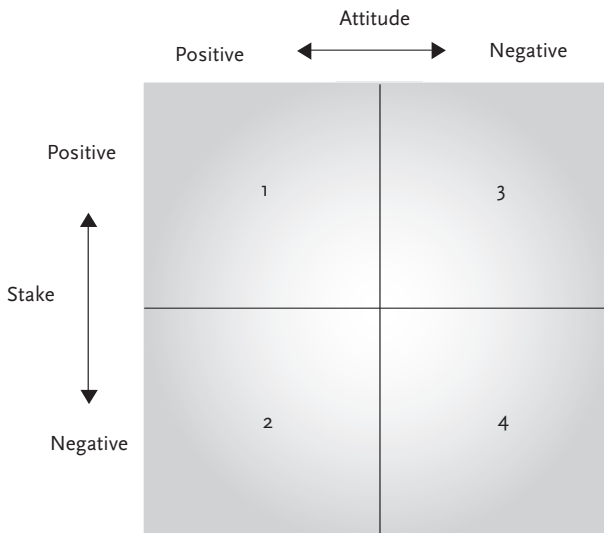


Figure 6.4 Impact of participant's attitude and stake

- 1 In situation 1, the process manager can stay in the background.
- 2 Situation 2 asks for a leading role for the process manager who will try to convince the parties to turn to a common stake, a sense of urgency.
- 3 In situation 3, the active process manager tries to change the negative attitude into a positive one by looking for coalition possibilities.
- 4 Situation 4 is the worst-case scenario: you better not start a process as long as you are in this situation.

6.5 Mapping relations networks

Sometime it looks as, if out of the blue, some of the parties involved in the public process start to form a coalition. That can be a nice surprise, but the public-process manager will probably have known beforehand what was coming. Therefore, insight into the relations between the actors in a process (the network) can provide vital strategic information. A relation analysis not only describes *if* there is a relation, but also what the nature of the relation is. The analysis gives insight into possible occasional (temporary) coalitions that can arise between parties who are, in principle, opponents. With the information from a relation analysis, one can also try to stimulate the birth of coalitions.

Making an explicit map of the relations that are visible (some will stay hidden from you) will show with which influential parties you don't have well-established relations or which relations are, at least for the time being, in this process, redundant. Insight into the relations between parties can be helpful if you want to indirectly influence, via another party.

Finally, the relation analysis will provide useful information about (ir)regular meetings outside the scope of your process, in which stakeholders or other involved actors talk about the issue you are dealing with in your process. The process usually doesn't stop regular meetings in which the issue maybe have been discussed for years before you were told to start a public-sector originated process.

The outcome of the relation analysis is essentially a sheet of paper with a drawing of the actors and their relations. You can use any flow chart or symbols you like. An example is the network map of the Green Heart process shown in Figure 6.5.

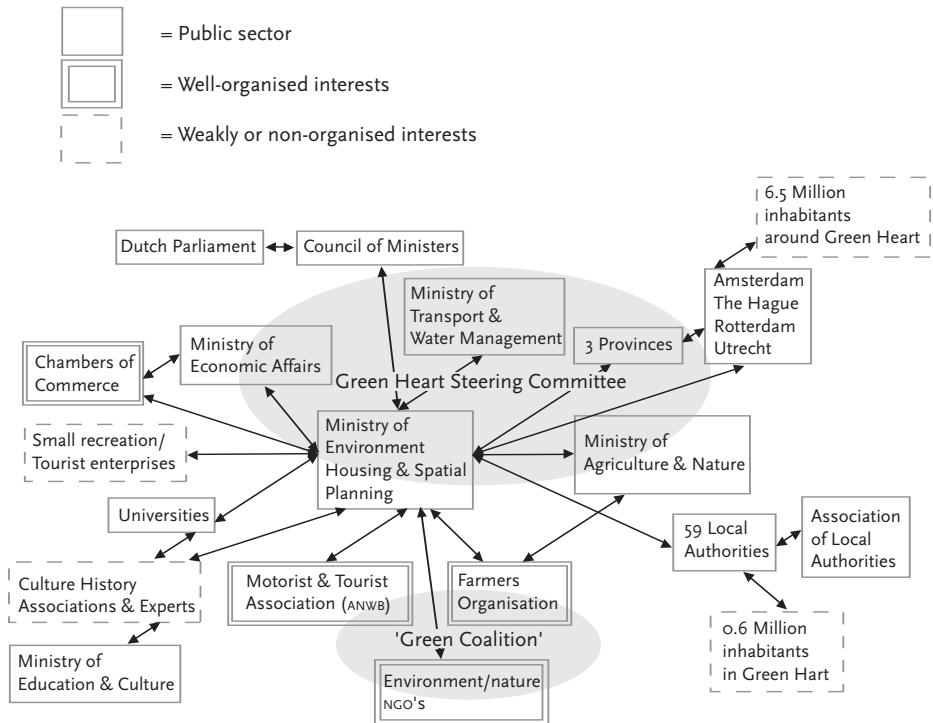


Figure 6.5 Network map of the Green Heart Case

The Green Heart Case: Mapping networks

We drew network maps several times during the Green Heart process in 1995 and they were never the same. Our insights as well as the actual situation changed constantly. While drawing a map, we were discussing possible relations that had not yet been established. For example, the four large cities, including Amsterdam and Rotterdam, that were close to the Green Heart area, had no relations with the stakeholders in the area and only a small interest in the area. For them, it was not a place of nature, historic landscapes, rest and recreation, but non-urban wasteland: not-yet-urbanised farmland. But if we could help to focus their attention on the enormous recreation values the Green Heart area potentially had to offer for their 6 million inhabitants, we would have strong new allies. We invited the responsible councillors of these cities to several meetings with the minister and with other actors, and they started forming relations with several of the involved parties. The common interest we developed was to make plans to open up the Green

Heart area as a recreation area for people in the cities: more bicycle tracks, parking lots, water recreation facilities, etc. This would preferably happen in the border zone of the Green Heart area and would provide a robust 'defence' zone against future urbanisation plans: in the future, the cities themselves would have an interest in keeping this recreation zone green.

Drawing relation maps helps to prevent overlooking important actors and relations between them, and helps the project team to discuss their strategy. Drawing such maps is a creative process that also helps focus the team when you do it together.

Multiple networks

If a public-sector organisation deals with networks, it is usually part of more than one network. The minister is part of a political network, but is also part of the network inside the ministry. The process manager in a ministry is part of the network of a project team, and participates in the circle of societal organisations as well as in the network of colleagues in other public organisations. Every network has a different set of rules.

The way a public manager perceives the issues he has to deal with is strongly related to the network or context he is placing himself in at the time. For him, it is crucial to be aware of the contexts he is working within and in which relevant networks the people he is working with participate.

Because of this complexity, it is not easy to see the whole picture. Not all the information that is vital for you is visible because you may have several 'blind spots'. The public sector's network partners act in several networks at the same time and the issue at stake can be a priority in several other networks you have no access to.

There are at least five phenomena that can be 'blind spots' for the public-process manager:

- I Lack of trust. A process manager should realise that the stakeholders form networks that are partly formal, partly informal. Being part of a network is no guarantee that every partner will share all information that is important to the process manager. His partners may have all kinds of reasons not to come up with the information at the time. Maybe they don't trust him as he trusts them.

- 2 Change of leadership of the process. A public-process manager does not necessarily direct a process in all phases. He might start initiating and leading, and another partner takes over during the second phase. From that time the blind spot becomes a relevant factor; the information dynamics change. He is no longer the one who knows most things first, which puts him in a different position.

The Green Heart Case: Process leadership

A non-governmental organisation (*Natuur & Milieu*) took the lead in organising a broad coalition of support for the minister's policy to keep the Green Heart area open and protect it against urban sprawl and industrial sites. The director of N&M called and said: "I think I see a possible breakthrough. There will be a meeting this week with three other organisations and I'm pushing hard that we form a 'green' coalition. Please don't interfere, let us do the thing, and I'll keep you informed." In this case it was better that N&M took the initiative than the minister.

- 3 Unclear or shifting network loyalty. As all network parties are involved in various networks at the same time, it is sometimes unclear to where their loyalty is directed. Therefore, knowing in which networks your network partners operate, and with which interests this is connected, can be vital information for the public-process manager. Take the example when he invites the national farmers' organisation and the national nature conservation group in a process about the reduction in the use of pesticides. In this case it is relevant to know if both organisations have recently worked together intensively on other projects, and if they were fighting each other or were in a coalition in those projects. This may help to understand why one of the network partners suddenly changes position or even steps out of the network.
- 4 Parallelism of networks. Every policy issue can be simultaneously discussed in different networks that are or are not connected. An example is shown in Figure 6.6.

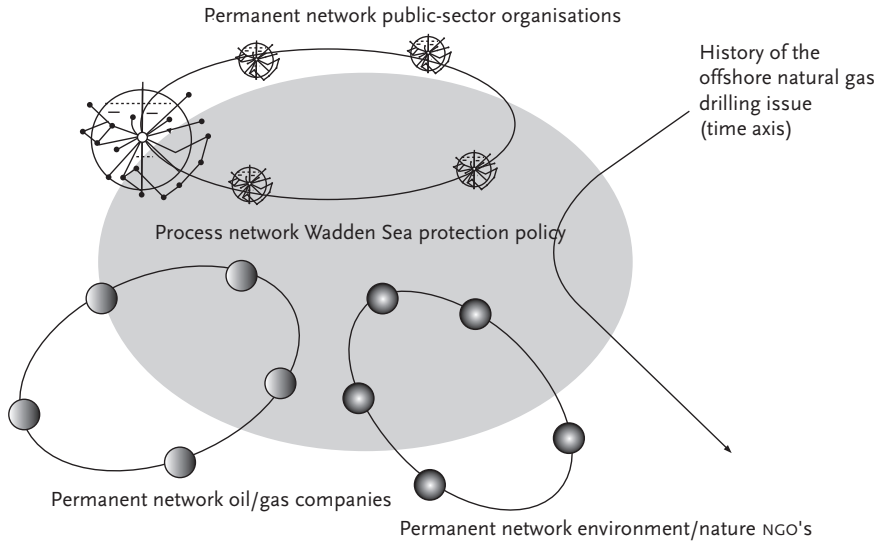


Figure 6.6 Multiple networks in the Wadden Sea Case

The Dutch Government organised a network around a new policy for the Wadden Sea natural gas resources. Besides the public-sector networks, there are well-established networks of the energy companies and of the environmental organisations, in which the same issues are discussed.

In the intra-action zone, the issue of e-learning is an example; it is an issue that is part of the improvement of the human resources policy of your organisation and, at the same time, it is probably an issue in the ICT programme of your organisation. Sometimes these are separated circuits and the people who are setting up the pilot projects never meet each other.

- 5 Unknown Process history. Every policy issue has its own history which may be responsible for strong emotions and resistance from the network partners so it is important that the public-process manager understands the history of his policy issue. Sometimes this historic background is only known by a few people and is never written down. An example from the parliamentary debate on the Green Heart area illustrates this:

The Green Heart Case: Process history

A majority of the Dutch Parliament in 1996 followed the proposal of one of the MPs to protect the Green Heart area by declaring it a 'National Landscape Park'. Farmers in the area immediately protested against this plan. They didn't want to live in a 'park'. I, being the responsible public

manager at the time, by chance knew the history of the debate about national landscape parks in the Netherlands in the 1970s.

Around 1975, the Government came up with a plan to protect the characteristic landscapes of 10 areas by making them 'National Landscape Parks'. As in the Green Heart Case, there was massive opposition to this plan. The Government didn't understand this. The landscape park concept was taken from the United Kingdom, where it was a success.

Finally, someone discovered what caused the problem. The English word 'park' in this context means a rural area that is not totally natural, in which you may clearly see the human influence in the landscape. In the park landscape, you may 'read' the history of human activities. The Dutch word 'park' has a different meaning: a park is a place in an urban area that is meant for recreation only. In a 'Dutch' park, the farmers would have to stop farming and become gardeners. The resistance to the Government's plans changed after a while when they changed the wrong translation *Nationaal Landschapspark* (National Landscape Park) into *Nationaal Landschap*. Twenty years later, the MP who proposed declaring the Green Heart a landscape park, made the same mistake. Because I knew the history, I was able to advise the minister about this misunderstanding. The resistance rapidly decreased when the minister sent a letter with this clarification to all involved network parties and to the Parliament.

To recap, five blind spots of the public-process manager:

- Having network partners doesn't mean that they share all information with you; they may have good reasons not to, for example because they do not completely trust you.
- If you, for good reasons, don't have the lead in a process phase, the information flow in your direction will immediately decrease.
- All network parties are simultaneously involved in several networks, which can cause conflicts of loyalty.
- Many policy issues are simultaneously discussed in different networks that are sometimes not interconnected.
- All policy issues have a history that can trigger unexpected behaviour from network partners.

6.6 Argumentation analysis

What is the actual state of the debate when you start a transactive process? Each issue has its history. The moment a public sector decides that the issue has become a problem or a challenge and that a process has to start, the issue immediately becomes a political issue and is subjected to debate in the media. So it is safe to take for granted that the actors you have made an actor analysis and strength analysis of, have already been discussing the issue and have made their – at least preliminary – standpoints.

The argumentation analysis is a way of understanding the state of the actual debate. Which aspects of the issue have been discussed and which other aspects have been neglected so far? The analysis can be very helpful when a problem is very unstructured or the process has jammed.

The following model discerns four layers of discussion in debates on social issues (Hoppe and Peterse, 1998):

- 1 Ideological level: The ideological argumentation takes place on this level. What vision of society do we have? Does the new policy or strategy fit into the world we would like to create? Does the process lead to a greater well-being of society as a whole? This is about our values and our visions of the world. (It may be interesting to use the Spyrall Dynamics value systems approach here to analyse the situation (cf. 3.2).)
- 2 System level: This level is about argumentation on organisation, structure, and ‘rules of the game’. What type of tools will be used? What is the institutional meaning of the new policy? What is the administrative impact of it? Who will get which competencies? Does this fit in with the way we are used to see the organisation of society?
- 3 Problem level: Here the debate is about arguments on the problem and the objectives. Do we have the right problem? Whose problem is it and why? Are there conflicting objectives? Do we choose the right policy for the problem at hand? Does the problem justify an exception to the common policy?
- 4 Instrumental level: Is the policy working? Will the measures do what they promise? Are the models and the figures that are used reliable? Because the available information is seldom undisputed, on this level there can be an ‘eternal’ technical-scientific debate. On the instrumental level, argumentation can focus on effectivity, efficiency, and side-effects.

The Green Heart Case: Argumentation analysis

In the Green Heart process, in 1995 the 'preferred' level of debate for several key stakeholders was as follows:

	Stakeholder
Ideological level	Minister of Spatial Planning: 'I believe strongly in the twin concept of compact cities accompanied by open, green areas'.
	Environmental NGO's: 'The preservation of green and open areas is essential for nature and man'.
System level	Provinces: 'We should not lose influence because of the new bottom-up approach; many things cannot be decided by local authorities because they have a regional impact'.
	Cities surrounding the Green Heart: 'How can we become responsible for the green areas, as we have no jurisdiction there?'
Problem level	Municipalities in the Green Heart: 'We have housing and economical problems and don't want to talk about greening issues.'
Instrumental level	Chamber of Commerce: 'The Green Heart policy did not work and will never work, let's forget about it.'
	Farmers organisation: 'We don't want measures that are too restrictive for us; we are entrepreneurs and don't want to live in a landscape museum'

Table 6.4 Stakeholders and their preferred argumentation level during the Green Heart process

In the dialogue between public-sector organisation and society, these four levels of argumentation often mix. Many misunderstandings can be rectified if you analyse the arguments. When party A argues on the first level and party B on the fourth level, chances are that the dialogue goes nowhere.

It can be very profitable for the public-process manager to understand what levels are used, and to be aware what is happening when a stakeholder suddenly changes from one level to another; it may be that he does this to confuse the other party.

7 Risk Analysis and Risk Management

7.1 Process management, conflicts and tensions

“Aren’t you painting a too rosy picture of what the manager of a public process can achieve in terms of the quality of the process? You are too optimistic and should describe all the tensions, barriers, blockades, conflicts that we all face now and then in these processes”, Jan Schrijver of the Dutch expertise centre for innovative policy-making (XPIN), reacted to one of the first drafts of this book. I agree that the work of a public-process manager is very difficult and all kinds of unexpected problems can arise during a process, some of which are virtually unsolvable. But I didn’t want to start *The Pegasus Principle* by explaining what can go wrong, but by what can help to organise a positive, productive process; possibilities, options a process manager can use. It is somewhat discouraging to only emphasise the blockades and barriers. Furthermore, it is often the inability to manage *agreement*, not the inability to manage *conflict*, that is the major source of organisational disfunctioning. Nevertheless, this chapter describes risks a transactive public-process manager may encounter. Suggestions are made for analysing how to ‘manage’ them (Meuleman and Schotanus, 1999).

Organisations frequently take action in contradiction to the data they have for dealing with problems and, as a result, they compound their problems rather than solve them. This so-called *Abilene Paradox* deals with absurdity and irrational behaviour, which certainly can be often seen in public-sector organisations that have very complex and often contradictory tasks (Harvey, 1996). When I presented a summary of this book to Nyenrode University post-graduate students who had worked in the private sector, the optimistic view immediately caused reactions of astonishment to the complexity and ambiguity of public-process management.

There are numerous types of tensions a public-process manager may encounter. Most of them are ‘manageable’. Seven examples:

- The process can suddenly become ‘political dynamite’ which places you in a totally different setting. The political responsible person in this case may fundamentally change his priorities overnight.
- The process can become a mess when something – maybe outside the scope of your process – destroys trust between major stakeholders.
- Stakeholders may unite against the public-sector organisation. A recent example in the Netherlands is the common opposition of the unions and the private sector against a new government plan to decrease the number of people with an disabled persons allowance.
- A dispute may arise between stakeholders (public or not public) about the knowledge that is used in the process.
- The public sector wants to start a policy process but finds no commitment in society.
- The public-process manager has chosen (or is commissioned) to take up an independent position; he is the ‘neutral’ facilitator. This is not a credible position for a government representative.
- The minister wants to promote a solution that is not the one the public and/or the stakeholders want.

Risk analysis is a tool that, in an early process phase, can be used to think about the possible risks and how to cope with them. If you analyse which solutions and which organisational and material support are necessary when the process is being disturbed, your process environment will become a little less unpredictable. That means you can use more energy for other things.

The risk analysis has three steps:

- listing the risk factors,
- making a risk matrix,
- formulating actions.

Following are checklists for the first and second steps. After that, several typical examples of process risks and political risks of interaction and intra-action are described.

Listing risk factors

An often used classification list of risk factors is the following:

- Demographic risks: predictions turn out to be false.
- Ecologic risks: use of new technology causes disasters.
- Social risks: social resistance (protest, actions); media risks (they may make a problem bigger than it is).

- Technological risks: the technology is not yet available; technology doesn't work like it was promised; new technology overhauls the policy process.
- Organisational risks: financial risks (costs exceed the budget); time and planning risks; staff shortage; juridical risks (conflicting legislation).
- Economic risks: economic low period; cutting down expenses.
- Political/process risks: democratic legitimation of public participation; tension between politicians and civil servants (process managers).

Making a risk matrix

The following is a method for analysing the risks. All risks can be typed with the following two questions:

- Is the risk very important or not very important for your process?
- Are you able to influence the risk?

When you have made list of the high priority risks, you may ask yourself what actions you can take in order (1) to prevent or lower the change that the event happens and (2) to reduce the damage if the event happens.

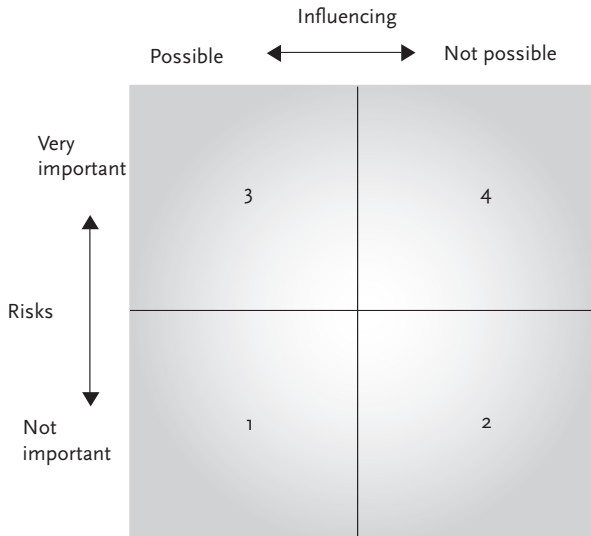


Figure 7.1 Risk matrix

After having completed the risk matrix using the information shown in Figure 7.1, you can take the following action:

- 1 Risks that you categorise in group 1 of Figure 7.1, you have to do something about: they can have an important (negative) impact on the process and you can influence them.
- 2 For the risks of group 2 that are very important but do not influence you, you should see if other parties could be called in to help you.
- 3 Group 3 risks probably only need monitoring. You can do something about them if there is enough time and resources.
- 4 Group 4 risks should only be monitored. Don't waste time and energy on them until they show up in one of the other categories.

In the following section three types of risks are looked at:

- Risks related to the relationships between civil servants and politicians.
- Risks related to the involvement of stakeholders.
- Risks related to procedures.

The majority of the risks described here are also mentioned in other sections of this book. But describing them as risks that are manageable is a different way of looking at it.

7.2 Risks in the relationship between politicians and civil servants

Some people are afraid that the involvement of stakeholders in policy processes gives civil servants too much power. The power of civil servants increases the more they become at the centre of the process. How can politicians take their own responsibility?

It is important that civil servants are aware of the fact that they might be the director, but it is the producer (politician) who makes the movie in the end. The politician, on the other hand, should know that the process manager should have space to move around and should not control too much. If there is any discomfort stemming from the internal roles, then this should be resolved internally.

Describe the division of roles: in the project plan or letter of commission, it should be written down who has what kind of role to perform. Write down as well what role the politician plays towards the goal of the process.

A second issue is the question of the role and position of the democratically chosen representatives in interactive processes. Taking a political decision at the end without having been involved during the process (in contrast to the social groups involved), has become increasingly difficult: they just can't do it right any more.

In this respect as well, a clear division of roles and management of the expectations of the parties involved is essential. The special responsibility of the politicians has to be clear to all involved actors.

Furthermore, it is advisable to involve chosen representatives during a stage before the final decision has to be made. But do make a clear choice per phase in the process (preparation phase, start-up phase, execution phase, evaluation phase) whether this involvement is on a level of content (taking sides) or process only (neutral chairman). If politicians become involved at an early stage, by thinking actively and strategically they will become real participants. They can, for instance, help parties by strengthening bonds and links between them and the people they represent.

Much frustration can be avoided by making clear from scratch what exactly is at stake: is the process meant to increase public acceptance (are those concerned willing to agree right now) or is it primarily about taking the best quality decision in the long run? This has certain consequences for the architecture of the process and the amount in which parties are to be involved.

Sometimes it is not clear what ambition a politician has regarding a certain project. He or she might give the order: 'report about traffic noise pollution' instead of 'give an overview of problems and solutions of traffic noise in this region'. The remedy sounds simple ('refuse this order') but that is easier said than done.

For a civil servant, it is very 'courageous' (which means that it is considered as unwise) to refuse a commission to lead a public-sector process. I remember bounding into the office of a colleague who sat at his desk with his head between his hands, staring through the window, saying: "I rejected this project because it just isn't right; it can't be done in a credible and professional way" – and me and a colleague who was with me crying aloud in one voice: 'congratulations with your decision!' The man was totally surprised.

A signal that there is something wrong is when there is a gap between high political ambitions from the politician and low possibilities for the manager of the project to form a team, to gather in knowledge from outside, etc.

Always make sure you know what the process is all about. Is the process about making an inventory of points of view or is it about looking for a solution?

What is more important, agreement or quality of the solution? Is it about looking for new ways of seeing things or is it about reaching a consensus?

Start with a layout of goals and ambitions; write down in a preliminary document or letter of commission exactly what is expected and how important it is to the commissioner who may be a politician.

When in doubt, return to the commissioner. In case of changes of the level of ambition at the political or organisational level, the process manager should see to it that this is translated into the process and the management of the process. This could mean cutting down; but just as well: an increase of speed or getting more staff. Check with the commissioner whether this new match between ambition and performance is correct.

7.3 Risks of stakeholder involvement: the participation paradox

Parties who present themselves for participation in the process do not always represent those on behalf of who they claim to speak and act.

Sometimes the board of a large non-governmental organisation moves too rapidly. Or, in contrast, their members have made more progress in their thinking than the board thinks they have.

Therefore, a public-process manager has to assess just how much representatives really represent the relevant concerns, and it is better not to focus automatically on the large, established stakeholders.

Take, for example, in the Netherlands, the ANWB which lobbies on behalf of motorists. It is a national organisation that owes to its 3.5 million members (in 2001 the total population of the Netherlands was 16 million) the monopoly situation it enjoys in providing highway rescue services. Unfortunately, this leads it to assume that it can genuinely speak for all its members on every issue, while this is not always the case. Organisations of this kind should not be underestimated, but neither should their importance be overestimated.

Big organisations sometimes don't represent the people they say they do. When the process manager always talks with the same (professional) parties, these organisations may become even more influential and professional. This can easily lead to a situation in which you are no longer able to hear people who are not (yet) organised. The difference between the 'big shots' and those who are unheard, can easily grow further in the process. Here the law of the jungle applies: the strongest wins the game, leaving the weakest with nothing at all.

So more participation of established interest groups may lead to greater exclusion of unheard interests. This is sometimes called the *participation*

paradox. Thus stakeholder organisations can become so influential and achieve a quasi-public status that they can frustrate any debate or political choice. This is called the *Frankenstein effect* (Cohen and Rogers, 1995). Stakeholder dynamics should strike a balance between the *bobo's*¹ and the opposite, the *nono's* or non-organised groups of people who often have a lot at stake. Public-sector organisations can give them the resources to extend their influence and make themselves heard.

The Green Heart Case: participation paradox

An example of managing the participation paradox was what we did in the Green Heart Case. A group of individuals and small organisations in the field of cultural history had organised themselves around the complaint that nobody listened to them or would ever take them seriously. We challenged them to stop complaining and, instead, deliver within six months an expert report on the cultural history of the rural area that is known as the Green Heart of Holland. We also 'robbed' them of the argument that they had no money by instantly awarding them the funds they needed. They were very surprised but it all worked out very well in the end.

I propose five possibilities to 'manage' the participation paradox:

- 1 First, one can try to enforce the weak signals on the side of the transmitter. A public-sector organisation can stimulate people into organising themselves – temporarily – and to articulate their interest; start to look for possible 'frontier people' who could be spokespersons, facilitate them (financially) to organise the not yet organised interest, help them to organise a successful meeting. Provide them with the information they need in a simple way in order to orient themselves to the question at stake and their position in relation to it. Share your knowledge instead of putting a screen around it. Make all public information available on an Internet site.
- 2 Second, one can enforce the signals on the receiver side. Create the possibility to give reactions on the information you distribute. See to it that there is an e-mail address and a post-box for ideas and questions. Invite the 'weak interests' as soon as they can articulate themselves.
- 3 Third, during the policy-making process one can periodically analyse the actors in the process (Cf. Sections 6.3-6.5) to immediately signal any changes.

¹ Leaders of bossy, big-shot organisations are known in Dutch as *Bobo's*.

- 4 Fourth, one may try to remove the 'noise' of the interaction. Think especially of the 'noise' the public-sector organisation itself is producing. A project once started will follow its own path with much organisational noise; there is no time for reflection because deadlines have to be met. Take a break from time to time and explore the field outside your 'moving train'.
- 5 Another way to move beyond the participation paradox of false claims of representation (Carson and Martin, 1999), is to involve a wider range of citizens whose voices are rarely heard. In order to avoid attracting the usual politically-active constituents, random selection can be employed to choose participants. Participatory mechanisms that are being increasingly used throughout the world include consensus conferences, citizens' juries (or planning cells), televotes, and deliberative polls.

An example of the fifth possibility is the deliberative polling approach that has been developed by Fishkin (1995) and has been used on more than 15 occasions in countries such as the USA, Australia, the UK, and Denmark.

The basic formula of deliberative polling is as follows: Select a representative group of (about 300) citizens and ask them to join a deliberation weekend on one or more policy domains. Question them about the policy issues. Then send them balanced, accessible briefing material to help inform them and get them thinking more seriously about the issues. During the weekend, they can spend two days grappling with the issues, discussing them with one another in randomly assigned, moderated small groups and putting questions generated by the small-group discussions to carefully balanced panels of policy experts and political leaders. At the end, question the participants again, using the same instruments as in the beginning. Excerpt portions of the proceedings to make a television programme, preferably including a live broadcast of the last evening (Luskin *et al.*, 2000).

Deliberative polling gives insight into the opinions of a hypothetical, well-informed public. It can also predict how the shape of opinion on some issues might change if the issue were to assume centre stage. It is in some sense prescriptive in showing what the public would think if it were better informed and had a better opportunity to reflect on the issues. Showing parts of the deliberations on television and in newspapers can stimulate discussion among citizens and activate them into taking new initiatives.

The deliberative polling approach can be used for yes/no issues but also for more complex issues such as the national political agenda, such as, for example, the National Issues Convention in the USA in 1996.

7.4 Procedural risks

With tailor-made policy-making procedures and experimenting with new forms of direct influence of citizens and organisations, external partners will soon lose sight of the process procedures. Will there be a formal hearing after this interactive workshop? Will there be a possibility to appeal against a decision? Who decides when and about what? What are the crucial moments? In order to arrive at successful policy-making, the process has to be transparent to all involved. It is not enough to give ample information, it is essential to check whether this information has been assimilated and is understood.

Societal parties sometimes expect more influence than the commissioner is willing to give.

Usually, they are allowed to put forward their ideas about problems and solutions, but they are not permitted to co-decide. Sometimes the process manager is not clear in his communication about the phase of a project. In a preparatory, investigating or inventory phase, the discussion is not about the means and instruments yet. On the other hand, in a meeting about directions of possible solutions, it is not very convenient when a group of participants seems to have begun discussing the starting question anew.

In order to prevent this risk, one should permanently communicate about the process. Finish every phase with results, if possible with explicit conclusions in order to make the state of affairs clear to each of the participants. Make clear to everyone at what time a new phase with new possibilities of influencing is going to start. In this way, any progress will be consolidated.

Just because of the tailor-made and experimental character of transactive processes, there can be a tendency to abstain from existing legal frameworks. Legal procedure steps might be skipped because they might frustrate the process.

It is important to be always aware of potential deviation of formal obligations. Balance the risks and try to cut them down by assuring approval from the main participants. Do not take any risk without this agreement. Inform the interested parties about the crucial decision times in the process of policy-making. Never keep any formal possibilities secret.

Politicians may be opposed to long-winded procedures that they associate with interactive policy-making. This might partly cause misunderstanding. The long duration may well originate from bureaucratic procedures (for instance, the time that is lost in just starting up the practical things, to agree on a budget, etc.).

One should take into account that an investment in time at the start could mean a gain of time at the end, for instance because fewer people will go to appeal after a decision has been taken.

What can be done to decrease irritations about the time-consuming character of the process? The first action would be that you make clear and steady decisions about administrative and decision-taking procedures; do not plan too many meetings and workshops. Be sure to have an intervention mandate; the process manager should have the mandate (laid down in his preliminary document) to make a procedural 'shortcut' in case of stagnation of the project. If this seems to be difficult to arrange from the start, then you should ask yourself whether you have a real process to hand, or whether there is an unclear mixture of process and regular/line project, which seems to be a guarantee for delaying procedures.

8 Designing Process Meetings

8.1 Introduction

In public sector processes with a participatory aspect, meetings are crucial. They can take place in many ways: round table discussions, digital debates, interviews, polls, and conferences, etc. When you want to get together a specific group of people to meet on the issue of your process, you can invite them to one of several types of meetings that are described here (van der Ent *et al.*, 1999). I call them *transactive* meetings because I see them as a means of enforcing the balance within the process that is running. In some cases, this means that internal and external participants are involved at the same time, but it may also be that a specific meeting is organised for only one of the groups.

One characteristic of transactive meetings is that the results of the meeting develop during the transactive process. The meetings are usually a mixture of talking and doing. They are something different than, for example, regular staff meetings with a standard agenda. By using creative working methods, the participants can break loose from the daily practice. Changing methods during the meeting helps to keep the energy level of the participants high which leads to more creativity.

The preparation of the meeting determines the type of outcome. First, the objective of the meeting has to be clear. Second, the place the meeting has in the whole of the process has to be clear too. At which phase are we?

The objective of the meeting can for example be:

- analysing (and possibly redefining) the problem,
- analysing the possible solutions,
- forming of opinions,
- increase involvement,
- decision-making,

- in-between process reflection,
- evaluation of the process results.

If meetings can have many different objectives, there can easily be a misunderstanding of the main goal of a meeting. The communication in which you announce the meeting and the methods that are to be used should match the main goal.

8.2 Role of the process manager

Are you going to lead the meetings yourself, being the process manager, or not? In case you hire an external process manager or agree on someone else from your team, this person of course has to be involved in the preparation of the meeting. In most meetings of the types I discerned above, I would recommend that the process manager leads the meeting. But, for example, in a reflection meeting, the process manager is part of the subject of the meeting and an external facilitator would be better to prevent, for instance, group thinking.

The facilitator of the meetings has not only to work on the programme but also on the rules of the day. These rules include how to cope with changes in the programme, the way of communicating with each other, etc.

All preparation can lead to nothing if you forget to ask the participants what they expect and wish. Using that information is taking them seriously; if you expect commitment from them, you have to take them seriously. Another important factor is flexibility. Don't run the meeting to a rigid time table. Some issues may require more time than expected; others turn out to take no time at all.

8.3 General success factors for transactive meetings

The following general success factors apply to most of the meeting types, but especially to meetings that play a role in transactive processes:

- Getting support for what you want should not be the purpose of organising meetings. Support develops in transactivity about the content. Involvement requires trust and trust cannot be bought. So support can be a result of a meeting, but never the main objective.
- Participants at a meeting want to see what is happening to their contributions. Periodic feedback on the progress of the process increases the involvement of the participants.

- Participants want something in return for what they are giving. Transactivity is a two-way process, so don't only consider what your invitees can offer you, but also what you have to offer them.
- If there is no room (politically or otherwise) to do something with the outcome of a meeting, cancel the meeting; unless the outcome lies in building relations between participants who, for example, have not met before, which can be a very good objective for a meeting.
- What comes out of a meeting depends largely on who participates. So select the participants carefully; not only the organisations, but if possible also the people who will represent them.
- Ask yourself if it could be helpful to invite internal stakeholders/colleagues to a meeting that is mainly meant for external stakeholders, and vice versa. It could be a simple way of building or showing trust.

To resume this introduction; which questions have to be asked when starting to organise a transactive process meeting?

- 1 At which process phase are you?
- 2 What is the central theme of the meeting?
- 3 What are the objectives of the meeting?
- 4 Who will be asked to participate?
 - Level of expertise and/or influence on the issue?
 - Diversity of the participant group?
 - Are they invited *a titre personnel* or as representative?
 - Do you also invite people from within your own organisation?
 - How many participants do you want to have at the meeting?
- 5 Will it be an open (for the media) or closed meeting?
- 6 What should be the outcome?
 - In terms of content,
 - In terms of process,
 - For the participants (what do you have to offer them?)
- 7 How will you invite the participants?
- 8 Architecture of the meeting
 - What will be the rules of the game?
 - Who will present a keynote?
 - What will be the main issues within the central theme?
 - Who will be chairing or facilitating the meeting?
 - In which form and how will the proceedings be written?
 - Which working methods/tools will be used?
 - How do you plan to end the meeting? (voting, conclusions, follow-up, etc.)

- 9 What will be the follow-up?
 - In terms of content,
 - In terms of process,
- 10 How will you communicate about the results of the meeting?

8.4 The internal start-up meeting

You might have composed a draft start document (Cf. Section 10.2.3 and Appendix A1) in a transactive way, together with the main internal and external parties. However, in most cases I recommend checking the internal involvement or *intra-active* quality of the start document in an internal start-up meeting. There are three types of start-up meetings that I've experienced to be useful in complex processes:

- 1 A meeting with the commissioning body or person (Cf. Section 10.2.2).
- 2 The first meeting with the project team (Cf. Section 10.3.2).
- 3 The first meeting with the involved actors (internal and external; you can use several of the meeting types in Sections 8.5 – 8.11, but the special external start-up meeting (8.5) and the expert meeting (8.6) are especially interesting. The first helps to put the issue on the agenda and the second focuses on people who may play an important role in the process later on.

8.5 The external start-up meeting

If a process involves many external actors and it is preferred that they feel involved from the beginning, an external start-up meeting may be very useful. This can only be done when the expectations this meeting raises on the level of interactivity (such as is it about informing or co-decision making?) are followed by a process that meets these expectations.

The Green Heart Case: The external start-up meeting

In the Green Heart Case the external start-up meeting was held at the end of a day in which the minister toured the area, talking with different groups of stakeholders and, for example, an individual farmer, followed by a bus load of journalists. At the start-up meeting, a 10 minutes video was shown about the special qualities of the area and the most important threats and developments. Representatives of the main stakeholder organisations (including the local authorities) made short

statements about how they saw the problems and challenges. The minister informed the participants about the outline of the process to be followed and about how the stakeholders were asked to participate in the process.

8.6 The expert meeting

The Green Heart Case: The expert meeting

When we started the process of a new policy to keep the Green Heart of Holland 'a green and open area', the minister chaired an expert meeting with about 20 experts who were invited *a titre personnel*. The goal of the meeting was to share knowledge and information in order to be able to define the process strategy. All experts were asked to describe their visions on the issue: is there a problem and why, with which interests is the issue related, are there evident solutions? The impact of this high-level meeting was not only that we could design a better process but that the process already had started and that all experts would start talking about it with people in their organisations and with the organisations they have liaisons with. In this example, two forms of expertise were mixed: content expertise (for example, a top professor from one of the universities), and administrative experts (for example, a governor, or a councillor, or a mayor). Although you can also have expert meetings focused on one of both types of expertise, it can be profitable to have mixed meetings. People working in the administrative and scientific arenas might have totally different visions of the issue, and if that is the case, you would miss an important opportunity to let both groups explain to each other what they think and why they do so. You not only save energy, but it might be that you as a not too highly ranked process manager would not get answers, whereas at a high level meeting, people might be more willing to share their vision than in a face-to-face meeting with you. (I mean, what are you to them? Unless, of course, you are the top expert in both fields yourself).

There is one pitfall in using an expert meeting to develop your process strategy; some things are unknown by experts, because they are experts. They usually see the big picture and might overlook patterns of smaller signals that together form an important message. Therefore, you could consider inviting to your expert meeting some people who have experience with the issue in a non-managing way: consumers, young people, farmers, taxi-drivers, etc. In general,

working with *diagonal groups* (a mixture of people from different hierarchical positions and/or social groups), may overcome this problem and may stimulate the creation of new ideas (Roobeek, 1998).

In an expert meeting in which you are trying to compose a common image about what the issue is and how it could develop, the use of *scenarios* can be a way of staying away from blueprint thinking. Blueprint thinking ((1) describe what you want, (2) compare that with what you have now, (3) make a plan to achieve the situation you want) doesn't work when the future is unpredictable like it is with most complex public issues.

Working with scenarios means asking yourself what you would do, how you would react, what kind of policy changes are necessary if a possible future X would occur. On the basis of these scenarios, these possible futures, you can then develop answers in the form of new policies. You may also be able to formulate the two or three most important things the scenarios have in common. These will probably be the cornerstones of the policy you are going to develop. More about this type of scenarios can be found, for example, in de Geus (1997). See also 10.4 for a 8-steps scenario method.

Another way of formulating goals and making plans is the *back-casting* method. This method is based on the idea that participants of a process meeting find more energy, enthusiasm, and optimism in creating a common future than while looking at problems together. Instead of reasoning from a problem that has to be solved and to conclude how much labouring has to be done, in this method you reason back from an idealised future situation. The question then is what activities have been undertaken in order to create this future situation?

8.7 The opinion-forming meeting

The objective of the opinion-forming meeting is to scan what the people involved think about certain issues, especially about new, complex, social sensitive issues. The result of the conference is an overview of common opinions and of themes on which the opinions and insights are still different. The starting point for the meeting can be a discussion paper. This type of meeting can also be used to scan possible reactions after a research project has been finished.

One possible working method in this type of meeting is the *debating technique*. Before the participants get to hear a thesis, the group is divided into a group of

supporters and a group of opponents, irrespective of the personal preferences of the participants. Alternatively, a participant of one group is asked to name an argument for the thesis and a participant of the other group is asked to name an argument against the thesis. In a very short time, a broad picture arises of the ways one can look at the issue.

If you want to describe a strategy for the future or just share insights with other people, *story-telling* can be a very powerful method. In a story in an analogy with fairy tale or a mythological story, the participants describe the current situation, the challenges for the future, and the journey to a future situation. Story-telling provokes your imagination and creativity and makes the different scenarios livelier.

In a two-day international conference on the renewal of democratic processes and interactive policy-making (Bout, 2000), we used the story-telling method for all 12 presentations of cases from different countries. Some reshaped their presentation into a science fiction story, others into a wild-west story, a love story, or a fairy tale (we didn't use the horror story as a metaphor). Before the presentations were held, in corners that were decorated according to the type of story with theatre props, there was a master class by a professional story-teller. Some of the stories were very moving, much more personal than any classical PowerPoint-supported presentation would ever be.

8.8 The reflection meeting

In the reflection meeting, not the content but the process is central – always in relation to the content; there is no process without the content. Reflecting on the approach and the progress of the process can lead to new insights for the project team. Inviting someone who holds a mirror for the members of the project team will speed up the process and enrich the outcome. In some projects, it turned out to be a good thing that at the start of the process we already hired an external expert to lead the team through several reflection sessions, otherwise the meetings might never have taken place. A reflection meeting creates a 'time-out' at a moment that maybe even the process manager thinks that it is a waste of time to 'sit still and do nothing'.

A reflection meeting might not only have an external expert who mirrors the team, but might also have a *sounding board group* as a partner. In that case, it becomes very important to organise getting feedback and not falling into the trap of discussions about who has right and who hasn't.

8.9 The decision-making meeting

The objective of the decision-making meeting is, in the first place, bringing standpoints together. Here it is about taking decisions together or agreeing on further actions to be taken. Decision-making is a creative process, because it involves working with not only standpoints but also with the interests lying behind the standpoints, and with the support of the participants.

A good tool for this type of meeting can be the *group-decision room*: a special room with a number of interconnected computers where specially designed software helps to reach a consensus about what are the most important issues or aspects. In my experience with group-decision rooms, the pitfall is working only with computers. A lot of information that the groups members would share when just having a dialogue will not come out when just communicating with computers: information about their (relative) acceptance, about their feelings with some of the options etc.

8.10 The evaluation meeting

An evaluation meeting is an essential part – could even be the heart – of an evaluation process. It is not to be confused with the classical meeting in which the draft evaluation paper of an external consultant is discussed. I have seldom seen evaluation papers constructed only from interviews and desk research leading to important learning points. They have as much impact as the daily newspaper you read.

If you organise the evaluation as a process with all involved actors, chances are that there will be a real dialogue. One step further is that you ask people who have to start a process on a different issue to take part in order to learn.

Before you invite people for an evaluation meeting, be sure that you know (and that the others agree) what type of evaluation it will be:

- An evaluation of the process.
- An evaluation of the outcome (is the outcome implemented, and/or does the outcome – for example the new policy – work?)

In choosing the working methods, it is important that the participants will be able to express their personal experiences with the process or the outcome you are going to evaluate.

The core of the evaluation report is not what came out of the desk research, but the proceedings of the evaluation meeting.

8.11 Open space meetings

There are almost no rules in this type of meetings. What normally would be seen as impolite, leaving a meeting in the middle of a debate, is common practice in open space meetings. You not only choose the issues you want to talk about yourself (as long as you can find people who are interested in the same issue), you also decide how long you want to go on with a meeting. Although this can be a confusing way of working when you are used to formal meetings with (probably long negotiated) fixed agendas, I think most people will find this a very inspiring type of meeting. For example, you don't have to listen to anything you don't find interesting and you are using your time much more efficiently than in a normal conference setting (Owen, 1997).

Open space meetings are effective, according to the one who developed this technology, in situations "where a diverse group of people must deal with complex and potentially conflicting material in innovative and productive ways. It is particularly powerful when nobody knows the answer and the ongoing participation of a number of people is required to deal with the questions (Owen, 1997). It cannot be used when the answer is already known – or when the minister has already decided on an answer.

In September 2000, I attended a conference organised according to the open space technology. It was an international meeting of high-level public managers held in Paris and the programme manager of the conference had carefully seen to it that there was *no agenda*. There were several key-note speakers who were not invited to show their expertise but to trigger us into debate about the things we ourselves were interested in. Participants gathered around issues that were written on large sheets of paper fixed to the walls.

9 Learning, Communication and the Use of ICT

9.1 Learning attitude and planning

I have never had any illusions about the active-learning memory of public-sector organisations. An action-learning approach doesn't change that. Every mistake or failure will be made again and again. It is very difficult to develop a learning attitude in an organisation, however important it is; learning is more a matter of the *mind* (attitude) than of the *brain*.

From an inventory in the vROM Ministry of how civil servants actually organised learning during their work, a *learning menu chart* was composed. If you use this menu chart at the beginning of a process, you can plan certain learning events and interventions. It is then possible to make it part of your project plan. If you don't, you will soon forget about it.

There are two crucial factors in the learning in processes: attitude and planning, which are illustrated in Figure 9.1.

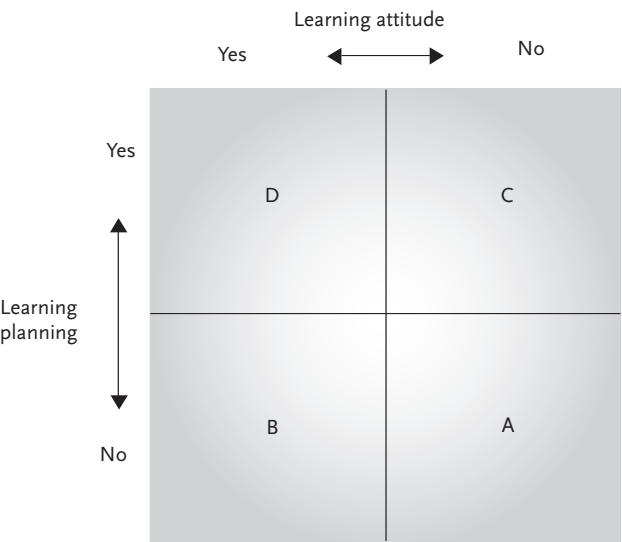


Figure 9.1 Relations between learning attitude and learning planning

Four situations can appear:

- a If you don't plan learning interventions nor have a learning attitude (a), virtually nothing will be learned. Many, if not most, public-sector organisations are of this type. The publishing of internal learning-policy documents does not change this.
- b If you want to learn but don't plan it (b), you will eventually become frustrated. An example is an evaluation meeting with all participants after the process has been finished, where the general conclusion is: 'if we had done this in an earlier phase, we wouldn't have had the trouble we had.'
- c Type (c) we find when learning is planned from a control attitude, not from a learning attitude.
- d Type (d) is, of course, the preferable situation: you decided that learning from experiences is important, and have planned actions to implement this idea.

The learning menu chart below, in Section 9.2, may be incorporated into the project plan, when in the process:

- Much is new so you are certain that unexpected things will happen that you can learn from;
- You are relatively inexperienced in the type of process you are going to run;
- You want others to learn from your process or others want to profit (intra-action learning).

In these cases, I not only advise making a learning plan, but also that you should commission a team member as the learning officer of the process.

9.2 The learning menu chart

Entree: learn from each other (intra-learning);

- Promote a good learning climate,
- Organise periodic reflections,
- Use the team competencies,
- Think laterally,
- Learn from mistakes.

Main course: learn from others (inter-learning);

- Let others observe you,
- Work interactive,
- Organise feedback,
- Amplify weak signals.

Dessert: Share knowledge;

- Generate new knowledge by sharing knowledge,
- Develop a sharing culture,
- Evaluate and audit,
- Publish what you know/learned,
- Organise exchanges of experiences.

Some of the learning experiences we collected during the Pegasus Process at the Dutch vrom Ministry are described in the following pages.

Promote a positive learning climate

Does your organisation have a positive attitude towards learning? You can test this by asking yourself and others if the following characteristics of a positive learning climate are present:

- Respect and appreciation;
- Respect of individual and cultural differences;
- Feelings are just as relevant for learning as ideas and skills;
- An atmosphere of trust, acceptance, and involvement;
- Accent on co-operation instead of competition;
- Enough space for everybody's ideas;
- Shared objectives and working forms;
- Exchange of tasks and personal experiences;
- Goals are described in a clear way;
- System is open for visitation and feedback;
- Mistakes and errors are allowed and are used to learn from.

Sometimes all of these characteristics of a good-learning organisation are present: people say they believe in them, but then they act differently. It may be, for example, politically accepted to make mistakes, but at the same time it is more valued if you prevent mistakes. People who make mistakes take risks and there is a strong belief in public-sector organisations that any risk you can prevent is an unnecessary risk.

Let others observe you

When I was a head of a division in the Dutch VROM Ministry, I asked five people from my network to be my 'customer panel'. They worked in other ministries or for a provincial authority. I choose them because I thought they were important customers and because I could trust their feedback. The first meeting was quite a shock; they knew of only half of the White Papers and other reports my division had produced and I had presumed that they would be among the target group of the documents. If even they, who had a positive attitude towards us, hadn't consumed the 'fruits' of our hard work, who else would have done so? One of the answers probably was that communication between public-sector organisations during the early 1990s was more about money and directives than about content or sharing ideas. When I was employed by a provincial authority during the 1980s we only scanned ministerial White Papers on two aspects: do they interfere with our plans and can we get some money for our plans?

Publish what you know and have learned

Writing articles in professional journals, newspapers, or in the periodical of your own organisation helps to evaluate what you have learned yourself, helps other people to learn, and can provoke feedback that you can learn from: a triple advantage. That's why I always encouraged the members of my teams to write papers and articles, and to give presentations at conferences.

Organise exchanges of experiences

In all public-sector organisations, a lot of experiences from which much can be learned, are often unsung.

We, for example, had an expert in our ministry who had more than 10 years' experience in negotiating with industry and knew how to reach covenants about reduction of environmental pollution and waste management.

He knew two things that could be very valuable for colleagues in other parts of the ministry. In the first place, he knew what people in industry were thinking, what their interests and beliefs were, in which networks they operated, who their allies were – also inside the political parties. Second, he knew all about making covenants. He knew what sections were important and what were not and how to make them more powerful – so that they were not just pieces of paper that the first breeze would blow away. But he had never been asked to share this knowledge with his colleagues, although they sometimes also had to

work with representatives of industry and had to write covenants or similar contracts. We organised a meeting in which he presented general insights to all who were interested in the matter in such a way that people would remember that he was there to help if they needed him.

Develop a sharing culture

It is incredibly difficult to develop a sharing culture when you are not used to it. It takes a lot of time, as the next example shows.

When the Pegasus team that had to stimulate interactivity and a learning culture in the vrom Ministry had worked for almost a year, and 80 per cent of the 4000 civil servants of the ministry knew that we existed and what the objective of our process was (we had this polled), I was interviewed by an external consultant about the essentials of interactive policy-making. It turned out that he was hired by a director of the environment policy directorate, who was one of my colleagues and could have obtained this information without paying. He had chosen to, in a way, counter-expertise our knowledge in the field of interactive policy-making.

He may not have realised that we didn't act as experts at all. Our approach was one of learning by doing, of action learning. We didn't start with a method or a training course. We believed that if we developed the knowledge on interactive policy-making together, via trial and error in more than 20 pilot projects, the vision and practical suggestions that came up would be much more powerful because they were 'owned' by the people in the ministry. Only in the last year of the Pegasus Programme we started to write the series of small brochures that I used as a source in several parts of this book, a series that contained a picture of the state of common knowledge at that time. The last brochure we wrote was the one in which we laid out our vision on interactive public-sector organisations. Our insights had developed too. We would not have been able to write this general 'introductory' brochure at the beginning of the process.

9.3 Process management and communication

Communication is rightly given a prominent place in the literature about process management. The quality of relations that are being built in a complex public process depends, among other things, on a very thorough communication strategy. Sometimes the communication plan of strategy is something that is saved for the last phase of a process. That is a habit of public-

sector organisations from the time they got away with producing policies and decisions that had only to be sold, to be explained afterwards.

In Section 10.3.3, I propose that a *communication plan* is part of the process plan that should be developed right at the beginning of a process. While making such a plan, it is important that you know your and your organisation's position in the process environment. It can degrade your credibility if you announce new developments or ideas that were clearly not your initiative but of one of the other partners.

I have experienced this several times when working for a provincial authority. When one of the provinces developed a new idea in the field of environmental management, the ministry in The Hague often later presented this as a new national policy that they had produced themselves. I don't know the background of this and I am aware of the fact that new ideas often originate in several places at the same time, but this certainly didn't add to the province's trust in the ministry.

9.4 Process management and the use of ICT

Information and communication technology has a growing impact on speed and quality of public policy and service processes. For public-sector organisations that produce *services and products*, ICT is a toolbox for better customer satisfaction and more efficient production processes. The citizen as a customer wants 24-hour, on-line public service. ICT makes new services available, like in the Dutch city of The Hague where, via the Internet, all house owners are able to look into exactly the same database that the civil servants use to describe real estate values and calculate the taxes connected to this.

This is an example of a new way of thinking that the development of ICT asks of organisations. Vervest and Dunn (2000) describe the difficulties that the private and public-sector organisations have to implement this new way of thinking that begins with the customer (outside-in).

In a manifesto that points specifically at the public sector, we proposed four challenging design principles and theses (Vervest *et al.*, 2001):

- Principle 1: The citizen as a customer really comes first. Thesis: the citizen should be able to choose the way and the place he wants to get the service. Why should he only get a new passport in the city he lives in when another city provides a much faster passport service?
- Principle 2: Each contact with the citizen as a customer should have added value. Thesis: what the public sector already knows about a citizen should not be asked again.

- Principle 3: Information exchange should be outside-in. Thesis: citizens should always and everywhere be able to see the status of a public service he orders.
- Principle 4: Use ICT to unite the public sector; the citizen wants to be a shareholder of one public sector. Thesis: always give citizens access to the information the public sector uses to prepare decisions This goes further than public participation via digital discussion platforms, which are often good examples of the wrong use of ICT. Digital debates are often the optimisation of systems; an efficient method of executing an ineffective way of participation.

The fourth principle and thesis point at another public sector ‘brand’ besides the production of services and products: the production of policies and decisions. The manifesto advises public-process managers to

- become active moderators of digital policy preparation with citizens as active shareholder,
- increase openness and transparency of the public sector,
- give on-line access to policy information,
- organise policy processes around societal issues instead of around public-sector tasks,
- invite participation on a knowledge and interest basis, instead of on a geographical or functional basis.

The last item refers to an important side-effect of ICT and especially the Internet: the disappearance of territoriality in societal processes. This is a very challenging issue that public-sector organisations are facing now because they have legal power and tasks on a territorial basis.

When a new public process starts, a section on ICT should be part of the process plan. In that section, questions have to be answered like:

- How are we going to use ICT for our process knowledge development (like using the Internet to get to sources that give challenging ideas, maybe from others parts of the planet, maybe from totally different domains than the domain of your central issue)?
- How are we going to facilitate communication via ICT? (a process website, e-mail newsletters, digital debates with clear focus and clear ‘rewards’ for the participants, digital project rooms, etc.)?
- How do we think ICT might lead to new solutions for existing problems, to new policies that were impossible in the past (like using ICT to bring information to people instead of people to libraries, or new types of jobs

that are executed mainly at home and therefore could stimulate social cohesion, at least at the family level, or like early warning systems for traffic jams that stimulate better use of roads)?

10 Specific Issues in Four Phases of Transactive Process Management

How can one address the differences between projects and processes? What are typical issues the process manager may encounter in each of four imaginary process phases: the preparation phase, the start-up phase, the execution phase and the follow-up phase, of public processes? These questions are tackled in Chapter 10.

10.1 Introduction

10.1.1 *Programmes, projects and processes*

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Although this is a book about process management, I am using both words process and project because much in the book applies to both approaches, but it is crucial to know the differences between a project and a process:

- In a project, the objective is clear, there is a deadline, the resources are given, and the art of project management is how to reach the objective as soon as possible, in a straight line, and with everything under control. This is the way you build a car, a house, or a bridge.
- In a process, there is no clear vision of the objective, the situation is so complex and the number of actors is so large that the route to the end of the process is quite unpredictable. The objective, the destination of your journey, will be reformulated several times while travelling. There is no fixed route and no straight line from the start to the end. Process management asks for a permanent awareness of the changing circumstances and a lot of creativity. Many societal issues ask for process management instead of project management. The problem is that most managers in the public sector have been trained in project management but not in process management.

This might also be one of the reasons why so many public sector projects fail. It is assessed that in the Netherlands only 25 per cent of the organisation change projects succeed. One quarter even leaves the organisation in a worse condition than before. More specifically, a group of colleagues listed the following factors as fail factors for projects (Meuleman, 2001a):

- The project is dominated by the fact that a chosen solution is looking for a problem (ICT: the software has already been purchased without analysing it to see if it is the right software for the problem).
- Projects last too long; it is impossible to keep up the momentum for years.
- There is a hidden agenda, for example to get changes in the management team, or to gain time until the political situation changes and measures can be taken.
- Projects go on in a straight line, even if the context has changed drastically; they don't want to change course.
- Projects give birth to endless new projects.

A typical example from the early days of public policy in the field of the environment is the fact that all environmental issues such as air pollution, water pollution, soil pollution, waste management, were treated as separate items in the 1970s, with separate legislation projects. This caused a situation where problems were only solved by pushing them through to another environmental compartment, a mechanism called the 'Law of Preserved Misery' (Schoof and Meuleman, 1983).

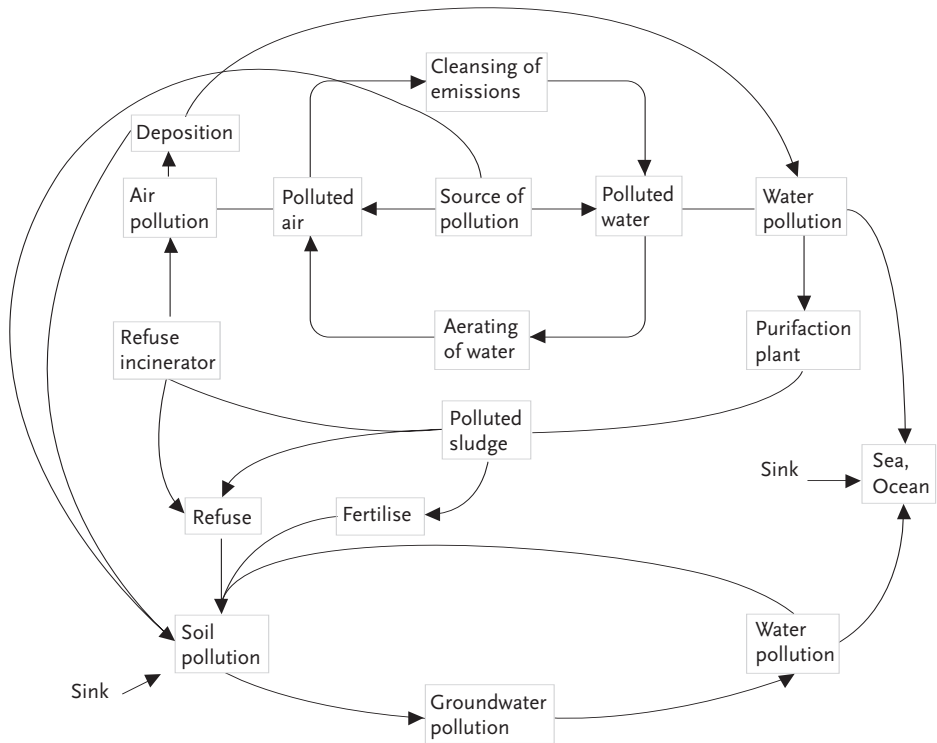


Figure 10.1 The Law of Preserved Misery; the downside of sectoral project management instead of comprehensive process management

A programme is a cluster of processes and projects that focus on the same issue:

Figure 10.2 Programme, project, and process

When you are going to design a process with external and internal participants, a transactive process, what are the main organising principles you have to work from? I suggest the following three principles (Meuleman and Roobeek, 2002):

The energy principle: ownership

What is the best fuel for involvement? In most cases people, whether they are your colleagues or they are working for external stakeholders, need to feel involved before they give of their best. Why accept a lower level of co-operation when real involvement makes a process of co-creation possible? In order to involve people, it is necessary that they feel co-owners of the problem. Ownership is the fundamental energy source of a co-creation process.

The creation principle

The second principle is transactivity; the orientation that stimulates creativity. Internally and externally, new knowledge is born from the connection of your knowledge to the knowledge of others. Co-creation of new knowledge originates from transactive processes that are real dialogues. This requires an attitude from which you are constantly looking for new ideas, new knowledge combinations, and are always prepared to re-examine your presumptions.

The network principle

The third principle is about how to create an infrastructure via which the co-owners of the problem can progress to creativity; this is the network principle. Networking is a horizontal organisation form where is no vertical power structure. A network environment does not have the rigid structure of steering committee, project teams, working groups, soundboard groups, etc. It also does not have a point where the total responsibility lies and steering takes place. That is a way of working that leaves a lot of information unused, so a network organisation cannot be directed like a hierarchical organisation. It directs itself, but it has leaders, only they play a different role from leaders in a hierarchical organisation.

The public-sector organisation can, in certain phases of network processes, play important roles as an initiator, director, moderator, booster, pioneer although these roles are not fixed during the transactive process.

Table 10.1 Three organising principles

Energy principle	Ownership	Involve (Dutch: <i>verbonden</i>) (personal level)
Creation principle	Transactivity	Connect (Dutch: <i>verbinden</i>) (share knowledge and ideas)
Network principle	Network organisation	Group (Dutch: <i>verbanden</i>) (collective level: people and organisations)

10.1.2 Phasing as a tool

When you have managed a complex public process, you'll have learned that you cannot divide the process into neat little pieces. The only thing you can be sure of is that you are in a part of the process that could be called a phase and that the phase you are in is always connected with earlier or later phases.

Most processes, however, show two distinct phases: the phase of *divergence*, when all kinds of ideas come up, and the phase of *convergence*, where the best ideas survive and are formulated into a proposal or a decision. This mechanism is so strong that it also happens when you don't organise it (see the example of the land policy process, Section 4.2.2).

The two phases together form the execution phase of a project or process, but you should not jump into a process unprepared. Therefore, a preparation phase and a start-up phase are important to discern. And when the report is finished, the decision is taken, and the process has come to an end, there is always a last phase to be aware of: the time to evaluate (discuss what has happened) and think about what will be next: the follow-up phase. Of course, this will often lead to a new process, with new questions, etc.

Because the four differentiated process phases often overlap, in practice they are difficult to keep apart; they are only imaginary phases. In Figure 10.3, they are drawn in the form of four petals of a flower; two supporting 'leaves' are differentiated: process management skills and an enabling environment.

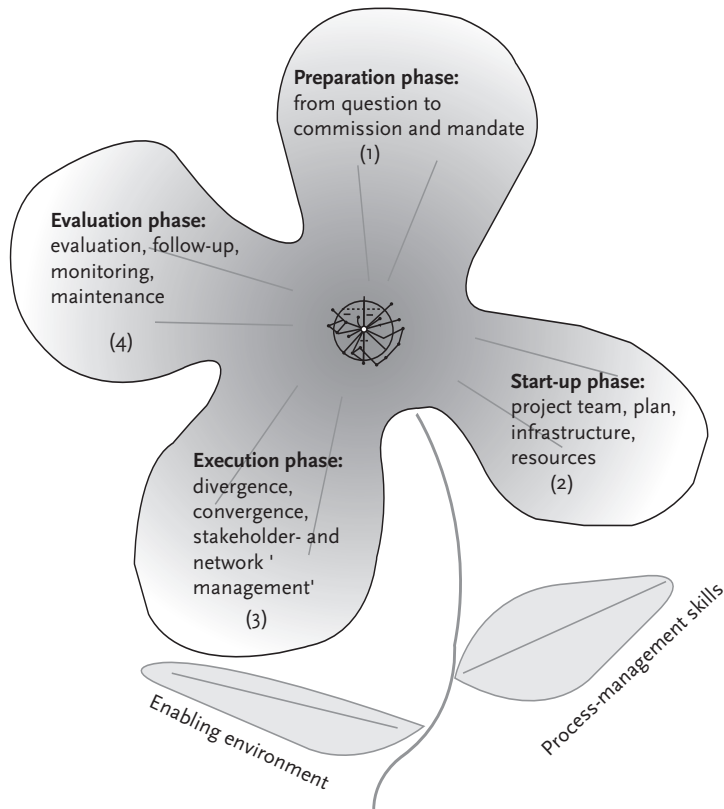


Figure 10.3 Four imaginary process phases

A typical very complex process sometimes jumps back into an earlier phase. If, for example, the execution phase shows that the problem definition is wrong – which means that it does not lead to solutions – then it may be necessary to go back to the start-up phase. So the fact that I describe four phases does not mean that these four phases together and in that order form the process. Instead of the steps 1-2-3-4, a process can follow all kinds of forms.

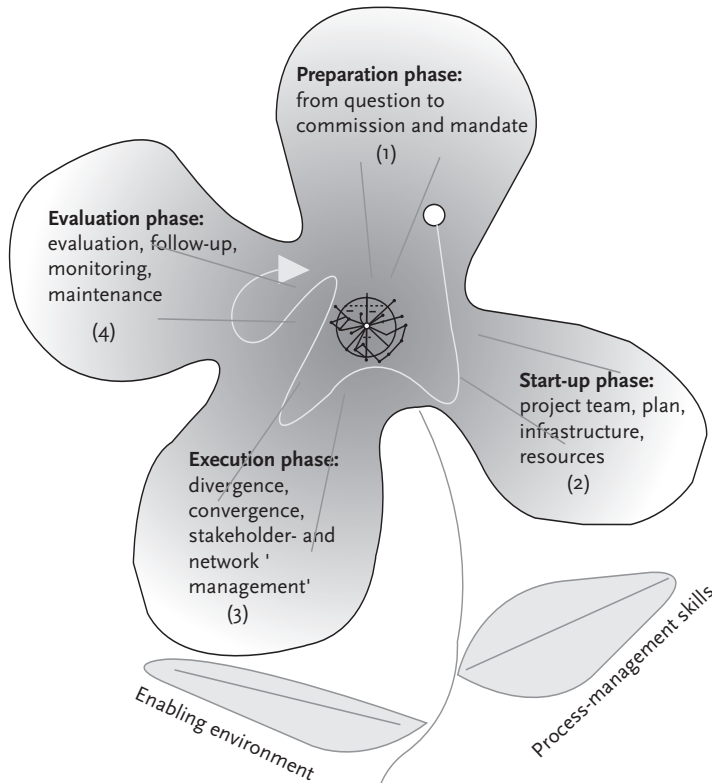


Figure 10.4 Different process phase order (1)

In Figure 10.4, the chronology of the phases is 1-2-3-1-3-4. The execution phase is stopped in order to go back to the preparation phase and review the problem definition. After a redefinition or reframing of the issue at stake, the process returns to the execution phase.

Although in reality the problem redefinition took place during the process within a formal redraft of the project objectives, during the preparation of new Dutch policies for the protection of the Wadden Sea in 1993, the original formulation of one of the main problems turned out to be unrealistic. It was supposed that the drilling for natural gas that existed under this nature reserve would cause severe damage to the ecosystem. Therefore, the objective of the *VROM* Ministry was to prevent any drilling and exploitation for gas. But when the gas company came up with a plan that had few risks and indeed agreed not to drill *in* the Wadden Sea but diagonally from outside the area, we realised that our

objective was not well formulated. If it would have had the formula *prevent environmental damage to the Wadden Sea* from the beginning, instead of *prevent drilling for natural gas*, we might have saved time.

A British example, supplied by Peter Hinchcliffe, confirms the importance of (re)defining objectives:

When Peter Hinchcliffe was responsible for the UK's national response to marine oil spills, the objective was to clean up the spills before they caused environmental damage. The environment ministry made extensive use of chemical dispersants for this but disapproved of mechanical sweeping methods. For obvious geographical reasons, they worked very closely with their Dutch colleagues at the *Rijkswaterstaat* whose objectives were identical but who eschewed dispersants and would only use mechanical means. There were many friendly but heated discussions about this difference. But the reason was obvious once a step was taken back from the objectives – they were not identical objectives after all. The difference lay in the type of environmental damage that was the priority for averting – in the UK, the sensitive environments were globally important populations of offshore diving birds, and in the Netherlands, extensive and ecologically vital areas of salt marsh around our coast. Floating oil would have caused devastation to both. Dispersants took oil off the sea surface and into the water column where it could do little harm. Mechanical methods could not do this reliably or quickly enough. For the Netherlands, of course, seas are much shallower and, consequently, the damage caused by oil in the water column becomes very significant – the *Rijkswaterstaat* needed a technique which did not need to be particularly fast but would get rid of as much oil as possible from both the sea surface and the water column, and mechanical sweeping was the obvious answer; using dispersants would have been disastrous. Later, a joint manual was produced which emphasised using the correct technique according to the nature of the environment to be protected – in other words, the *real* objective.

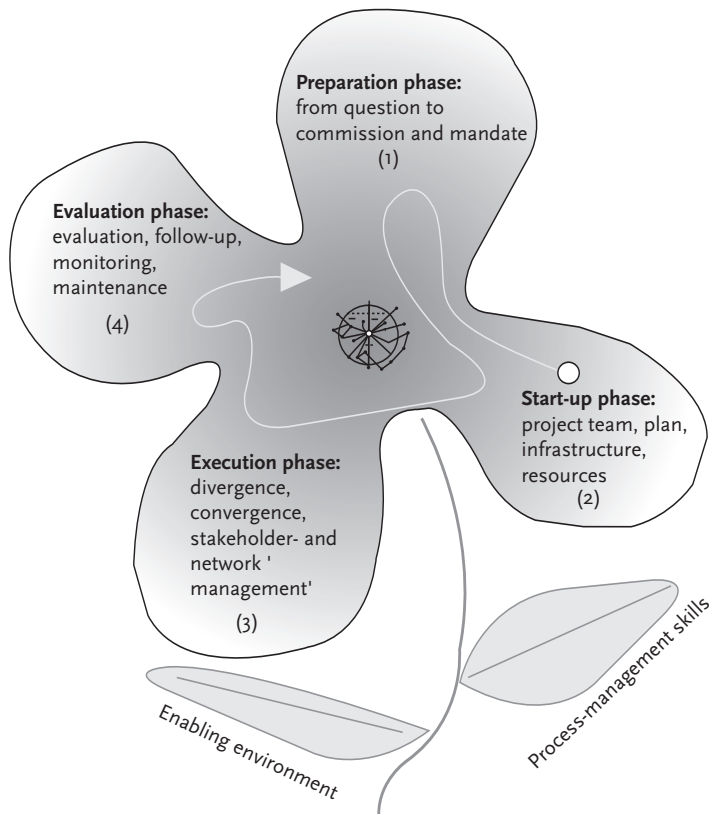


Figure 10.5 Different process phase order (2)

Figure 10.5 shows a phase chronology of 2-1-2-3-4. Here the process manager started with the process architecture and the problem definition, without really checking what the minister wanted. His project plan was rejected and he had to return to phase 1.

I have seen this happen especially when a process promises to be a very complex, multi-actor journey. Then, for the process manager, it is tempting to start drawing process organisation maps on the first day in order to get a grip on the situation. If it helps, you should do this of course, but don't waste the time of other people with discussions about the decision-making structure and the division of tasks before there is a definite idea of what the process is going to be about.

When we started the process for a new land policy in 1999, for several months a small start-up team just gathered information about the issue, shaped and reshaped a preliminary document, and discussed it with the

minister and the director-general, until the blurred picture we had of what the problem was became clearer. Only when there was agreement on how to tackle the issue and what aspects to focus on, and what aspects to leave out – not the ‘final’ problem formulation – we drafted a project plan and, within weeks, the new team started its work.

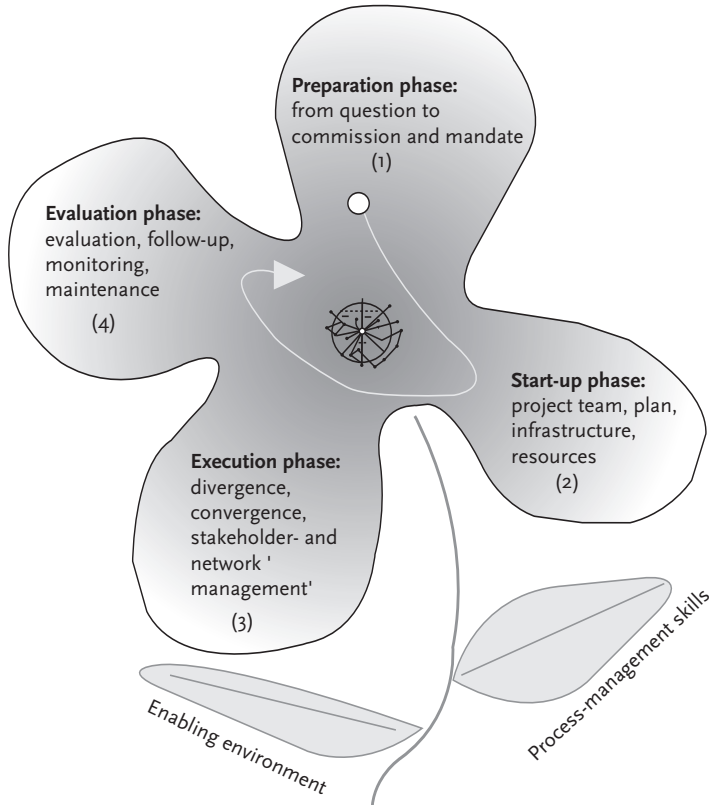


Figure 10.6 Different process phase order (3)

In Figure 10.6, the chronology of the phases is 1-2-4. A rare but not unknown example; before the execution phase could start, the ministry ran out of money or the minister resigned. The project was stopped, but the project manager in this case reviewed the consequences of stopping the project (part of phase four: evaluation).

Thinking in process phases is only a means of becoming aware of what is happening in the process, not a means for process control. Maybe we should speak about virtual process phases. Well, in the four virtual process phases, a number of process issues are of importance. The next sections describe them.

10.2 The preparation phase

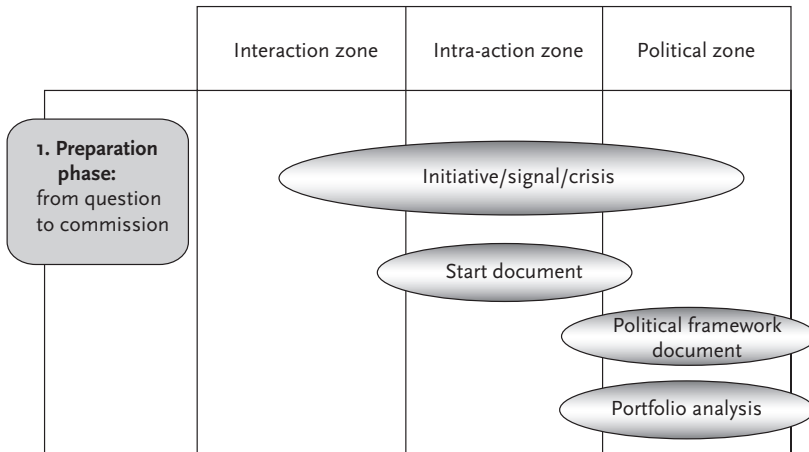


Figure 10.7 Issues of the preparation phase

10.2.1 Initiative: solution, signal, or crisis

What causes a public-sector organisation to start a new policy or internal change process? The cause can be a problem or an opportunity. A common observation is that external social or internal organisational problems that have no obvious solutions, have a much longer incubation time than when there is a clear answer. It helps especially when the solution is close and will get much support from the stakeholders.

Sometimes it is the other way around; a great solution is looking for the right problem as a carrier, like in the case when financial possibilities are poor. Sophisticated new policies may arise that will be welcomed by many people but are, financially, not urgent (i.e. the existing situation is not too expensive or the new policy does not reduce costs) and will not be carried out.

Sometimes a politically favourable solution 'grabs' the first problem in sight because the minister needs his little success. To give an example is not easy because politicians are skilled in concealing these kind of situations.

A solution that is already prepared may have to wait a long time until an external incident happens. This is what we saw happening in the Netherlands after the 11 September 2001 attacks on New York and Washington. Suddenly it became politically acceptable to link all kinds of databases with information about people, in order to find criminal and/or terrorist activity. The Dutch have

had very strong opposition to linking information between different public-sector organisations – the origin of which goes back to World War II. But the political parties, who see themselves as the guardians of national values, had guarded these values longer than the people wanted. A broad public acceptance for a small decrease of personal privacy to gain more public security had been developed without being noticed by the politicians.

Another delay in picking up signals that there is a societal issue that needs attention from public-sector organisations, can be caused by the idea that public organisations only have to do what they are designed to do. If a public-sector organisation has that type of culture, it is impossible to see the signals that originate from within integrated, complex problems. A housing policy department will only pick up issues that are mainly housing policy business, but what if an issue seems to have as much to do with housing as with land-use policy?

An example is what happened with the land policy issue in the Netherlands in 1999: for more than six months, two directorates had a discussion on who would be in charge of the issue. Meanwhile, public debate had started and it took an article in one of the leading newspapers where the passive role of the VROM Ministry was criticised and it was proposed that the Ministry of Economic Affairs would take the lead, before a task force was installed in the VROM Ministry and a process manager was appointed.

So a crisis, an incident, a risk-free opportunity and a societal problem that fits nicely into the organisation pattern of the public-sector organisation; these are all factors that *favour* issues to be taken up. This means that some important societal issues take too much time before the public sector accepts a role. What can we do about this? One way would be to reorganise the organisation into broader and more flexible clusters of people.

This example happened in the Dutch Ministry of Economic Affairs. Jan Willem Oosterwijk, the secretary-general of the ministry, explains what he did (Meuleman, 2001c). “We believe that the ministry can only survive when the dynamics of the outside world are reflected in the way the ministry handles new issues and changes in society. You then have to create an internal environment for your staff so that they can feel the ministry as a stimulating space to move around freely. In doing this, you have to change the organisation structure and the ways of working

at the same time.” Oosterwijk abolished the division structure and his staff is now only working on projects and in thematic teams. His top management team wants to give the example itself. “People expect us to be the example of the new working style: do we practice what we preach? We’ll have to make our own personal development plan just like all people working in the ministry, and we will have to learn to work with the new rules of the game. All of us will do a management assessment in order to understand how each of us should develop as a manager.”

If you are satisfied with smaller steps than in the above total re-invention of the Ministry of Economic Affairs, you could insert a new point on the agenda of the weekly staff meeting of your management team or of the ministry’s top management team: ‘topic of the week’ or just ‘actuality’. This really helps to shift attention from the fixed patterns to signals you can’t place yet, but that might promise a pattern.

This can be done in any team. Just make an inventory – without discussing, only asking what he or she exactly saw – what the team members found unusual in the newspaper, or on television, or on the Internet, or on the street. Make a list of these issues and then take some time to see if there are patterns in the observations, and if this triggers a reaction from the team.

Marbeth Bierman, former director in the Dutch Ministry of the Interior, is a strong promoter of organised attention for new signals. “It is crucial to pick up signals at a very early stage. You may be able to organise answers before the people involved have formulated inflexible standpoints. We should have used this method of spotting when we saw that serious problems had developed in three sectors of the public sector during the inspection of the execution of public tasks. Now nobody noticed the connection and three ministries started to find answers on their own” (Marbeth Bierman in Meuleman (2000b)).

Finding patterns in small signals and integrating them to an issue of social importance does not depend on how many newspapers your team members read.

In the division I headed for six years, one of the senior policy-makers was proud that he never read newspapers or watched television. He occasionally listened to the radio and found out about the main changes while talking to people. But just because he was so different from the others, he was a very valuable team member; he asked questions out of the blue that the others

didn't think of. He was like the biologists (accidentally he is a biologist) who had a hard time explaining to foresters the impact of the acid rainfall caused by the polluted air in the 1970s. The foresters, being in the woods every day, could not see that the small signals they picked up formed a pattern. Biologists were faster at recognising the patterns because they measured the changes and only visited the woods maybe once every few months.

10.2.2 Meeting with the commissioner

This meeting is of crucial importance for the rest of the process. Here the process manager has to 'buy' the free space he is going to work in (the mandate) as well as the direction and the limits of this area. What is the objective of the process, what are the ambitions, how will the end-product look (if there are already ideas about that, which is not always the case), and what are related subjects that – for the time being – will not be involved in the process, and why?

This start-up meeting would usually involve the commissioning person(s) such as the politically responsible person(s) (minister, councillor, regional deputy), the people most involved in the line organisation (management team of your department, for instance) and the project team. The objective of the meeting is to create a shared awareness of the playing field. The agreements of the start-up meeting will be described in the start document.

One of the objectives of the start-up meeting can be to reframe the problem at hand. For example, if you think traffic congestion is the problem to be solved, then more roads can be the answer. But if you change the issue into trying to improve the accessibility of the inner cities, then maybe you will decide to invest in the rail infrastructure.

Discussion or dialogue?

Start-up meetings and any other type of meeting during the process, often suffer from the *discussion disease*. In discussions, themes are analysed and broken down into sub-themes. People agree or don't agree with each other. If they don't agree during the discussion, they try to make their arguments stronger, more convincing, in order to win the 'battle'. During a discussion, information and opinions are shared, but new insights seldom develop. Therefore, the way of communicating with each other in process meetings should resemble the dialogue. In dialogue, information, opinions, and images

are shared and compared. Questions are asked to discover everybody's fundamental presumptions and values. The objective is to understand each other and from that point to work towards a common denominator, a basic level of agreement. It is not about convincing the others of your standpoint, but about understanding the different perceptions and opinions better. If you do this in an internal start-up meeting, it is already a good practice for the way you are going to work with external partners.

Unexpected things can happen to a process if you have no clear agreement on the ambition or the operating mandate from your commissioner.

One of the major processes in the Dutch vrom Ministry in the late 1990s was the writing of a White Paper on the relationship between the policies on land use planning and on environmental pollution. An external consultant evaluated the process, (Vrakking, 1998). This process is an interesting one because in the end the White Paper was never published. Thousands of working hours, hundreds of pages of analysis, 10 working groups, all the invested energy, did not lead to a final paper.

Part of the evaluation process was a desk research, but a written starting point could not be found. No start document in which the minister, the director-general, and the project manager agreed on the ambitions, on the content, or on the range of the White Paper that had to be produced. No agreement on the limits of the process. No written proof of a directive meeting at all. This proved to be a problem. The director-general did not believe a White Paper on spatial and environmental management would do much good. The minister started with a vague notion that writing such could improve the co-operation between the two directorates that were both under her political supervision, and gradually enlarged this ambition into the belief that a paper like this could transform the vrom Ministry into a super-ministry in all aspects of physical and environmental issues. The process manager saw the process as an opportunity to get support from the top managers and the minister for the already started better co-operation between the policy-makers of the two directorates: people who had, from the analyses of the societal problems they were working on, already discovered that they needed each other's knowledge and networks.

If there had been a start-up meeting with the right people and the right way of communication (dialogue instead of discussion), the process would probably not have been such a bad experience and disappointment for all the people who were working on it.

Although there was no written starting point, I do remember that there was a start-up meeting, or in fact a restart meeting, after the first phase of the process had ended in chaos. The meeting was held in a hotel close to the ministry and, as I recall it, the minister was there for the first 20 minutes and said nice words about the quality and the importance of what we were going to do, not about the objective, about her agenda, or about the limits of the process. After she left, we started a brainstorm in subgroups, on options for integration of the two policy fields. The group I lead worked out several practical improvements, such as the integration of the different permissions companies have to obtain according to the spatial and the environmental laws and regulations. The ideas, however, were never implemented because the process as a whole was never completed.

Political mandate

A process manager should be able to have a range within which he is free to interpret the situation and act according to what he thinks is right. That sounds nice but what is the reality?

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Annemarie Jorritsma, former Dutch Minister of Economic Affairs, liked to give civil servants much responsibility (Meuleman, 2001c). “You can’t send your people into a process without a mandate that makes no sense. Your staff would meet with other partners for hours and then, at the end of the meeting, would have to say: ‘well, we’ve been discussing this subject thoroughly, but now I should go and ask myself if I can sell this to my minister.’ Sometimes you have to talk about the mandate very specifically. But there are, of course, a lot of issues where the process manager and his team know perfectly well what the minister feels, and use this to act”, said Jorritsma. “This can go wrong now and then, but most of the time they assess my feelings quite accurately. If they have a problem, if they have the feeling that they have to negotiate without knowing the minister’s opinion, then I’d like to know that before they start negotiating. Finally, there are, of course, issues of which I say that it concerns something that can’t be decided by civil servants but by the politically responsible person, the minister.”

This free space is described in a kind of contract between you and your commissioner: the mandate. A mandate cannot be too detailed – that would take away any room to manoeuvre. To have a mandate means that there is trust and that your operating space has certain limits.

This minister basically trusted her people, knew what she wanted, and was able to communicate this clearly. Trust, vision, and communication are the three key factors here. I've served a minister who had the vision but lacked the trust in his staff. He didn't allow them free working space to negotiate with external partners. I've also worked for a minister who had the trust but wasn't very clear about what should be the outcome of the processes we worked on. So we were given a lot of responsibility and room to manoeuvre when negotiating with external partners, but didn't have a clear point of reference, nor any clear limits. That didn't help either. I remember that we always lost tempi when we had to work with the staff of Minister Jorritsma – then Minister for Traffic and Water Management – because of the fact that they knew what the minister wanted without asking her and could decide or take a stand at any time. They knew that even if they would take a standpoint that their minister didn't like afterwards, they would never be punished for that.

10.2.3 *Start document*

If the above example and your own experiences in this respect have shown the importance of making a start document when you are going to lead a public-sector initiated process – processed from the interaction zone or the intra-action zone – what are the questions that have to be answered before the process starts? (van der Ent and Meuleman, 1999a)

Appendix A1 contains a check list developed within the Dutch VROM Ministry, which I find quite practical.

10.2.4 *Political framework document*

If a process is politically sensitive – when the political network zone might have a large impact on the process – it can be necessary to write a political framework document. This document elaborates on the political impact of the process more than can be done in the start document.

Questions that have to be answered within this context are:

- a How are political parties thinking of the issue at hand? Asking their research offices to write an essay on the issue is a good means of understanding what's behind political standpoints – if there are already political standpoints on the issue. It can also stimulate the political parties to start their internal process of preparing a vision and a

standpoint on the issue. Another way to answer this question is to collect (written or spoken) statements of representatives of the different political parties.

- b How is your own minister or political boss thinking about the issue, and what has he said in public about the issue? In the land policy case in the Netherlands, the minister startled several stakeholders by telling the Press that he was going to stop the 'free rider' behaviour of building companies, by introducing a directive that ordered lowering the price of land. This was months before the internal start-up meeting took place in which the possibilities of governmental actions and the options for interventions would be talked about (during which time the option of land-price regulation didn't come up again as a solution).
- c What is the political operating room within existing international (in the European Case, in other countries, federal) legislation? In the countries of the European Union, a large part of the legislation on agriculture, nature conservation and environmental pollution originates from Brussels. The national policy bandwidth is small. On other issues like education or land-use policy, it is the other way around.
- d What is your minister prepared to 'sacrifice' when he or she has to negotiate with other ministers on issues that have nothing to do with your project? How is your minister's ranking in the pecking order of the cabinet? Is he a lame duck who loses all games or does he master the political game? Who is he always making coalitions with? Can you prepare something for these ministers?

10.2.5 Portfolio analysis

Every new project is in competition with existing projects as far as attention and means are concerned. Therefore, for the top-priority projects, a *portfolio approach* – which describes the inter-position of the projects – is helpful.

There are three aspects that together make out the portfolio situation of a process: the strategic, tactical, and operational position.

The strategic position is the ranking of the process in the 'projects league' of your organisation. Is it a top-10 project or not? Are the ambitions of the minister and of the top managers the same or at least compatible? Does the official top-10 list match the real strategic priorities of your organisation? I mean, having a top-40 list and a list-co-ordinating programme manager to guard the top projects does not mean that they have a real priority. Most of the

time, the top projects that get all the political and media attention only keep 10 per cent of the public-sector organisations people busy.

The tactical position of your process is the ranking of your process in the sharing of resources. You may well have to suffer from the fact that the top management assigns more priorities than the ministry's resources can handle. So if you are commissioned to manage an official top project, don't count your blessings until you have found out if there is substantial support for the project in your organisation. I have often experienced that, as a process manager, you have to negotiate with the communications department, with the housing department, with the personal affairs department to get the resources you need. They are usually allowed to help you out but have their own priorities.

If you have a clear strategic position and, on the tactical level, you have been able to get the resources you need, then the operational position of your project becomes important: does this all work in real life? How fast is the communication between you and your top commissioner (for example, the minister)? In the Green Heart process case, the process management team had a one-hour meeting with the minister each week. I think this prevented the process from being forced to align to the day-to-day tempo and style of the Ministry. Do you have your own budget or do you have to fill in many forms in order to get instant external advice? Sometimes it will be necessary to hire an external specialist in the heat of the process: call him this afternoon and ask for advice within 24 hours. According to the normal rules in most public-sector organisations, it'll take at least two to three weeks to get an external consultant commissioned to a project. If your process has to stick to the normal rules, the typical last-minute quick scan that can have a major strategic impact, is prohibited by the operational reality.

So it is very important to make arrangements about the relations between your process and the line organisation.

10.2.6 Choosing a role between informing and empowering

There are many ways participatory processes can be designed (see Figure 2.3). The next step is still often neglected. This is when public-sector organisations retreat and only help citizens to do what they want or need themselves. This is not interacting anymore but empowering people or organisations. In order to go this far, the public-sector organisation has to trust citizens.

Two examples that show how surprisingly positive the results of empowerment can be, were presented in a recent conference in Brussels.

In 1989, the *Partido dos Trabalhadores* (Party of Workers, a coalition of various leftwing, social and church groups) came into the administration of the city of Port Alegre (1.2 million inhabitants) in the south of Brazil. Their two main principles were 'inversion of priorities' (the needs of the poor are the first priority) and 'popular participation' (the people should have the final say). As the PT believed that the people can only have the final say when it controls the public finances, it installed a system of *orcamento participativo* (participative budget making). Each year, a new budget is made. In each of the 16 regions, meetings are held in which the citizens make up a list of investment priorities (like roads, schools, hospitals). They vote the members in the Regional Budget Forum into office, which makes a concrete budget from the priority lists of the people, and check within the civil services whether this is realistic (the civil service can present alternative proposals, but the RBH decides). The city council only has rights to make minor amendments and most of the time leaves the people's budget unchanged. Reportedly, *orcamento participativo* is very much appreciated by the people. There is over-representation of the poor during the process.

The Belgian Minister of Urban Renewal, reacting on this, made the remarkable observation that especially the richer, highly educated neighbourhoods in Brussels showed a decreasing democratic participation – people were only looking after themselves – and that in the so-called social-economic weaker neighbourhoods, the public participation was much stronger. So where do we look when we want to see innovation in democracy? It might be not in the neighbourhoods where most politicians live.

Elements of empowerment could play a role in the design of your process. But empowerment still means that the public sector 'gives' power to the people. What if they just took the power?

This astonishing thing happened in the Dutch city of Arnhem. An artist living in a low-income neighbourhood of the city came up with the idea of giving more than 100 photo cameras to people in this neighbourhood and ask them to make a picture book about how they saw the neighbourhood. This proved not only that the people loved their streets very much and especially liked the social structure, but the fact that

suddenly a lot of people crowded the streets taking pictures drastically increased the awareness of other people of their own living environment. And by the way, a couple of elderly women who went onto the streets to take pictures of what they disliked in their neighbourhood, the drug addicts, left them bewildered and had them leave the neighbourhood – something the police had never been able to do! The pictures were projected on large sheets of cotton that were hung from the old mill which became the centre point of the neighbourhood. The neighbourhood changed in a very positive way after this initiative.

10.3 The start-up phase

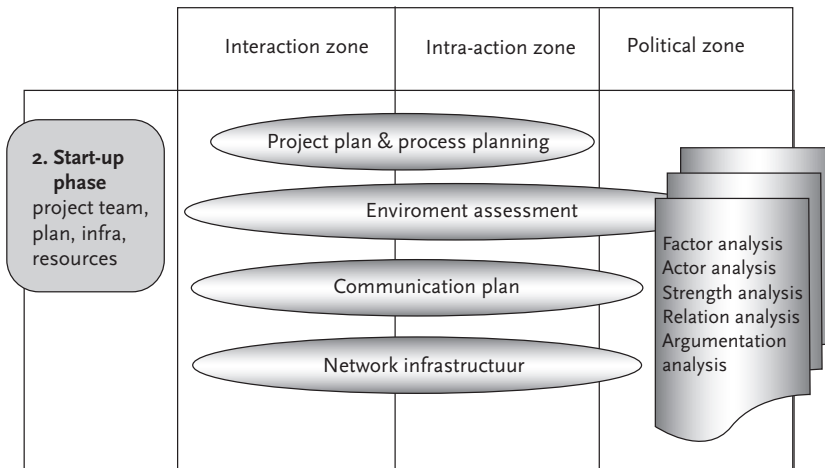


Figure 10.8 Issues of the start-up phase

10.3.1 Putting together a project/process team

A project team (I will use this term also for a team that has to direct a process) is the nucleus of a project or process. It should contain most of the expertise areas and most of the competencies that are needed to do the job.

This is, however, not always the starting point when a management team of a public-sector organisation decides to create a project team. Sometimes the fact that a certain division is 'represented' (and therefore thinks it can influence the course of things) is a central point in the decision process.

This is an important phase for the (newly appointed) process manager. The literature gives us several checklists that he can use to determine if the project team has all the required competencies. An interesting checklist is the one that describes the different attitudes civil servants can have towards their job (Figure 10.2) (Hartman and Tops, 1987). A highly interactive multi-actor process asks for a team with strong networking competencies, but other profiles can be necessary too, like the negotiator or the fighter.

Table 10.2 Twelve profiles of civil servants behaviour

Policy space →	Individual policy space	Organisational policy space	External policy space
<i>Basic types</i>			
Civil servant with no qualities	Follower	Errand boy	Service hatch
Expert	Fighter	Scorer	Arrogant
Negotiator	Bridge builder	Bargainer	Assayer
Connector	Committed	Teamworker	Networker

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If the process you will be managing has many influential external partners, it can be of great value to invite external partners into your project team. In this way you incorporate external expertise in the nucleus team and this prevents the team from having a too strong internal orientation.

10.3.2 First meeting with the project team

If a project team has a complex task and has to be a team for a long period, you will get together and talk about the way of working, the roles and the contributions of each of the project members, and about the way the team is going to reflect on what's happening and how they build learning time in the process.

A common image of the task has to be developed at a start-up meeting of the project team. It can be helpful to write the project plan as a team and then the major differences in vision and attitude will immediately become visible.

The first meeting of a new project team is one of the best chances you'll get to create a positive and creative attitude within the team. I started the first meeting of a new project team by not asking the members what department

they were representing and what their agenda was (what they came to *get*), but by asking them what their fields of knowledge, their experience, and their competences were and what they would like to *offer* to the team. This turned out to be effective. This team behaved differently from other teams I knew in which *positions* rather than knowledge and sharing made the group culture.

It is at the start-up meeting that team-building elements can be incorporated into the process architecture. Working with tools designed for team-building sessions (there are a lot of them in the management literature), will make the atmosphere in the team more informal and relaxed – a good basis for later when the process becomes difficult and tensions grow.

10.3.3 Project plan and process planning

The process manager incorporates into a project plan all the information that is necessary for the project team to get on with the work. The project plan is a tool for the process manager to manage the project and can only be written when the minister or other supervisor gives his instructions and with that a 'go' for the project. It is not at all a blueprint for the process. Like the start document, it can be useful for the dialogue between the people involved in the process and as a point of reference in order to be able to formulate deviations when necessary.

Compared to the more strategic start document, the project plan is more operational. Some aspects are described in both documents, but the project plan elaborates these issues.

In 1997, the research institute MeyerMonitor conducted in-depth research into why companies are effective in executing their strategy. Over 300 attributes were identified out of 50 qualitative interviews. These attributes were distributed amongst 500 people who had to indicate to what extent they encountered these attributes (indicators of organisational effectiveness) in their direct working environment. A factor analysis showed a high correlation between the following attributes:

My organisation:

- has transparent decision making,
- has efficient internal communication,
- has effective dissemination of information,
- has the ability to form partnerships with other organisations.

Apparently there is a strong relationship between the internal transparency of an organisation and its ability to form external partnerships.

10.4 The execution phase

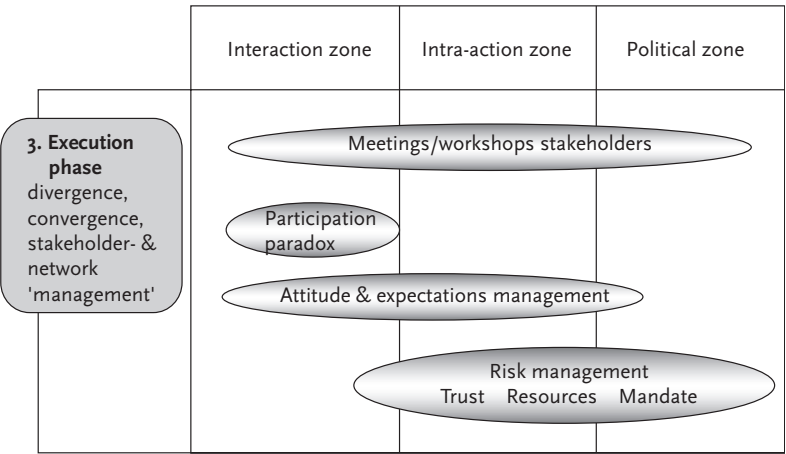


Figure 10.9 Issues of the execution phase

10.4.1 Involving parties, people, networks

With the information you have gathered about the actors who are relevant in the process, and with the relations you have been already building in the start-up phase, it is now time to start the process of co-creation. Usually there are two sub-phases: divergence and convergence of ideas. If possible, include fact finding and knowledge production.

In the execution phase, it is crucial that the public-sector players have an attitude that makes real interaction and intra-action possible. Public-process managers have to be able to act as facilitators rather than chairing meetings. They have to have a mandate, an operating space.

The politicians who are involved in the process also have to do that with an open attitude of mind. According to Professor of Strategy and Transformation Management Annemieke Roobeek, if politicians would “participate in a dialogue about the *content*, the discussion would be much more fruitful than when you ask them to give their political *standpoint*”. (Moerkamp, 2001).

These days, the term ‘stakeholder management’ is often heard, but this suggests that stakeholders can be ‘managed’. They can’t, and it may be better to talk about setting up and facilitating an effective network with all the relevant stakeholders in a policy issue.

A group of stakeholders can vary in the course of the process. In the orientation phase, knowledge centres such as universities, may play an important role when the aim is to identify the nature of the issue. Later, when alternative solutions have to be compared, the lead may be taken by groups likely to be effected or be responsible for implementing the chosen solutions. Any meeting with stakeholders should start by checking every participant’s expectations of the character and objective of the meeting. Is it a brainstorming session or a fact-finding meeting? Is it about negotiating a consensus or about making decisions? Very often, views will differ on these points and failure to obtain agreement at the start may mean that you wake up at the end to the surprising fact that you’ve organised only one clear consensus among the stakeholders: that you’re their common enemy (cf. Section 3.3 Management of expectations and Section 7.4 The participation paradox).

10.4.2 *The use of scenarios*

Predicting the future is a risky business. In 1904, H.G. Wells predicted that aviation would never become a serious business. “People are no albatrosses but two-footers with a peculiar disposition to get sick because of unusual movements ...” Wells concludes from these ‘facts’ that: “the vision of our future has to be built up from the ground.”

The Anglo-Dutch oil company Shell has much experience in developing and using scenarios for their strategy to operate on the unpredictable oil market. According to Shell’s Ewald Breunessse, scenarios have nothing to do with predicting the future. “For leaders who use scenarios, the question is not *whether* something is going to happen but what the organisation must do *if* it happens.” (Breunessse, 2002). One of the main functions of scenarios, he says, is the learning experience by the sharing of common mental models. The Shell approach of scenario planning involves eight steps that are summed up in Table 10.3 (Breunessse, 2002).

Table 10.3 Scenario planning in eight steps

Scenario planning in eight steps	
1	Define the subject and the time horizon of the scenario-exercise.
2	Make an inventory of, for example, eight key factors that will influence the scenario-subject; define them in a way that they can develop in two directions.
3	Arrange the key issues in a importance/insecurity diagram
4	Select the two most important insecure key factors (drivers) and use them as a basis for preferably four scenarios
5	Give the four scenarios names and choose, for example, two to develop further.
6	Fit the other key factors in the two selected scenarios, in a logical/consistent way.
7	Write a plausible story for each of the two scenarios.
8	Use the scenarios: test the robustness of your strategy, your investment plans etc.: what are chances and threats, what changes should be decided?

Not all questions are suitable for a scenario approach. According to van der Heiden (1996), scenario's are best applicable for questions that concern mid-term developments, not for short-term or long-term developments. In mid-term issues, normally there is a balance of uncertainty and a certain predictability.

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There are not many case studies in the literature about scenario planning in the public sector. A recent one is that of Heimens Visser (2002). She used the method described by Breunesse as a basis and elaborated on interactive¹ approach. One of the issues she especially addresses is the development of criteria to narrow down the number of external drivers to two dichotomic formulated drivers in four steps: (1) take only the external drivers (you cannot influence them), (2) leave out constant factors and fixed factors, (3) select then the drivers with the highest impact *and* the highest probability, (4) if necessary cluster drivers, in order to get only two dominant drivers with which you than construct four scenario's. She also argues that for complex issues related to, e.g., multi-stakeholder policy processes, the classical scientific approach of scenario-making is not useful. She chooses a more process oriented, constructivist approach called TO3, as described by in 't Veld (2001).

¹ I would call it transactive in stead of interactive because there were external and internal stakeholders involved.

10.4.2 Output and outcome of the process

The process manager of a transactive public (policy) process of course aims at a good *outcome*, i.e. the question at stake is solved. In order to achieve this, it is crucial to choose the right type of *output*. The classical output of a policy process is a document: a White Paper, a plan, or a law. In many cases, this works well. If the process aims at creating new legislature, then a law is likely to be a good type of output. A document can also be useful when it describes the agreements the participants have reached. But when it is only a description of what the government dreams of, this form of output is a very weak intervention instrument.

10.5 The evaluation phase

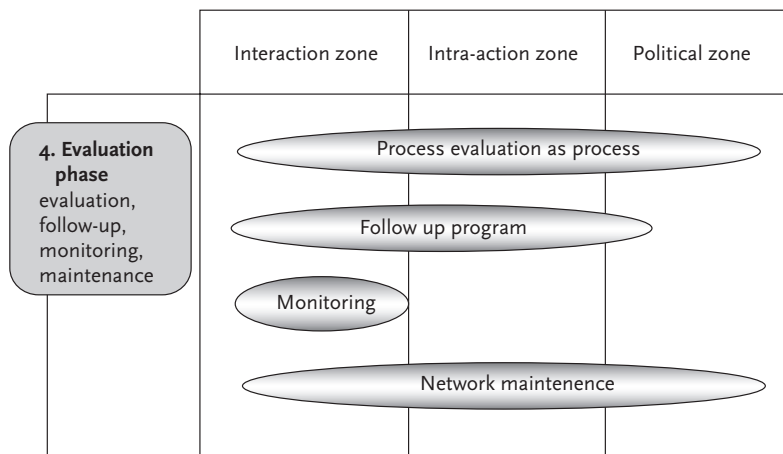


Figure 10.10 Issues of the evaluation phase

10.5.1 Process evaluation

The evaluation of a (transactive) process should be a process itself and not only letting someone write an evaluation report.

What could be the questions that are discussed in an evaluation meeting of a project, process or programme? The checklist presented in Appendix 3 has been used several times and proved to contain important questions (van der Ent and Meuleman, 1999b). It has been written from the point of view of a manager or administrator who has appointed the process manager to his job.

By using this list, the process manager knows that, in principle, the questions that the commissioner would ask have been dealt with.

It is not necessary to use all elements of the checklist during the evaluation session. The questions are just a means of getting a dialogue started between the commissioner and the process manager, and with the people who were most involved in the process.

The list can be used at the end of a process, but also in reflection sessions during the process.

10.5.2 Follow-up programme

A public process may have a clear end: an agreement, the final conference, a party with all participants, a political decision, or a combination of these. Sometimes, however, the end of the process is not clearly visible. In that case, the 'end' of the process is artificial, is an intervention with a function in the ongoing process.

When, for example, the Pegasus Programme of the Dutch VROM Ministry came near the agreed end after almost two-and-a-half years, we could have argued that the process of change towards a better external orientation of the ministry was not yet finished. We could have proposed that the programme should be given another two years; I think that was what many colleagues expected. But we decided to make a process intervention out of the planned programme end. We not only prepared a final conference, a series of brochures and a farewell party but also a proposal for a continued dialogue in the ministry based on the most striking conclusions and insights of two-and-a-half years of pilot projects and other action learning. The proposal for this follow-up programme was okayed by the ministry's management team but, for different reasons, never implemented. Although this was not a success, the intervention had provoked the management team into taking a standpoint. They said 'yes', but did 'no', which was maybe typical for the management team during that period. It also didn't help that the minister had never developed ownership of the Pegasus Programme that had been started by his predecessor.

The 'non-decision' of the ministry's management team could not stop developments. Process managers, on an individual basis, used the

common knowledge that they and their process team had produced. Many other public-sector organisations went on showing interest in the Pegasus brochures. More than 80 local authorities and several provinces and ministries asked to be sent the series of brochures.

Our intervention (instead of asking for a second phase, celebrating the end of the process, and asking for a decision for a new process) was useful because it proved that there would have not been enough support from the minister and the top management team to go on with the change process. A continued Pegasus Programme might have become window dressing.

In other public process cases, the societal process continues when the public process comes to an end. Then I think that it is important to design at least a follow-up programme that contains a monitoring vehicle and a provision for network maintenance. If you do not do this, chances are you will soon have lost contact with the societal process – and end up in a situation like in the land policy case (Section 4.2.2): a ministry responsible for a very complex public issue but without much expertise on the subject.

10.5.3 *Dismantling the process organisation*

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During the follow-up phase, the sub-process of dismantling the process organisation has to be brought into being. This is sometimes neglected, which is a pity because it is a matter of good governance that you take care of the human and other resources that you have been able to use during the process. The dismantling of the process organisation is about:

- What is going to happen to the people who are in the process team? In a public-sector organisation in which complex processes are an exception, you may have a hard time finding a new commission or task for your team members (and yourself). Process-team members often become useless for standard public-sector work; they are used to improvising and reacting pro-actively to their environment, which is not a competence that is needed in hierarchical bureaucracies.
- What has happened to the budget that was awarded for the process; is there a surplus or a shortfall?
- What is going to happen with the written knowledge and archives of the process?

- What is going to happen with the knowledge and experience that was accumulated by the team members? Is it possible to transfer this to other people? It can be a serious waste of money if you let this knowledge and experience disappear.

11 Conclusions and Further Questions

Why has the public sector so many difficulties in coping with the emerging network society and resulting in the low credibility of public-sector behaviour? The answer lies on three levels of public-sector performance: (1) the level of the 'public sphere', (2) the level of the public-sector organisations, and (3) the level of the public-sector process manager.

As I have already stated, my attempt to answer these questions was subjective and can only be tentative; the results are rather plausible than 'proof'.

Some conclusions could be drawn which themselves lead to new questions, so altogether it seems as if some more research may be worthwhile.

Conclusions and further questions concerning the public sphere

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- 1 Society's shift from a more vertical (hierarchical) to a more horizontal network orientation causes tension in public-sector organisations. The top political and bureaucratic players show a strong belief in vertical orientation (the public sector 'steers' the course of society) and seem hesitant to establish horizontal network relations. Further research might reveal the main causes of this attitude.
- 2 New players have entered the public sphere, such as temporary one-issue organisations, Internet communities, and citizens' initiatives. However, especially in the social-economic field, parts of the corporatist society that preceded the network society remain influential. It might be interesting to investigate what differentiates the 'old' and the 'new' groups: one could look at issues like intervention strategies, types of internal organisation, the use of new media such as the Internet, core competencies of their employees, etc.

Conclusions and further questions concerning public-sector organisations

- 3 I think that the main reasons why the new 'interactive' public sector sometimes has an even lower credibility than the old non-interactive bureaucratic type, can be found in the unbalance between relational and organisational factors; the emphasis on external relations has led to a neglect of internal interactivity or *intra-activity*. My hypothesis, called the *Pegasus Principle*, is that using 'connectivity' and creativity to produce a better balance of *interactivity* and *intra-activity* into what I call a *transactive* organisation or process, leads to a better performance by the public sector. But is this the case in all public-sector organisations? And how is this linked with public-sector *credibility*? Executing case studies might produce a scheme to assess how a *transactive* approach influences public-sector performance and credibility.
- 4 The public sector has to attune to a growing international and multicultural setting. The examples I have shown, combined with the two previously mentioned approaches of Hofstede and Graves, give reason enough to believe that it is *not* feasible anymore for the public sector to go on developing policies for a general public with 'average' social values. A comparative research project on the practical value of intercultural approaches in complex, multi-stakeholder public-sector processes could result in a practical method and could reveal the pitfalls of these approaches.
- 5 The question of how to manage the difference between the public sector and its societal partners in their expectation of what *participation* means in practice, was only briefly discussed. However, I think having made it plausible that a transactive approach in which the process architecture includes well-established interfaces with the intra-action zone and the political zone of the public-sector organisation, is one of the conditions for solving this problem.
- 6 The problems around the production and use of knowledge for complex societal questions cannot be neglected. Research is needed to develop critical success factors for successful cooperation between actors with a more technocratic/rational view and actors who have a more constructivist view on knowledge production and use, and to develop ways to connect fact finding and knowledge production with policy-making processes into what can be called *knowledge-inclusive policy-making*. Should knowledge production for complex policy issues always be transdisciplinary? And are inductive research methods in general more useful for complex societal questions than deductive research methods?

Conclusions and further questions concerning public-sector organisations

- 7 The friction between the two organisational concepts that reflect, respectively, the vertical orientation (the machine bureaucracy metaphor) and the horizontal orientation (the network metaphor) inside *one* public-sector organisation, may be solved by introducing the concept of the hybrid organisation. However, the question remains how to ensure that the right *interfaces* between the two types of organisations are installed.
- 8 Describing differently the 'work environment' of three groups of public-sector actors (process managers who work with external parties, employees who work mainly internally, and politicians) makes it possible to analyse more accurately the options and pitfalls of the network relations of public-sector organisations. It is worthwhile investigating how this *zone concept*, that differentiates in an *interaction zone*, an *intra-action zone* and a *political zone* can be elaborated into guidelines for organisational infrastructure-building.
- 9 The fact that public-sector organisations sometimes have preferences for either internal or external relations, can create serious performance problems. Either societal demands for greater participation are not met or the internal organisation is unable to support the external interactivity. The examples in this book suggest that both types of unbalance often simultaneously appear in one single organisation. Further analysis might show the main reasons for the different preferences and could lead to suggestions for organisational change and insight in which factors stimulate or inhibit a public-sector organisations' ability to execute successful change processes.

Conclusions and further questions concerning the public-process manager

- 10 Public-sector process managers can become key players in complex (policy) processes provided that (1) they have professional knowledge of, and experienced with what they will encounter and that (2) their cultural and organisational environment supports them. The latter is seldom the case; there are many more examples of environmental barriers than of environmental support. This suggests that the top politicians and bureaucrats should design a more 'protected' environment for transactive process management. However, it is paradoxical that especially these actors are often the most reluctant in stimulating horizontal relations – a key

factor in transactive process management. Further research into this paradox might lead to an insight into the mechanisms that stops public-sector organisations from giving their process managers the support they need.

- II It is interesting that public-sector organisations more often focus on developing skills for *project management* than for *process management*. Most policy issues include so much uncertainty about objectives, participants and the forms of participation, and relations with other societal issues, etc., that they have to be treated as *processes*. A public-sector process that is organised as a project and therefore concentrates on command and control of resources, tends to produce more confusion than solutions. A series of case studies could make this argument stronger.

Summary

The Pegasus Principle addresses the problems the public sector encounters in the new network society. First, several elements of the broader environment in which public-sector organisations are working, the public sphere, are described. In the public sphere, hierarchy has ceased to be the only way the public sector can achieve its goals and horizontal relations start to dominate. Nowadays the public sector has to co-operate with the private sector, with non-governmental organisations, and with individual citizens in an increasingly non-hierarchical way.

The impact of the work of a public-sector organisation in the public sphere depends on its network ability. In this respect, timing and tempo are relevant issues. Besides this, one can differentiate between two public-sector 'brands' – policies and decisions or service and products – because the relations with external and internal actors are different for each of these brands. The policies and decisions brand has partners, whereas the service and products brand has customers.

The public sector has a difficult time finding its role and position in this new, dynamic, and multi-actor public sphere. Interactive policy processes that seem to be the answer, often fail because of the fact that they cannot generate public trust in the public sector; public-sector organisations too often turn out to be unreliable and/or not credible in the eyes of the other players in the public sphere.

A combination of interactivity and intra-activity into a *transactive* approach may be the basis for a more credible public-sector organisation.

When looking at the relations of the public sector with external parties, first two ways of how cultures influence successful and credible process management have to be differentiated. Firstly, the internal organisational culture and intercultural differences between people of different nations, regions or, societal groups. Important issues are the attitude towards external parties (challenging or threatening), the impact of a positive internal culture of co-operation (intra-activity) on the ability to perform well in external relations,

the 'steering voodoo' which the vertical public sector sometimes tries in vain to use for the horizontal society and the fact that the internal culture is mirrored in the vocabulary that the public sector uses.

Besides this, in an increasingly multicultural society, the public sector has to learn to work with knowledge about intercultural differences. Two approaches are described: the intercultural approach of Hofstede and the values-system approach of Graves.

Another relational issue is the conclusion that external parties often expect to have more influence than the public sector is prepared to tolerate. To prevent problems, this public perception has to be 'managed' in a pro-active way.

The attitude towards handling knowledge questions is influenced by two paradigms. Parties who are involved in complex processes tend to think according to either a more technocratic/rational approach or a more constructivist approach. This is almost a guarantee that conflicts will arise. There are several ways of preventing or mitigating these problems.

The organisational angle of the main question in this book is introduced with a short discussion on the usefulness of looking at public-sector organisations as network organisations. Public-process managers of complex processes work in three virtual network zones: the interaction zone, the intra-action zone, and the political zone. An example from land-use policy makes it plausible that not realising that you work in the interaction zone can lead to a situation where the public sector is not playing a significant role.

The intra-action zone is where the foundations for external relations are laid. In the section about the political zone, the wearisome relation of many politicians with the network society is described. The section describes such issues as political primacy as a defensive strategy, the need for new forms of political leadership, and the phenomenon that politicians see the public-sector organisation they lead as a black box.

The differentiation of two main orientations, internal and external, leads to the introduction of four types of public-sector organisations or processes: the inert, the interactive, the intra-active, and the transactive type. A transactive organisation or process has a good balance between internal and external orientation. The process manager in a transactive process is an alert webber of the intra-action zone, the interaction zone, and the political zone.

If the public-sector organisation is unbalanced, a transition process may be necessary. It is suggested that a hybrid organisation model that combines a hierarchical and a network organisation type may perform best. Several characteristic of a transactive organisation are listed, and the new roles are discussed that middle managers may pick up.

A formula for credible public governance, the Pegasus Principle, is formulated that combines creativity and connectivity.

The second part of the book focuses on the practical issues that the public-process manager has to cope with. Five approaches are described and illustrated to make an assessment of the actors, their interests, their relations, their attitude, and their ways of discussing events and items:

- the factor analysis, which gives a first insight into the complexity of the problem;
- the actor analysis, which gives an insight into who are relevant actors and what roles they might play;
- the strength analysis, which informs about the attitude of the actors; strength management is about how to influence this attitude;
- the mapping of relations between actors and other relationships they may have that can influence their behaviour in the process;
- the argumentation analysis, which gives an insight into the state of the debate and four different ways actors may discuss the issue.

Furthermore, an approach is introduced to define and manage the risks that the public-process manager may encounter during the preparation and execution of a process. Three typical risk types are described:

- risks related to the relations between civil servants and politicians;
- risks related to involvement of stakeholders (participation paradox);
- risks related to procedures.

Transactive meetings are described as tools for the process manager who is anxious to have productive and time-efficient interaction with his internal and external process stakeholders. Much of the interactivity and intra-activity of a public-sector process takes place in the form of these meetings. The process manager has to decide if he will be the facilitator of the meeting or take another role. A list of success factors and questions for the development of the appropriate type of meeting is given. The following types of meetings are presented:

- the internal start-up meeting;
- the external star-up meeting;
- the expert meeting;
- the opinion-forming meeting;
- the reflection meeting;
- the decision making meeting;
- the evaluation meeting;
- open space meetings.

Another type of issue that is only briefly addressed consists of learning, communication, and the use of ICT.

The difference between projects and processes is described. Three organising principles for public-sector processes are proposed: the energy principle, the creation principle, and the network principle. Although complex processes often do not follow the 'classical' order of phases, it is helpful to differentiate four (imaginary) process phases: the preparation phase, the start-up phase, the execution phase, and the follow-up phase of public processes.

In the preparation phase, one of the first issues is the question of how the process is initiated: is it a problem or an opportunity? The process manager then has to obtain a formal commission and a mandate. A start document and a political framework document are tools that help prevent start-up problems. A portfolio analysis sorts out the priority the process has in the public-sector organisation. Then the choice has to be made about the type of participation that is going to be welcomed. Empowering stakeholders can be part of the strategy.

The project or process team has to be put together in the start-up phase and the first meeting of that team sets the standards in terms of culture and co-operation. A project plan and process planning prepare the team for the process.

The co-creation starts in the execution phase. Stakeholders and other participants are involved by organising meetings or through other ways. Scenarios can be useful tools for getting a dialogue started. The quality of the outcome of the process partly depends on what types of output are chosen.

The follow-up phase is about the process evaluation and the making of a follow-up programme. The last issue is the dismantling of the process team.

The *Pegasus Principle* ends with conclusions and proposals for (further) research.

Appendix 1

Checklist of Questions for the Start Document

Introduction

- What is the project about?
- What caused the initiative?
- What is the history of the issue?

Objective of the project/process

- The Problem:
 - What is the problem?
 - Whose problem is it?
 - Why is it a problem?
 - What is the state of the knowledge debate?
 - What is the importance of the project?
 - What is the urgency of the project?
- The objectives:
 - What is the policy objective?
 - What is the society objective?
 - What is the project objective?
- Required effect:
 - What has to be changed after the project?
 - Which society effects are wanted?
 - What kind of outcome is wanted?

Product image

- What is ready at the end of the project?
- What does not belong to the project?
- What are the terms of reference for the quality of the results, the products, and the process?
- How far will the product add to the required effects?

Project organisation

- Project responsibility
 - Who took the initiative?
 - Who commissioned the actual consignment?
 - Who is primarily responsible?
 - Who is co-responsible?
 - To whom shall the project manager report?
 - Is there a shared responsibility with other organisations?
- Organisation structure
 - How is the internal decision-making organised?
 - Which organisation elements are discerned?
 - Which persons are participating and on what levels?
 - How are responsibilities distributed/spread?
 - How are tasks distributed/spread?

Mandate

- What are the relevant developments at issue?
- What are the political ambitions of the project?
- What policy statements have other ministers made?
- Which are the starting points related to the content?
- Which of these points are hard and which are soft?
- What is the policy framework in which the project interacts?

Process planning and network zone management

- When does the project have to be finished?
- What are the decisions to be taken and by whom?
- What are the crucial decision times?
- To which other projects should the project be attuned?
- What parties have something at stake here and who are in the interaction zone, the intra-action zone, and in the political zone?
- What are the interests of the stakeholders?

Financial aspects

- Who has what budget available for the project?
- Is the available budget, capacity of staff, and process time in accordance with the ambitions of the project?

Appendix 2

Checklist of Questions for the Process Plan

Introduction

What is the project about?

What is the history of the issue? → see start document (Appendix 1)

Problem description

Problem definition ? → see start document (Appendix 1)

Objective (formulate active, with verbs)

Central question and other questions

Project or process definition (in one sentence)

Project/process outcome

Wanted effects → see start document (Appendix 1)

What will be ready and what will not when we are finished? (formulate products in nouns)

Organisation of the process

Terms of reference (from commissioning person, implementers, users/ customers, stakeholders, citizens, legal references)

Process environment analyses (factor analysis, actor analysis, strength analysis, relation analysis, argumentation analysis, risk analysis)

Transactivity aspects (support for transactive approach, complexity of the issue, transparency of the process)

Process planning (groups of activities, critical path analysis, milestones, communication activities and strategy)

Project/process organisation

Draw an organisation scheme

Describe the needed capacity (staff)

Agree on rules (about how meetings will go, how decisions are made, how contacts with the media will go, frequency of meetings, participation, mandates, conflict management, meditation)

Organise fact finding and knowledge productions as part of the process
Organise the information flow (archive, documentation, website, e-mail)
Organise the monitoring of progress
Organise a follow-up including evaluation of the process.

Use of ICT (cf. Section 9.4)

Financial aspects

What is the project/process budget? (reserve money for facilitation and mediation)
How much manpower (staff) is available?

Communication planning (cf. Section 9.3)

Appendix 3

Checklist of Questions for the Evaluation Phase¹

This checklist may be used at the start of a process in order to formulate the terms of reference. It can also be used in reflection sessions within the process or as an evaluation tool at the end of the process. The following five main issues should be the agenda of each session:

- a Project description/commission.
- b Mandate in terms of content.
- c Project/process organisation.
- d Process execution.
- e Outcome.

Each issue contains several sub questions:

- a Project description/commission.
 - 1 Do/did all involved know clearly what was:
 - The issue at stake (who, what, why)?
 - The political ambitions?
 - The policy objectives?
 - The required outcome?
 - The kind of product(s) that would be produced?
 - 2 What is the political priority of the process compared with other processes?
 - 3 Have enough resources been made available? Do these match the ambitions of the process?
 - 4 Do/did the involved actors clearly know what the interaction/intra-action goals of the process are/were
 - First problem scanning?
 - Forming of opinions?

¹ After: van der Ent and Meuleman (1999b).

- Create public support?
 - Scanning possible solutions?
 - Co-create new policy?
 - Co-implement policy?
 - Decision-making?
- 5 Has a start document been made (agreement of process manager and commissioner)?
 - 6 Has a project plan been made (agreement between process manager and process team)?
 - 7 What is the quality of both documents?
 - 8 Have the objectives, ambitions and/or the commission changed during the process? If so, have the consequences of this been made clear for the process, for the process organisation, and for the participants?

a Mandate in terms of the content

- 1 Has an outline been drawn of the relevant actual developments and of recent policy statements of politicians other than your own minister?
- 2 Are the ambitions of your political boss(es) clear regarding the process and is there an internal agreement in your organisation about these ambitions?
- 3 Has a start conference been held and what did it produce?
- 4 Has a political framework document been drawn up with the transactivity room (mandate) of the process team? Have the starting points been formulated?

c Project/process organisation

- 1 Are the tasks, competences, and responsibilities of each of the team members clear?
- 2 What role does the process manager play?
 - Connecting role?
 - Stakeholder?
- 3 How is the co-operation within the process team and with actors outside the team?
- 4 What is the level of transparency during the process?
 - What information is available and what information is not available?
 - How is the information exchange (within the team, within own public-sector organisation, with the minister/politicians, with external partners, etc.)?

- 5 Is it clear who is the person who takes decisions at the highest level?
 - Is it the formal commissioner?
 - Is it someone else?
- 6 To whom does the process manager report?
- 7 Is the organisation structure effective?
 - How does the organisation chart look?
 - How are responsibilities distributed (to, for example, parliament, minister(s), steering committee of top managers, process manager, process team, sounding board group, working groups)?
- 8 How are the tasks divided between political responsible persons (ministers for example) and steering committee, between process team and steering committee and between process team and working groups?
- 9 Does this distribution of tasks work according to what was agreed?
- 10 How is the co-operation with other public-sector organisations?

d Process execution

- 1 Has a process plan been made with explicit crucial times?
 - Is it clear who has to decide on what and when?
 - Have the most important decision times been planned?
 - Has a critical path analysis been made in order to plan decision times?
 - Have the important communication times been described (internally, externally, to the media)?
- 2 To which extent is the process planning leading?
 - Is the planning well communicated?
 - Is the planning adjusted when changes are made?
 - Is this adjustment explicit or implicit?
- 3 Does the process and/or the debate have a continuity and is the process linked to decision-making procedures?
- 4 Are relations with other processes dealt with? How are they dealt with and are they dealt with sufficiently?
- 5 Are reflection meetings organised and do they influence the process?
- 6 Does one acknowledge that one operates in more than one arena at the same time, and to what extent is linking these arenas aimed for?
- 7 Relations with the intra-action zone (the internal environment):
 - How does the internal decision-making process work?
 - Is the process organisation internally well linked?
 - Is the project architecture based upon lessons from other processes?

- 8 Relations with the interaction zone (the external environment):
 - Is the process environment analysed? (factor analysis, actor analysis, strength analysis, relation analysis, argumentation analysis, risk analysis)
 - How accurate was the environment analysis, and was it evaluated during the process
 - Have all necessary actors been involved in the process?
 - Were the right representatives of the involved actors asked the right question(s) at the right moment?
 - Are the actors' interests well dealt with and how is the response communicated?
 - Are the actors' expectations well managed?
 - 9 Relations with the political environment:
 - Have the standpoints of the different political parties been checked as well as how the power balance in the house of representatives is?
- e Process outcome
- 1 Has the process led to:
 - More political and societal acceptance?
 - Better exchange of information?
 - Better solutions?
 - Sustainable relations between actors?
 - Lower costs for implementation?
 - 2 Was the process knowledge-inclusive: were fact finding and knowledge production part of the policy process, and was there a decision whether this should be done in a transdisciplinary way?
 - 3 Are the interaction objectives of the project/process commission met?
 - 4 Were all used communication instruments necessary to meet these objectives?
 - 5 Have the policy objectives been reached and is the quality of the outcome considered as good?
 - 6 Are the involved actors satisfied with how the process went?
 - 7 Did the process produce new insights and were they used to change the course of the process?

Appendix 4

Checklist for Developing Influence and Productive Relations

a Influence-promoting attitude

How do I develop influential relations? In the first place, it is important to understand what the *attitude* is that promotes influence. The most important qualities within this context are:

- Positivity (chances instead of problems)
- Optimism (I will succeed, in one way or another)
- Perseverance and resilience
- Friendliness (opens most doors)
- Humour (breaks the ice)
- Creativity (increases the amount of options = chances)
- Velocity (take by surprise, being the first, go straight for the goal)
- Timing (sensing the right moment, dare to use intuition)
- Assertivity (have the guts to stand up, to go for it)
- Patience

b Reasons

When you have assessed the attitudinal qualities you have, the next step is to check what are the *reasons* behind influence. Why do you want to have influence? Is it because you have:

- Ideas: you hit upon something?
- Ambition: you want something?
- Enthusiasm: you go for it?
- Creativity: you have a flexible mind?
- Chance to develop one's talents?
- A drive: you have a burning ambition?

c Sources

When you have the attitude and the drive, then the next step is to look at the three sources that influence comes from: your convincing power, your credibility, and the reciprocity of your relations.

1 Convincing power:

- Argue from the interests you have or represent instead of from your own standpoint: what do I really want to achieve; what is important to me?
- Use your voice well (do you have a good ‘telephone voice’?).
- Choose the time and place for trying to convince people (bilateral? In a working group? etc.).
- Write in a journalistic way: short sentences, clear messages, start with the main message.
- Be aware of the fact that your presentation style often has more impact than the words you choose.
- Use your charm.

2 Credibility

What would happen if you would abuse your *convincing power*? You would probably loose your credibility. What are the important materials from which you build credibility?

- Show respect.
- Never lie, but if necessary don’t tell the whole truth (at once).
- Be enthusiastic and positive, radiate trust.
- Be reliable and discrete.
- Don’t throw mud at others because your partner then knows that you will talk like that about him.
- Know your facts.
- Be realistic, don’t promise things you cannot do or give.
- Be sure you know experts, but don’t start name-dropping.

3 Reciprocity

Any relationship involves at least two people. All communication has at least two actors. It is vital that you are not only sending information or ideas, but also are able to listen very well. Your partner might improve your ideas or you can help him with something that is not connected at all with what your goal is. So the third aspect of an influential relation is *reciprocity*:

- Take people seriously.
- Listen well and give feedback (you will surprise them!).
- Give and take, not only take.

- Invest in people, build relations, build credit: help people without asking something in return.
- Share knowledge according to the principle of sharing knowledge makes you smarter.
- Co-operating is better than having opposition.
- Try to turn your question into a mutual question.
- Never take no for an answer (question: 'if it can't be done the way it should, let's do it the way it can', or 'what if I wanted the impossible, what would you do when you were me?').
- Organise alliances.

And finally, some strategic and tactical suggestions when you have set out to get what you really want:

- Find your personal mixture of the three sources and keep them balanced.
- Use your strong points.
- Act, don't hesitate.
- You don't have to start a change process with a diagnosis, you can provoke change by doing something different.
- Be visible (however, in some cases it works better behind the screens).
- Be prepared to take risks and make mistakes, boast if necessary.
- 'Attack' a place that already is moving, never where everything is fixed (it would be a waste of energy).
- Take positions where you are the first to know (secretary of a working group).
- Use other people's energy (play judo).
- It is better to get things your way than to have people say that you are right (for example: let them take the credit).
- Be pragmatic; if it works it might be all right (even if it is theoretically wrong or different from your initial expectations).
- Build networks in several domains.
- Networking is not drinking wine at receptions, networking is real working; know what you want, look who is where, arrange meetings, bring 'gifts' (such as information).
- Get yourself into situations where interesting interactions take place (such as the interaction zone between organisations).

But...

- Watch for overkill (these lists are in fact a bad example...).
- Don't be triumphant about your 'victories'.
- Never drive people into a corner; it is not nice.
- Let others share in the pleasure of achieving what you wanted.

Appendix 5

A Transactivity ‘Test-Kit’

How do you know if the public process you are running has a good balance in internal and external orientation, or, in other words, is transactive? The following little test could help you assess the situation.

- 1 Can you name your internal resource providers (the colleagues who deliver money, print facilities, ICT etc.)? Do you know them and have you made arrangements with them? What is the situation and what is your ambition?

Assessment of actual situation (between -5 and +5)

-5 -4 -3 -2 -1 0 +1 +2 +3 +4 +5

-5 -4 -3 -2 -1 0 +1 +2 +3 +4 +5

Ambition: what would you like it to be? (between -5 & +5)

- 2 Can you name colleagues in the same or connected public-sector organisations working on or in relation to the same issue, or who are working on different issues that may have a substantial impact on your process? Did you make arrangements with them?

Assessment of actual situation (between -5 and +5)

-5 -4 -3 -2 -1 0 +1 +2 +3 +4 +5

-5 -4 -3 -2 -1 0 +1 +2 +3 +4 +5

Ambition: what would you like it to be? (between -5 & +5)

- 3 Can you name the person politically responsible for the process and do you know what he wants? Are arrangements such as political framework documents and mandates made? Do you know if the minister has other important issues that can play a role when negotiating? He might want to forget about your proposals if that is the only way he can get something else from another minister.

Assessment of actual situation (between -5 and +5)

-5 -4 -3 -2 -1 0 +1 +2 +3 +4 +5

-5 -4 -3 -2 -1 0 +1 +2 +3 +4 +5

Ambition: what would you like it to be? (between -5 & +5)

- 4 Does the top management level of your public-sector organisation have the same priorities as the minister? They may want to look at a longer-term outcome than the minister who may want to score in the short-term.

Assessment of actual situation (between -5 and +5)

-5 -4 -3 -2 -1 0 +1 +2 +3 +4 +5

-5 -4 -3 -2 -1 0 +1 +2 +3 +4 +5

Ambition: what would you like it to be? (between -5 & +5)

- 5 Have you organised the internal communication well?

Assessment of actual situation (between -5 and +5)

-5 -4 -3 -2 -1 0 +1 +2 +3 +4 +5

-5 -4 -3 -2 -1 0 +1 +2 +3 +4 +5

Ambition: what would you like it to be? (between -5 & +5)

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- 6 Can you name the most important stakeholders? Do you know them, their interests and their standpoints?

Assessment of actual situation (between -5 and +5)

-5 -4 -3 -2 -1 0 +1 +2 +3 +4 +5

-5 -4 -3 -2 -1 0 +1 +2 +3 +4 +5

Ambition: what would you like it to be? (between -5 & +5)

- 7 Do you have a plan to involve unorganised interests? How to enhance weak societal signals?

Assessment of actual situation (between -5 and +5)

-5 -4 -3 -2 -1 0 +1 +2 +3 +4 +5

-5 -4 -3 -2 -1 0 +1 +2 +3 +4 +5

Ambition: what would you like it to be? (between -5 & +5)

- 8 Do you have an agreement with your minister on how to relate to external political actors (parties, parliament)? In the Netherlands, the rule is that civil servants only talk with members of parliament via the minister. But this is not

always possible. (What would you do when, around midnight and after a conference you attended with three MPs, the four of you are waiting together at the same railway station to catch the last train? Surely you can't only talk about the weather.)

Assessment of actual situation (between -5 and +5)

-5 -4 -3 -2 -1 0 +1 +2 +3 +4 +5

-5 -4 -3 -2 -1 0 +1 +2 +3 +4 +5

Ambition: what would you like it to be? (between -5 & +5)

- 9 Which media do you use in your external communication plan (Internet, e-mail, news media, etc.)? Do you know how to work with the Press and do you, for example, have information sets ready for the media?

Assessment of actual situation (between -5 and +5)

-5 -4 -3 -2 -1 0 +1 +2 +3 +4 +5

-5 -4 -3 -2 -1 0 +1 +2 +3 +4 +5

Ambition: what would you like it to be? (between -5 & +5)

When something changes in the external or internal world, like a scandal with one of the external stakeholder organisations, or a halt to internal spending, then the balance could be destroyed. In that case, it can be wise to make a quick scan along the lines of the nine questions I have listed above, or similar questions you may find more appropriate.

When the process team makes an assessment of these items that are crucial for a good balance between internal and external orientation and puts the results together, then a discussion can be held and decisions can be taken.

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About the Author

Louis Meuleman (1954) has twenty years' experience in the public sector in the Netherlands on regional, national, and international issues, and in different roles. He served as a policy-maker, project manager, head of division, project director, and process manager, mainly in the field of environmental and spatial (land use) policy. Currently, he is general secretary/director of the Netherlands Advisory Council for Research on Spatial Planning, Nature and the Environment (RMNO). He is also chairman of the Netherlands Association for Public Management (VOM), senior lecturer at the Strategy Centre of Nyenrode University, the Netherlands, and co-editor of two Dutch public management magazines.

In many countries the public sector is experiencing a credibility crisis. Scandals and reports of large-scale fraud have damaged the public sector's reputation with citizens and other stakeholders. This book is an 'inside story' about restoring the public trust as well as a guide to improving the complex management processes found in the public sector.

Based on his experiences in the public sector in the Netherlands, the author describes the important role process managers have in helping to transform public sector organisations into credible and productive partners in society. He introduces the 'Pegasus Principle', a concept in which a 'transactive process approach' is used to balance the external multiple-actor environment with the internal environment of a (public sector) organisation. It is this balance between interactivity and intra-activity that is the key to successful process management.

The Pegasus Principle can be read as a general introduction to public process management, and as a field guide for readers interested in practical suggestions and tools for managing public policy processes.

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