

The contribution of boundary-spanning individuals to the development of a Strategic Service Delivery Partnership. A longitudinal UK case study.

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Abstract

This paper examines the development of an organisational hybrid in a UK local authority and the role of boundary-spanners within this process. In doing this the paper is able to show that hybridity develops from individual level interactions before becoming fixed in a organisational form. This is achieved by developing a synthetic model from the policy stream literature and life cycle models of interorganisational relationships. This synthetic model is then used to analyse interview data which has been gathered longitudinally and in doing this the validity of the model is demonstrated and the role of boundary-spanning individuals uncovered. The paper concludes by highlighting the need for further longitudinal research into boundary-spanning and interorganisational relationships.

Introduction

This paper discusses the development of a hybrid organisational form; a Strategic Service Delivery Partnership. These strategic partnerships have become an increasing popular way for local authorities to achieve multiple political and social objectives. This paper develops a new analytical framework based upon the work based upon policy stream models (Kingdon (2003, Lober 1997 and Takahashi and Smutny 2002) and multi-stage accounts of how inter-organisational relationships develop (Ring and Van de Ven 1994, Noble and Jones 2002, 2003.) This analytical framework is capable of addressing political, social and economic factors that influence the development of partnerships. The paper also provides an account of the critical role of boundary-spanning individuals in the development of a hybrid organisation.

Defining Strategic Service Delivery Partnerships

Strategic Service Delivery Partnerships [SSDPs] are a form of Public-Private Partnership which is based around the implementation of large scale Information Technology [IT] projects in local authorities. However, the projects are rather more complicated than simple IT procurement as they involve the establishment of call centres which are operated by the private sector partner to manage communications between the council and the general public and administer aspects of the council's operations such as benefit administration.

Theoretically, SSDPs can be seen in terms of recent discussions regarding organisational hybridity (Skelcher 2005) as their development and operation is characterised by the involvement of a private sector organisation in the provision of council services. This generates a hybrid organisational form that has characteristics of both the public sector and of the private sector (Joldersma and Winter 2002) and the creation of this organisational form involves the blurring of the boundaries between the public and private sectors (Starr 1990.) However previous authors have tended to see this emergent hybridity at the organisational level, whereas this paper takes a different position and suggests that hybridity occurs initially between boundary-spanning individuals prior to the blurring at the organisational level and that organisational level hybridity is driven by individual level hybridity.

The importance of Boundary-spanning Individuals

Within the development and operation of collaborative interorganisational relationships, boundary-spanning individuals assume a great deal of importance (Sullivan and Skelcher 2002, Marchington and Vincent 2004, Marchington *et. al.* 2005.) However the term suffers from a great deal of conceptual confusion. This is because the term 'boundary-spanner' has historically been used to discuss individuals at the margins of organisation who oversee discreet exchange relationships (Aldrich and Herker 1977), gather information from the external environment (Thompson 1962, Liefer and Delbecq 1978) or buffer the organisation from uncertainties (Thompson 1967.) A more modern account of organisational theory accepts this has

one account of boundary-spanning but rejects the notion of discreet exchanges and associates the concept with notions of relational management (Alter and Hage 1993, Ferguson *et. al.* 2005) in which the boundary-spanner is of importance in developing and maintaining interorganisational relationships as these are deemed to mitigate the uncertainties of the environment through increasing stability.

It is this account of the boundary-spanner as a relationship maker and manager that has been adopted by the public policy literature (Sullivan and Skelcher 2002, Williams 2002) although these accounts are rather focused on the attributes that these individuals should possess to achieve this relational management capacity. As such it has been suggested that boundary-spanners should be skilled networkers (Sullivan and Skelcher 2002), be capable of responding empathically (Friend *et. al.* 1974), that they should be able to recognise and exploit opportunities for collaboration that present themselves (Williams 2002) and finally that they should be capable of building the capacity for collaboration within their own organisations.

Whilst there is discussion regarding the attributes that boundary-spanners possess, there has been little attempt to examine their activities throughout the development of an organisational relationship using longitudinal case study evidence – although Lorenzoni and Lipparini (1999) do stand as notable exceptions to this. The little evidence that does exist suggests that boundary-spanners are important in managing relationships (Marchington *et. al.* 2005) and that they perform different activities at different stages in an interorganisational relationship (Snow and Thomas 1993, Lowndes and Skelcher 1998.)

The Development of Collaborative Interorganisational Relationships.

A popular way of understanding the development of interorganisational relationships is to conceptualise the process in terms of a number of stages (Ring and Van de Ven 1994.) However, a point of contention amongst life-cycle models is the identification of the various stages as different models characterise the process differently. However, this matter can be addressed through a brief examination of two distinct models and their implications for boundary-spanning activity.

The first model of how inter-organisational relationships develop is the three-stage cyclical model of Ring and Van de Ven (1994.) This model views an interorganisational relationship as being composed of negotiation, commitment and execution. During the negotiation phase individuals within organisations are involved in a process of negotiation over the terms, procedures and conditions of a potential individual exchange relationship. This process results in the development of a shared understanding of each other's rights, responsibilities and expectations during the operation of the relationship.

The negotiation stage is followed by a commitment stage in which the delivery or execution of what was previously agreed becomes critical and a successful or unsuccessful exchange will result in the modification of the expectations that organisations have and this, in turn, causes new negotiations between the parties and thus the model assumes a cyclical character. However, a problem with Ring and Van

de Ven's (1994) argument is they suggest that organisations with no prior history of interaction will engage in tentative contacts for a considerable period of time and yet the model begins at which negotiation between organisations and as such the process of evaluation that occurs during these contacts is also excluded from the model.

Although Ring and Van de Ven (1994) do not specifically address the role of boundary-spanners (Marchington *et. al.* 2005) their model does possess a number of implications for boundary-spanners. As Ring and Van de Ven conduct their analysis at the organisational level, their model implicitly assumes that boundary-spanners are indivisible agents of their organisation – i.e. they must act as representatives of their organisation (Adams 1976) but are also engaged in the task of representing the external world to their organisation (Leifer and Delbecq 1978.) Ring and Van de Ven (1994: 98) also assume that the boundary-spanning individuals involved in negotiation are senior managers in that they argue that these individuals have the authority to conclude an agreement, but also they have subordinates who they have authority.

A second model of how interorganisational relationships develop is the four stage model of Noble and Jones (2002, 2003), who model the development of an interorganisational relationship in terms of four sequential stages: searching for a partner, sizing up a prospective partner, incubation of the relationship and finally beginning an operational relationship. Noble and Jones' model possess a distinct advantage over Ring and Van de Ven's (1994) work in that it was developed specifically for examining interorganisational relationships between public sector organisations and their private sector counterparts, unlike Ring and Van de Ven who examined interorganisational relationships in the private sector.

The initial stage of Noble and Jones (2002) model suggests that once organisations have identified a need to engage in collaboration, then they will begin to search for a potential partner and may use a variety of methods to conduct this process ranging from exploiting individual contacts to competitive tenders or speculative approaches. Once organisations have identified a prospective partner, the model proceeds into the second stage in which the individuals involved in developing collaboration begin, on behalf of their organisations, to 'size each other up' and attempt to determine whether shared benefits will result from the prospective relationship. This process occurs through repeated interaction and through this the parties come to develop shared expectations and gain an understanding of the objectives each hopes to achieve and in this respect the model is similar Ring and Van de Ven's (1994) account.

The third stage of the model consists of a process in which the partnership is 'incubated' as senior managers negotiate with each other to create the roles, rights and rules that will govern the operation of the partnership. This negotiation is very heavily influenced by the expectations that have been developed in the previous stage and will conclude with the establishment of a formal agreement to govern the operation of the relationship. The final stage in Noble and Jones' (2002, 2003) model consists of a 'roll out' stage in which the partnership becomes operational. However, Noble and Jones do not indicate that relationships can be subject to renegotiation, instead it is assumed that interorganisational relationships remain as static entities rather than having to cope with unforeseen circumstances during their operation.

In terms of boundary-spanning individuals, Noble and Jones (2002, 2003) are rather more circumspect than Ring and Van de Ven (1994) and only discuss boundary-spanners in the most limited sense. Boundary-spanning individuals are assumed to be individuals in managerial positions throughout the entirety of the model, however, it is possible to identify two distinct types of boundary-spanner. For Noble and Jones (2002) boundary-spanning managers are engaged in the process of evaluation and negotiation, however a second type of boundary-spanner can be identified. These boundary-spanners are the project champions – senior managers – who emerge during the sizing-up stage to take an active role in developing the project (Noble and Jones 2003.) However, Noble and Jones do suggest that these project champions can suffer from burnout towards the end of process of forming a collaborative venture and will need the support of their colleagues to maintain their levels of enthusiasm.

The two accounts of how an interorganisational relationship develops that have been discussed above have indicated differences in whether the process should be seen as cyclical or as progressive and how the individual stages in the process should be conceptualised. For Noble and Jones (2002, 2003) the process by which organisations seek to locate prospective partners should be considered as a separate stage in its own right whereas Ring and Van de Ven (1994) see this as a relative minor issue in the process. However, both models do exhibit some degree of commonality in that they tend to see boundary-spanners as senior managers and place emphasis on the role of repeated successful interactions between prospective partner organisations and the importance of both sides developing shared understandings of the process. A further degree of similarity exists in the fact that both models argue that organisations bargain and negotiate over the form, structure and purpose of the partnership before concluding with an agreement.

However, whilst both models described above offer a useful framework to structure analysis of the process by which interorganisational relationships develop, they are incapable of addressing the internal dynamics within organisations and neither do they provide a particularly convincing account of the role of the external environment in shaping the relationship. These problems can be addressed by examining the policy streams approach which has been developed from the work of John Kingdon (2003) regarding agenda setting in the US political system.

Policy Stream Models.

Kingdon (2003) initially developed his model of policy streams to explain how a specific agenda comes to be adopted as a national policy within the US Federal political system. As such Kingdon proposes that running through an organisation are three distinct streams: a problem stream, a policy stream and a political stream. The problem stream refers to those issues which have been designated as ‘problems’ by a particular interest group, the second stream consists of the various proposals that have been generated by the different groups, these policy proposals are championed by individuals known as policy entrepreneurs who act as advocates to win support amongst a wider audience. The final stream can be identified as the political stream which represents the various factors that impact upon a political environment such as elections or the actions of the media.

The three streams sometimes converge in what is known as a 'policy window' and this provides an opportunity for the policy entrepreneurs to advance their proposal, however in order to do this the policy entrepreneur must be capable of recognising the convergence of the different streams and must possess the personal abilities to be able to take advantage of the window to advance their preferred proposals.

Whilst Kingdon's (2003) model does provide a useful account of policies come to be adopted, the model is fundamentally rooted in a political environment (Exworthy and Powell 2004) and does not deal with interorganisational relationships, rather Kingdon is discussing the process by which an agenda comes to be adopted within a single organisation. However, both Lober (1997) and Takahashi and Smutny (2002) have used the policy streams approach to explain the development of interorganisational relationships and have expanded the notion of policy windows. The most comprehensive attempt to use Kingdon's model was developed by Lober (1997) who divorced the policy streams from their political context and applied them in the context of organisational theory. As such Lober left the concept of a problem stream untouched and redefined the notion of policy as a solution as this was seen as less political orientated. Lober also expanded the political stream to include social and economic events such as consumer demand and altered the policy stream to refer not to political proposals but to strategic business decisions. Finally to capture the fact that businesses exist in a wider institutional context and, unlike Governments, are not sovereign entities, Lober (1997: 8) proposed the existence of a fourth or 'organisational' stream. This stream was designed to reflect the composition of an organisation and wider factors such as institutional trends.

As Lober (1997) argued that the different streams were independent of each other, the streams would be driven towards a convergence by factors that affected each individual stream. This convergence would generate an opportunity Lober refers to as a collaborative window which allows individuals known as collaborative entrepreneurs to develop interorganisational relationship. These collaborative entrepreneurs are seen as possessing similar skills to Kingdon's (2003) policy entrepreneurs in that they are able to recognise opportunities and can connect different organisations together through their interpersonal networks. In other words, they must be proactive, well-connected, entrepreneurial individuals – a description which is strikingly similar to the skills that both Williams' (2002) and Sullivan and Skelcher (2002) associate with successful boundary-spanners. Furthermore, given that collaborative entrepreneurs are involved in the creation of interorganisational relations, it is possible to conclude that they are in fact boundary-spanners.

However, Lober's approach is not without its flaws as Lober (1997: 13) draws little distinction between the organisation and the individuals within it – in fact Lober actually identifies the collaborative entrepreneur in his case study as an organisation rather than an individual. Furthermore, Lober is silent on the specific spatial and temporal factors that influence collaboration (Takahashi and Smutny 2002.)

Although Takahashi and Smutny (2002) adopt Lober's (1997) four streams model, their model has a number of key differences. For Takahashi and Smutny collaborative windows are temporary occurrences created by the particular composition of the four independent streams and as such changes in the streams can cause collaborative windows to open but also to close as the streams diverge again. As such Takahashi

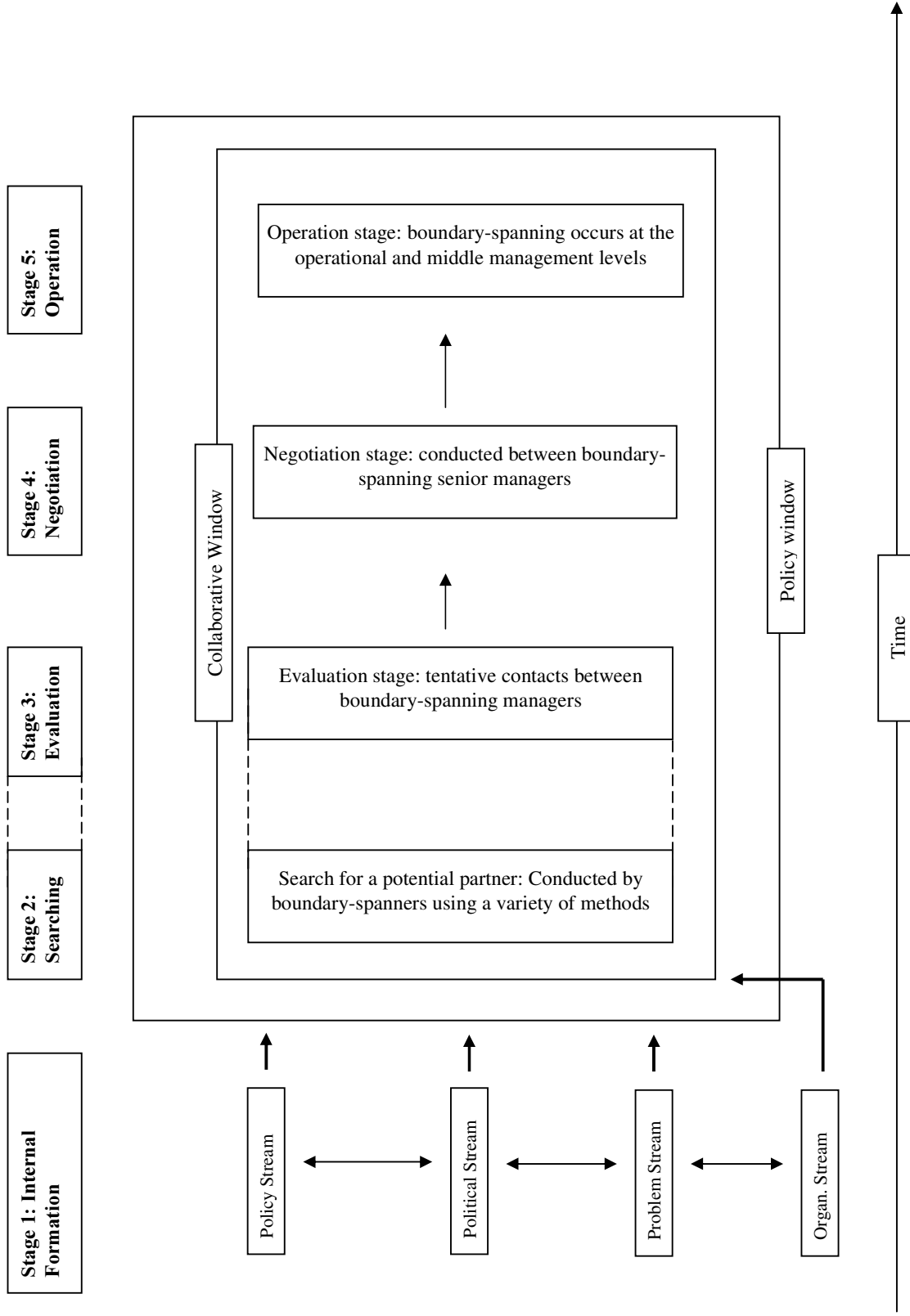
and Smutny's (2002) argument indicates that collaborative ventures may be time-limited enterprises that must be formed before the collaborative window closes. This is particularly important with regard to interorganisational collaboration as several authors suggest that collaborative ventures take time to form due to the need for potential partners to develop understandings of each other (Ring and Van de Ven 1994, Noble and Jones 2002, Huxham and Vangen 2003.)

This brief examination of a number of variations of the policy process model has indicated that policy process models are capable of offering a framework to understand both the intra-organisational dynamics during the process of developing an interorganisational relationship and the role of boundary-spanning individuals within this. However, as the subject of this paper is the development of Strategic Service Delivery Partnerships between local authorities and private sector organisations, it is necessary to reintroduce Kingdon (2003) back into the discussion given that local authorities are political entities who affected by matters such as elections and as such the political stream should be considered as more classically 'political' rather than a more expansive reference to economic circumstances or social trends. Furthermore, Kingdon is discussing the process by which a decision is reached within an organisation whilst Lober (1997) and Takahashi and Smutny (2002) are discussing how an interorganisational relationship develops and as the subsequent section will show, the different accounts can be combined within the structure provided by a multi-stage model to outline an account of how collaborative interorganisational relationships develop.

The creation of a Synthetic Stage and Stream Model [SSSM]

The synthetic model accepts the notion of policy streams, policy and collaborative windows. But also accepts the notion that it is analytical useful to the view the development of an interorganisational relationship as a series of stages. This 5 stage model can be represented graphically in Figure 1:

Figure 1



The model argues that within an organisation there exists a political, problem, policy and organisational stream (Lober 1997) and these streams reflect the different environmental, political, organisational factors that organisations face. However, the proposed model differs from Lober's formulation in that it argues that the streams are interdependent rather independent and that actions within one stream impact upon the others.

The model also builds upon the work of Lober (1997) and Takahashi and Smutny (2002) and argues that both policy and collaborative entrepreneurs are important in developing an interorganisational collaboration as the former seek to advance an agenda for interorganisational collaboration and they are able to do this when a policy window opens (Kingdon 2003.) However, whilst a policy entrepreneur may be able to secure the support of senior managers or key decision-makers for collaboration, this does not guarantee that collaboration will occur. This is because interorganisational collaboration depends upon the emergence of a boundary-spanning collaborative entrepreneur and the impacting of the organisational stream with the policy window, which causes the policy window to change into a collaborative window. Takahashi and Smutny (2002) also argued that collaborative windows are time limited and the synthetic model accepts their argument.

Thus far the synthetic model has provided an account of the internal processes within the organisation. However these processes are structured around a number of stages and these stages impact on the behaviours of individuals within the organisation. The first stage of a potential collaborative relationship can be described as an internal formulation stage during which the policy entrepreneur attempts to develop support for interorganisational collaboration by acting as an advocate or champion of the idea. The internal formulation stage ends with the opening of a policy window in which the desire for organisational collaboration is established within the organisation and this can be exploited by a collaborative entrepreneur. If the policy window is converted into a collaborative window, this allows the model to proceed into a search stage in which the collaborative entrepreneur or individuals working under their direction engage in boundary-spanning activities to locate potential partner organisations. This may be conducted using a variety of methods including networking (Sullivan and Skelcher 2002), competitive tenders (Noble and Jones 2003) or even introductions from third parties (Ring and Van de Ven 1994, Lowndes and Skelcher 1998.)

Once the initial contacts have been made, the model enters a third stage in which the organisations size each up (Noble and Jones 2002) through tentative interactions between their managers. However, it should be noted the distinction between the search and the evaluation phase is analytical as the process of evaluation occurs concurrently as potential partner organisations are evaluated even as they are located. Should these initial interactions prove successful, the organisations will enter into detailed negotiations, again these will see boundary-spanners identified as senior managers and should an agreement be reached, the relationship will enter into an operational stage in which the boundary-spanners will change from been identified as senior managers to middle-managers (Marchington *et. al.* 2005) and operational level staff (Ring and Van de Ven 1994.)

Research Design

The data for the case study was collected in two stages. The first stage consisted of a historical research and document gathering phase in which publicly available materials were collected and the events since 2000 were reconstructed. This permitted an understanding to be developed of the various factors that have affected North Town and have driven the development of the SSDP. Once the events had been reconstructed, a series of questions relating the history and motivations behind both partnerships were developed and key individuals were identified and were interviewed multiple times by the author both in person and over the telephone using semi-structured interviews.

A semi structured interview methodology was adopted for three distinct reasons, the first is that it permitted each interviewee to be asked identical questions so that multiple perspectives on the issues could be collected, the second reason was by asking identical questions, some degree of methodological rigour could be retained. The final reason was that a semi-structure approach allowed for the interviewer to develop any interesting avenues towards the end of the discussion.

The Case of North Town: The role of boundary-spanning policy and collaborative entrepreneurs in the development of a SSDP

The background to and the development of an SSDP in North Town serves to demonstrate that for collaboration to be successful and organisation must possess both a policy and a collaborative entrepreneur and must experience both a policy and a collaborative window. The policy window is necessary for an organisation to reach a decision to collaborate, but a collaborative window is necessary for an organisation to realise a collaborative intention.

In North Town, the policy of seeking a collaboration began under the Liberal Group in 2002 and was continued by the Labour Group after 2003. The case study will show that this was characterised by the formation of a policy window and that this changed into a collaborative window as the organisation stream aligned with the other policy streams. However, before the discussion can take place, it is necessary to provide some background regarding North Town.

The History of North Town

North Town is a small town located near one of the UK's major cities that has suffered from history of deprivation since the collapse of the textile industry in the 1970's (Kundnani 2001) and like many northern towns, North Town has a sizable minority Asian community who account for 11% of the population and account for around 20% of the under 25s (UK Census 2001.) The existence of this minority population remained generally unremaked until the summer of 2001 when North Town, in common with a number of northern towns and cities, suffered major urban unrest which was characterised by fighting between young men from the majority white population and the Asian community and both groups against the police. Despite the involvement of both communities, the official response and the prevailing story became one of violence between the ethic minority and the police. Furthermore,

a number of official reports (Cantle 2001, Ouseley 2001, Richie 2001) into the causes of the violence identified exclusion from mainstream British society, unemployment and poverty as the contributing factors in the violence and as the case study will show, the perceived need to integrate an alienated population, provide jobs and address poverty assumed a significant status within North Town.

In addition to poverty and racial tensions, North Town has historically been considered a poorly run council with failings in corporate governance, strategic management, political leadership and information technology and management. However this is not to say that North Town fails its citizens in every respect as the North Town has consistently achieved the highest possible rating in terms of the delivery and administration of council benefits (Audit Commission 2004.) Politically, North Town is dominated by the Labour Group. However, in May 2002 the Labour Group lost power and was replaced by the Liberal Group who held power until local elections in 2003 when the Labour Group regained power. The Liberal Group assumed office in 2002 with a slim majority of seats and were faced with a number of problems that the leader of Liberal Group believed could be tackled through developing a collaborative relationship with a private sector organisation. However, this agenda failed to succeed and when the Liberal group lost power in 2003 and the collaborative agenda was developed more successfully under the Labour Group. The failure of the Liberal Group to develop their agenda for collaboration into a successful collaboration and the greater success under the Labour Group can be analysed in terms of the synthetic model described previously.

Stage 1: The Internal Formation stage

The first stage of model consists of an internal formation stage where policy and collaborative entrepreneurs are active in attempting to identify the opportunity – the policy window – to advance their proposal to the status of an organisational agenda and to secure the capacity and willingness to collaborate within the organisation.

The Problem Stream.

Following the urban unrest in 2001, a variety of official reports were published from several quarters including the Home Office (Cantle 2001) and the local authorities of the affected towns (Ouseley 2001, Richie 2001.) These reports suggested that the riots were caused by a combination of segregation, alienation from mainstream society and poverty. Indeed Richie (2001: 14) reporting for the Independent Review stated that successive local authorities in North Town were guilty of a “...a persistent failure to face up to the deep seated issues of segregation in the town which have been reported since the 1970s.”

This pattern of segregation had its roots in the textile industry due to the lower socio-economic status of its overwhelming minority workforce (Kundnani 2001) however it was also reinforced by the openly discriminatory housing policy pursued by successive councils (Commission for Racial Equality 1993.) The collapse of the textile industry in the 1970s led to a situation where the former workforce became increasingly ghettoised and trapped in a cycle of poverty. The discriminatory policies of North Town went beyond mere housing and The Independent Review (Richie 2001)

accuse the council of institutional racism in that only 2% of council employees were from a minority when minorities comprised 11% of the overall population.

A further problem manifested itself in the form of a Corporate Governance inspection by the Audit Commission in November 2002 which identified serious weaknesses in Information Technology [IT], corporate governance and management capacity. These weakness comprised separate parts of the problem stream and part of the organisational stream and as such need to be explored individually. The weaknesses in the IT system were particularly pronounced in Human Resources [HR], Finance and Procurement and a situation had developed in which each used a different legacy system which were actually incompatible with each other. This resulted in line managers been unable to file records and payment details with HR electronically. Furthermore, the Finance department proved to have great difficulty in keeping track of accounts and procurement were unable to purchase electronically or communicate information with Finance. As such North Town required substantial investment in IT technology that would serve to unify the various legacy systems and permit efficient information sharing between departmental boundaries. However, the required replacement of the IT system would be extremely expensive and as such North Town would not be able to afford to fund the project. Although it must be acknowledged that North Town could borrow the money under prudential borrowing arrangements, the belief was that involving the private sector would have other benefits beyond simple funding acquisition such as access to modern managerial techniques and would permit the re-engineering of the council.

The weakness in corporate governance identified by the Audit Commission (2002) were caused partly a historic lack of attention to issues of management but also by the response to the riots of 2001. The aftermath of the riots also saw the resignation and retirement of a number of senior managers within the local authority throughout 2002 which created significant gaps in expertise and managerial capacity. This lack of managerial capacity and personnel also impacted upon the organisational stream although this will be discussed in a subsequent section.

The Political Stream.

In terms of the political stream, the political ramifications of the riots in 2001 and the elections of 2002 assume a great deal of importance in this. Politically, the riots impacted significantly on North Town as they contributed to the Liberal victory in 2002. However, the major affect of the riots was the incorporation into North Town's politics of the Community Cohesion agenda. Community Cohesion has been described by Robinson (2005) as an attempt to link the issues of poverty, race and Islam, housing quality and youth violence together so that a justification can be made for intervention by local and central government. However, the Community Cohesion agenda also generates a set of policy proposals and these will be explored in the discussion of the policy stream.

As the synthetic model uses the expanded understanding of the policy stream suggested by Lober (1997), the political stream also must include reference to the socio-economic circumstances of North Town. In 2001, North Town was considered the 38th most deprived council in the UK and in 2004 had managed to marginally improve rising to the 43rd most deprived council. Although unemployment in North

Town is below average, the deprivation is caused by the fact that much of North Town's economy is made up of low wage positions and as such there was need to address this by providing higher quality jobs and economic regeneration.

The Policy Stream.

The Community Cohesion agenda contains within it a number of proposed solutions to the perceived problems of segregated populations. Central to the thinking behind Community Cohesion is a belief that culturally separate populations are a divisive force upon society (Stolcke 1995) and that to prevent this there should be a single unifying culture. As such Community Cohesion argues that attempts should be made to create a single unified 'British' identity (Burnett 2004.) To achieve this ethnic [read Islamic] minorities would be mainstreamed into British society through ethnically integrated workplaces and residential areas and this would reduce segregation (Robinson 2005.) As such, Community Cohesion prevailed upon local authorities to engage in job creation which would provide the opportunity for the alienated minorities to be integrated into the workforce and the resulting increasing in wages would permit better quality housing to be purchased.

A second aspect of policy stream was the notion of collaboration with the private sector itself. As North Town was deemed to have out-dated and inefficient procedures, it was believed that these would have to be overhauled. However such a re-engineering would require a massive process of organisational change and it was believed that collaboration with the private sector could help to achieve this as the installation of new IT systems would allow the procedures of the council to be made more efficient through the application of private sector knowledge. These changes to the procedures within North Town are also important in creation of a hybrid organisation as the re-engineered procedures would permit smooth integration with the call centre. As such the implementation of the IT system should be seen in terms of North Town's SSDP as a hybrid organisational form.

The Organisational Stream.

The organisational stream refers to the internal composition and isomorphic pressures that affect organisations. In the case of North Town, this particular stream changes in composition over time and as such it is necessary to discuss the organisational stream in respect of dates. In 2002, when the Liberal Group assumed power, North Town's corporate structures were in a state of flux in that senior managers were leaving their posts and that their replacements had not necessarily been recruited (Audit Commission 2002.) As such it became difficult to implement decisions as there was a lack of ownership and continuity within the senior echelons of North Town - as one manager interviewed put it:

you thought you had got some thing agreed with a management team and then there was a different management team.

North Town Manager

Although in 2002, North Town's council was lacking a number of senior managerial positions, these posts were gradually filled throughout 2003 and it was filling of these

positions that helped to change the composition of the organisational stream which contributed to bringing it into alignment with the other policy streams and this event helped to generate a collaborative window. Furthermore, the filling of these managerial positions also brought in an individual who would assume the role of a collaborative entrepreneur.

The second factor that affected the organisational stream was the activities of the neighbouring town – Other Town – also saw a strategic service delivery partnership as a potential solution to its problems of inefficiency, obsolete IT systems and widespread poverty. As such it was believed in North Town that if Other Town succeeded in developing its own independent SSDP before North Town then North Town would be disadvantaged as private sector bidders may seek economies of scale by using the existing SSDP in Other Town to implement IT systems in North Town. Furthermore, the potential for job creation in North Town would be lost to Other Town.

The Emergence of the Policy Entrepreneur and the Alignment of the Policy, Problem and Political Stream.

Upon assuming power within North Town, the Liberal Group was faced with the multiple overlapping problems as described in the previous sections. However, only the policy, political streams were in alignment. This alignment of the streams was caused by the Community Cohesion agenda and by the need to address the inefficient procedures and Information Technology weaknesses of North Town and this was recognised by the policy entrepreneur. The policy entrepreneur in question was leader of the Liberal Group who was able to connect the policy, problem and political streams together to advance an agenda of collaboration. This led to a policy window opening and as such the policy entrepreneur proposed that North Town seek to develop a collaborative relationship with a private sector partner in an effort to replace the IT systems and begin the process of business-process engineering that would improve the council's internal procedures.

The policy entrepreneur also engaged in boundary-spanning activity as they were able to establish a degree of bipartisan support for collaboration with the private sector through spanning boundaries between the different political groups in North Town. However, failure of the policy entrepreneur to drive the agenda forwards is largely due to the failure of the organisational stream to intersect with the policy window but also the expulsion of the Liberal Group from power in 2003 which serves to demonstrate the temporal constraint as suggested by Takahashi and Smutny (2002.)

The Emergence of the Collaborative Entrepreneur and the Alignment of the Four Streams.

In 2003 North Town recruited a number of new managers and one of these emerged into the collaborative entrepreneur who was able to take advantage of the opening of the collaborative window. Although the recruitment of the new managers did change the composition of the organisational stream, this did not immediately lead to the opening of the collaborative window despite the interest of the collaborative entrepreneur in collaboration with the private sector. The collaborative window opened when the increased interest in an SSDP from Other Town caused the

organisational stream to change composition a second time due to isomorphic pressures. Once the collaborative window had opened, the collaborative entrepreneur was able to drive the process forwards into the second or search stage.

Stage 2: The Search Stage

The second stage of the process of developing a public-private collaborative relationship began when North Town council issued a Prior Information Notice or PIN. A PIN is essentially a paragraph published in the Official Journal of the European Union [OJEU] which serves to inform the private sector that North Town was considering developing an SSDP and invited unofficial enquires. The issue of the PIN was followed in short order by an official tender notice which is also published in OJEU and constitutes a competitive tender process (Noble and Jones 2002.) In the case of North Town, the collaborative entrepreneur engaged in quite sustainable boundary-spanning activity both before and after the issue of the PIN. This involved a number of discussions with organisations that responded to the PIN as to their ideas regarding the SSDP. In other words, the collaborative entrepreneur became a boundary-spanner and was engaged in a process of sense-making (Ring and Van de Ven 1994) in how to best fit the needs of North Town with the capabilities and attitudes of prospective partners. This process of discussion and sense-making served to influence the requirements of OJEU notice. However, it is important to note the role that the potential bidders had in shaping the both the form of the OJEU notice and the composition of the Pre-Partnership Questionnaire [PPQ] which is used in evaluating the bids – a process described as “...thought leadership...” This suggests that the boundaries between the potential bidders and North Town council start to blur during the initial stages of the SSDP (Ashkenas *et. al.* 2002) and that boundary-spanning activity should be seen less in terms of spanning of boundaries and more in terms of dissolving of boundaries.

Stage 3: The Evaluation or ‘Sizing up’ stage

North Town issued its OJEU notice in August 2004 and the received a number of formal applications. These applications were subjected to the Pre-Partnership Questionnaire which served to reduce the initial list of applicants to a ‘short list’ of three serious candidates who were asked to submit detailed proposals. At this stage the collaborative entrepreneur was joined by a dedicated project team which saw the emergence of further boundary-spanning individuals. This project team was also responsible for overseeing the process of organisational change required to implement the SSDP regardless of which bidder was successful and as such the project team worked closely with each of the bidders. This continued the process of evaluation beyond the opinions of the collaborative entrepreneur. This project team was also involved in providing reports upon the progress of the SSDP to a wider audience within North Town such as other senior managers and the elected members themselves. The project team was also involved in boundary-spanning activity as they were required to span the boundaries between individual silos or departments to communicate information regarding the SSDP to individual members of North Town’s council. This emergence of multiple boundary-spanners with multiple functions at different stages is consistent with the existing literature (e.g. Friedman

and Podolny 1992 and Snow and Thomas 1993.) The evaluation stage concluded when North Town selected a preferred bidder and reserve and invited them to negotiate by issuing an Initiation to Negotiate.

Stages 4 and 5: The Negotiation and Operational Stages

At the present moment North Town is currently engaged in negotiations with its preferred bidder and as such only speculation can be offered as what may result in the operational stage. However, it is possible to offer some comments regarding the likely development of the negotiations and subsequent emergence of the operative partnership. Ultimately the negotiations between North Town and its preferred bidder will result a relationship underpinned by a legal contract as predicted by Ring and Van de Ven (1994) and Noble and Jones (2002, 2003) which exists to provide legal form to the partnership and to provide a clear expression of the rights, responsibilities and division of labour and fiscal rewards that each party is entitled to. However some of North Town's managers expressed scepticism of North Town's ability to negotiate an appropriate legal contract as they do not believe the contractual negotiation skills of North Town's boundary-spanners in the negotiating team are equal to those of private sector organisations. Furthermore, it was also indicated that the collaborative entrepreneur and the project team were perhaps overly committed to delivering the project and did not display an appropriate degree of caution regarding their dealings with the bidders. In other words, the enthusiasm for collaboration required of a collaborative entrepreneur becomes at the negotiating stage a double edge sword. This contrary to the arguments of Noble and Jones (2003) who argued that boundary-spanning project champions [collaborative entrepreneurs] would require the support of their colleagues – whereas the case study suggests that project champions may actually need to be restrained.

Once the negotiation stage has concluded and the project has begun operation, the original collaborative entrepreneur will likely reduce their involvement. This is because they are a senior manager with responsibilities other than continuing to manage the SSDP. As such it can be suggested that Snow and Thomas (1993) are correct in their arguments that boundary-spanners vary across stages and that the skills required to manage a partnership are not the same as those required to create them. However, further research is required to substantiate this.

Conclusion

This paper has examined the development of an SSDP within North Town and has found that boundary-spanners are of critical importance in developing the internal capacity of an organisation. It was shown that in order for the process to proceed, the necessary boundary-spanning activities involved different individuals who could span both the internal boundaries required to establish bipartisan support and span the external boundaries necessary to drive the project forwards. However, in performing this external boundary-spanning activity, boundary-spanning individuals become involved in the development of organisational hybrids and the paper was able to show that hybridity first emerges between boundary-spanning individuals as the rigid delineation of organisational boundaries is eroded by the process of boundary-spanning. Once hybridity occurs between boundary-spanning individuals, it is then

capable of developing into organisational level hybridity. In other words, individual level hybridity is a necessary prerequisite of organisational hybridity.

This paper has shown importance of boundary-spanning individuals in the process of developing a strategic partnership by outlining and testing a model of the how interorganisational relationships unfold. This research has indicated the critical role boundary-spanning individuals – in different guises – play in the process. As such this paper will conclude by suggesting that future research could profitably extend the model and examine the role of boundary-spanners in a wider sample of organisations.

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