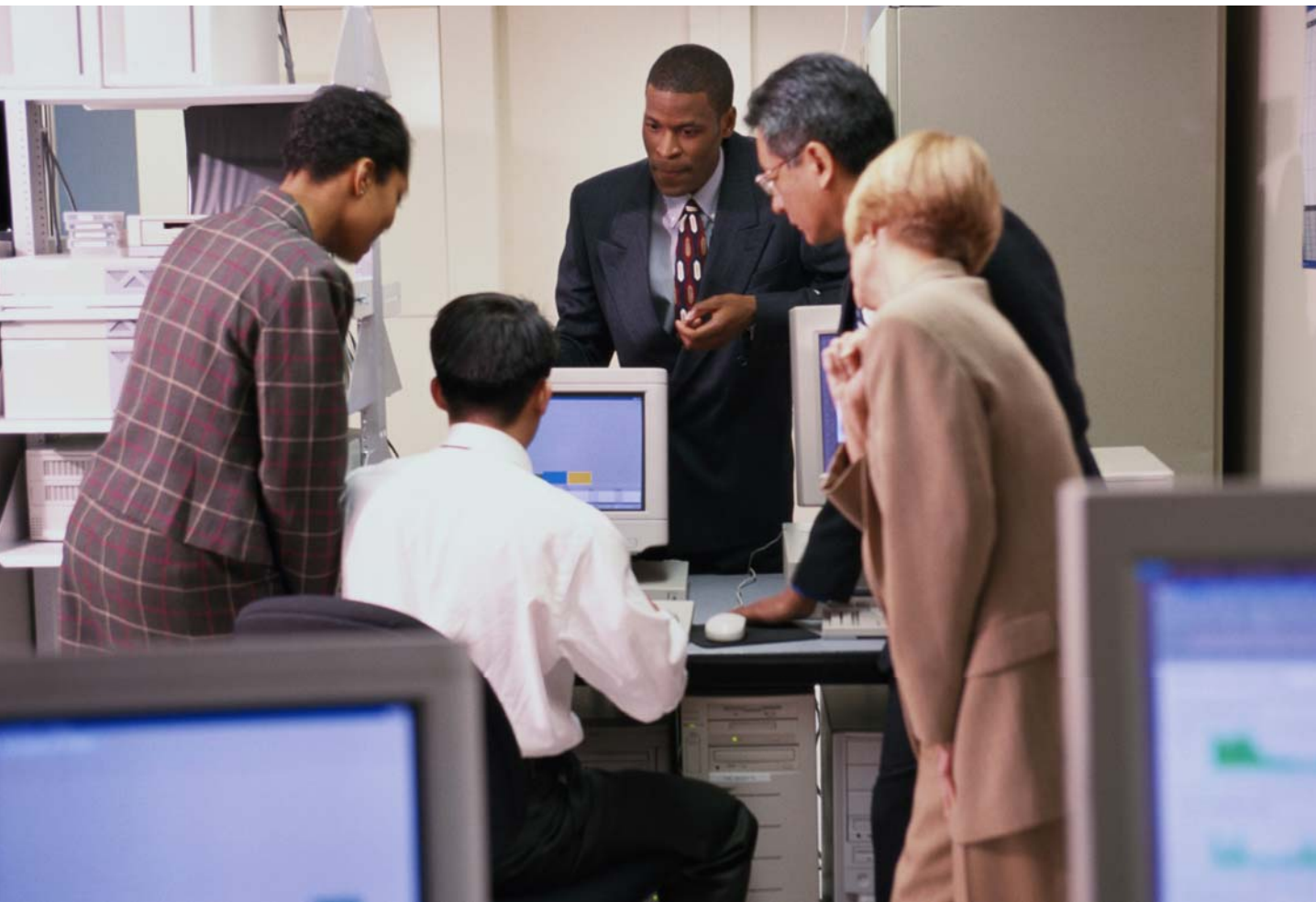


Strategic Focus Area: Effective Government



Strategic Plan

Pinellas County Government

Strategic Focus Area: Effective Government

Preliminary approval given by the BCC December 13, 2005
Final adoption by the BCC on February 14, 2006

Distinguishing characteristics of this focus area:

This focus area establishes strategy about how Pinellas County Government will align and structure its organizational forms and culture to perform leadership roles more effectively.

Environmental Scan: The Key Challenges facing Pinellas County Government

In this section we examine the major challenges to effective governance facing Pinellas County Government. A more in depth discussion of these challenges is provided in Section One.

The Major Challenges

Keeping Pinellas County Government aligned with a changing community. Pinellas County Government must adapt to the changes that are occurring in the community it serves. It must be in alignment with the needs, expectations, aspirations and values of its citizenry. Pinellas County is undergoing rapid change. It has reached built-out status, is focused on redevelopment, and is undergoing shifts in the major drivers of the economy. As changes escalate in the immediate years ahead, Pinellas County Government must be in alignment with them through the leadership roles it performs.

Creating effective means to address complex problems that go beyond organizational boundaries. Most of the major problems facing Pinellas County Government are complex. There are no simple answers. The problems are cross organizational and transcend traditional conceptions of jurisdictional boundaries. Rarely is there one entity that can effectively address a major problem acting alone. Developing mechanisms to address problems in collaboration with other public, non-profit, and private stakeholders is a key challenge facing Pinellas County Government.

Meeting the challenges of efficiency, quality and productivity. The public sector is expected to use the available technology and tools to ensure efficiency and productivity. The public sector is expected to improve quality, lower costs, "do more with less" (i.e. productivity), provide better customer service, be user-friendly, and fulfill most of the other requirements that we have come to expect from the private sector. Congruence between the ways of doing the "business of government" and private sector business management practices is a key challenge facing Pinellas County Government.

Trends in Pinellas County

The following trends are in the process of occurring, and are at various stages of development. The trends were identified through document research of various reports, plans and studies completed by the County, interviews with elected and appointed officials of Pinellas County Government, and the general observations and experience of the County's strategic planning consultants.

- From a predominately suburban, developing County to an urbanizing, built-out, redeveloping County.
- From primary dependence on population growth, construction and tourism to attraction and retention of businesses that produce above average wage jobs with high technology and global economic linkages.
- From demand for traditional public policies, services and infrastructure in response to high growth demands, to new urban policies, services and infrastructure in response to demands of urbanized, built-out region seeking to build a prosperous economy.
- From a clear role for Pinellas County Government as a provider of traditional, county services, and limited municipal services to unincorporated areas and municipalities under contract to include a more emergent leadership role in forging and implementing collaborative approaches to countywide and regional, urban problems. We label these approaches, "public management networks."
- From relatively stable city-county relations to more contentious, conflict-ridden city-county relations.
- From BCC-Staff relations conducted under traditional commission-manager plan to demands for more direct BCC involvement in policy development. Continuing an emphasis on broad, countywide responsibilities and accountabilities while adding an increased emphasis on more localized responsibilities and accountabilities.
- From a low to high level of community engagement in policy development and administration.
- From traditional top-down organization structured and functioning in specialized areas to an organization that combines traditional vertical structures with horizontal, cross-functional teams, often involving BCC members and staff as well as internal and external stakeholders organized to address specific tasks through formation of "public management networks."
- Examples of Pinellas Public Management Networks in existence or planned include: Tampa Bay Water; Pinellas Suncoast Transit Authority; the Emergency Management and Communications Systems; the ITS Traffic Control System; Metropolitan Planning Organization; Pinellas Planning Council; Health and Human Services Coordinating Council and the envisioned Homeless, Behavioral Health, and Family Well-being Networks; implementation of the Economic Development and Redevelopment Plan (Pinellas by Design) will require formation of a Public Management Network to coordinate the implementation actions of public agencies (See Chapter 7, Action Program 3, page 77); the Recreation, Open Space and Culture System Master Plan envisions a Public Management Network to coordinate among County departments, municipalities, and other agencies to implement the recommendations of the Plan; and meeting the massive Federal Total Maximum Daily Load water quality requirements will demand creation of

intergovernmental networks and partnership arrangements on a large and complex scale.

Conclusion

It should be noted that virtually all of the major leadership roles the BCC has identified through the Strategic Planning Process involve these and other networks of service providers. The national trends examined are not merely academic abstractions. Their existence, future implications, and challenges to public policymakers and managers certainly are evident in Pinellas County Government. For Pinellas County Government to continue and enhance its level of effectiveness, it must be effective in the development and management of public management networks.

Part One:

The Vision for Effective Government

1. Community Expectations: How the Community defines Effective Government. (See Figure 1.)

Community expectations express what the general citizen desires with respect to effective government. The latest citizen opinion research (2003 Citizen Satisfaction Survey Results) found that 61% of residents rated as excellent or good the way Pinellas County meets expectations for government services. Residents also generally expressed high levels of satisfaction with Pinellas County Government services. Funding priorities included transportation and traffic congestion (86% rating as an important priority), public safety (81%), and high paying jobs (69%).

The way Pinellas County Government provides opportunities for residents' input is rated excellent or good by 52%; while 53% rate as excellent or good the way Pinellas County Government keeps residents informed about available services.

While these numbers are impressive and generally positive, there is other evidence that many Pinellas citizens, especially those in positions of civic and business leadership, believe major changes in local governance are needed. One need only read the Pinellas Assembly Final Report and the reports of its task forces to conclude that the appetite for governmental structural and functional reforms is high even as agreement on ways to achieve reforms is often absent. The recent scholarship cited in this report and its appendices as well as practical experience in Pinellas and elsewhere suggests that local government "reform" emphasis has shifted away from full consolidation or merger of cities and counties and from full "functional consolidations" of specific services largely because such reform attempts usually are unsuccessful. The new emphasis, which is exemplified dramatically in Pinellas in the recommendations of the recent Economic Development and Redevelopment Plan, is on finding ways for the abundance of local units and non-profit service providers to meet public expectations for efficiency and effectiveness through formation of what has been termed here, "Public Management Networks."

There also is anecdotal evidence that Pinellas residents, like citizens in most other places, do not draw distinctions among levels of government when expressing their expectations of the public sector. Citizens expect governments and others engaged in public service delivery to work together, and avoid unhealthy and unproductive conflict.

Goldsmith and Eggers observe that increasingly citizens/consumers want more engagement and choice about the products and services important to them, the authors suggest: "Engaged citizens accept responsibility and participate in the marketplace and in civic affairs, but they also do not sit meekly at the bottom of

hierarchical delivery systems waiting for the delivery of undifferentiated services. Responding to choice demands a different model of government. The more important that variety and customization becomes in service delivery, the more networks will be the preferred delivery forms.”

2. Results: What Pinellas County Government will deliver to meet community expectations.

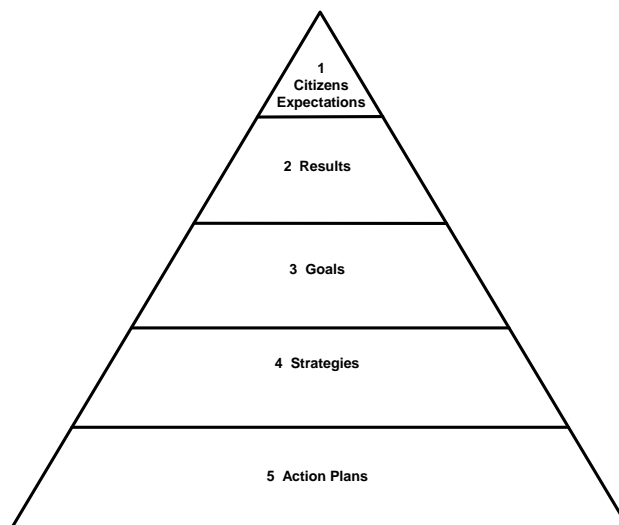
Results are impacts that a particular entity, such as Pinellas County Government, is striving to make. Within the context of general community expectations, results are the contributions of a specific entity, such as Pinellas County Government, can make toward the community expectations. As shown in Figure 1, when results are achieved, community expectations are met in part or whole.

Within a strategic focus area, the results express the “bottom line” impacts sought by the policy board.

Within the Strategic Focus Area of Effective Government, Pinellas County Government seeks the following results:

- **EFFECTIVE SERVICES.** Services that are of high quality, delivered by well-trained professionals who respond to public needs quickly and effectively.
- **EFFICIENT AND FAIR AND COMPETITIVE SERVICE COSTS.** Costs of services are kept to a minimum, equitably assigned to those who receive and benefit from them, and delivered efficiently and fairly across jurisdictional boundaries by public and non-profit service providers who work well together.

Figure 1: Developing the Strategic Plan



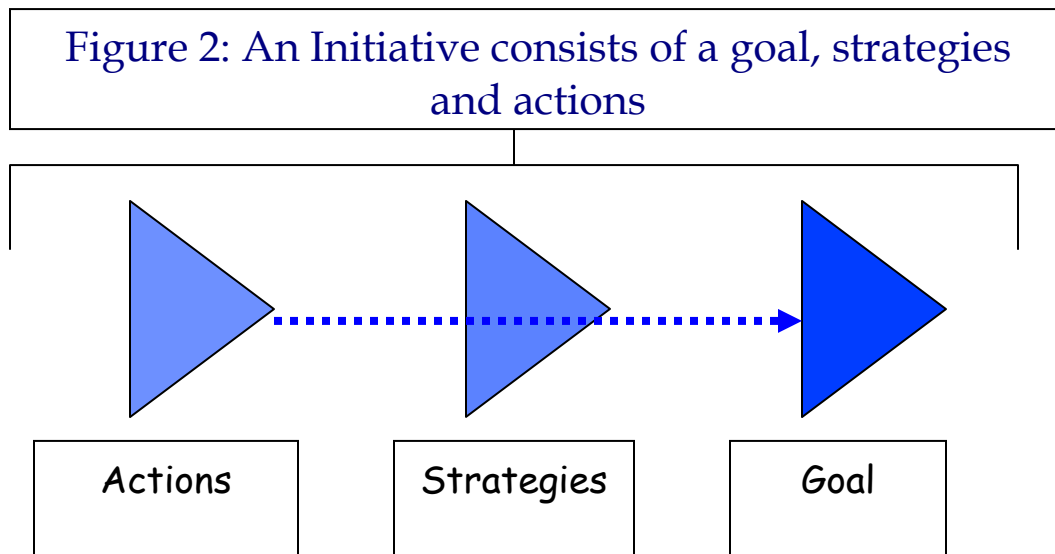
PART TWO:

Developing the envisioned effective government through three initiatives:

Goals, Strategies and Actions to create Results

What is an Initiative?

An initiative is a program of work intended to lead to one or more of the results. It is comprised of a goal, a set of strategies or pathways that should lead to the goal, and a set of specific actions that will lead to the goal. To achieve these results, Pinellas County Government will engage in three initiatives. As stated, each initiative is built around a goal (and named after that goal) and uses appropriate strategies and actions (tactics) to achieve that goal as shown in Figure 2.



INITIATIVE 1: COMMUNICATING and ASSESSING STRATEGIC DIRECTION.

This initiative focuses on defining and communicating the broad purposes and methods of Pinellas County Government as it determines leadership roles and ways of fulfilling them. Through this initiative, Pinellas County Government asks and answers the question: What public value are we trying to create through our leadership roles? How are we attempting to create that value?

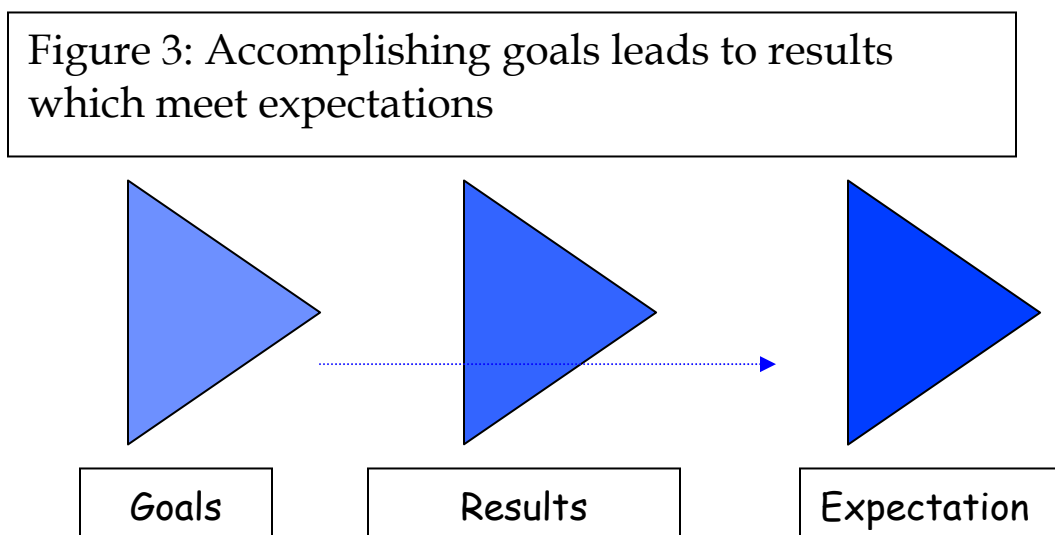
INITIATIVE 2: DEVELOPING ORGANIZATIONAL CAPACITY. This initiative focuses on building the organization’s capacity to govern and manage effectively in the rapidly changing and challenging environment it faces.

INITIATIVE 3: DEFINING AND ORGANIZING ROLES AND RELATIONSHIPS AMONG SERVICE PROVIDERS. This initiative seeks to define and organize effective roles and relationships among internal and external service providers in ways that leverage resources and optimize impact.

3. Goals

Achieving these goals will produce the results the County is seeking and thereby meet community expectations as shown in Figure 3.

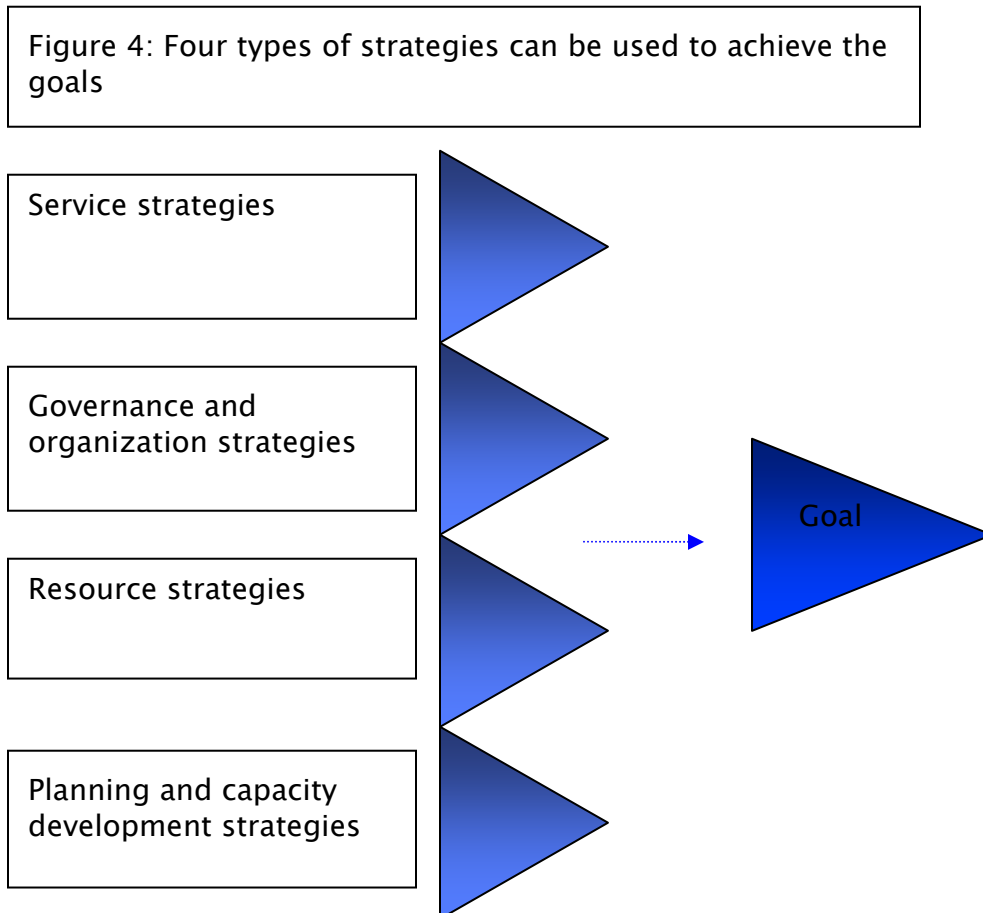
- Communicate to all stakeholders the value Pinellas County Government is seeking to add in its various endeavors and the methods it is using to do so.
- Build the organizational capacity needed to perform leadership roles effectively, and carry out and update the strategic plan.
- Better define and enhance the roles and relationships of internal and external service providers whose work is similar to or complementary of the mission of Pinellas County Government.



What is strategy?

Strategy is figuring out the best approaches to reach your goals. Pinellas County Government has the following types of approaches to achieve its effectiveness goals.

- **Service strategy.** These strategies encompass what services will or will not be provided and how they might be enhanced.
- **Governance and organizational strategies.** These strategies address structures and policies that will provide and manage various services.
- **Resource strategies.** These strategies include varying ways to fund and staff services.
- **Planning and capacity development strategies.** These strategies encompass changes in the field and plans to be developed; also how both organizational and staff capacities will be developed to meet those changes.



4. Strategies & 5. Actions

Within each initiative, there are specific pathways or strategies that Pinellas County Government seeks to deploy or influence in order to achieve goals of effective government. Along each pathway there are specific actions that would occur. The strategies and some of the actions the county can use are described in the following Initiative description.

INITIATIVE 1: COMMUNICATING and ASSESSING STRATEGIC DIRECTIONS.

This initiative focuses on defining and communicating the strategic directions and methods of Pinellas County Government as it determines leadership roles and ways of fulfilling them. Through this initiative the Pinellas County Government asks and answers the question: What services and benefits (added-value) does the public seek? What public benefits are we trying to create through our leadership roles? How are we attempting to create that benefit? Are we creating that added value?

Goal: Regularly engage the community to understand the needs, expectations, aspirations, values and priorities of the community.

Goal: Communicate to all stakeholders the services and benefits (added-value) Pinellas County Government is seeking to add in its various endeavors and the method it is using to do so.

Goal: Regularly assess progress and impact.

Strategies and Actions:

- Implement strategic plan and strategy management system which includes performance, impact and progress assessment.
- Continue and expand use of a Community Engagement Program to understand policy priorities and customer satisfaction, including focus groups, opinion surveys, public education, and other means of gauging public opinion and involving the public in the policy development and administrative processes of Pinellas County Government.

INITIATIVE 2: DEVELOPING ORGANIZATIONAL CAPACITY. This initiative focuses on building the organization's capacity to govern and manage effectively in the rapidly changing and challenging environment it faces.

Goal: Build the organizational capacity needed to perform leadership roles effectively, and carry out and update the strategic plan.

Strategies and Actions:

- Align BCC member involvement in the implementation of the Strategic Plan with the way the BCC is organized by appointments to committees, agency liaisons, special task forces, etc.
- Develop as a “way of doing business” a disciplined approach to designing, activating, managing, and evaluating Public Management Networks and other collaborative arrangements with external partners in service provision.
- Enhance capacity to engage in productive community engagement.
- Implement quality management and improvement processes that effectively integrate new horizontal systems and structures with traditional vertical ones, including special emphasis on development of integrated information technology systems within the organization and through networked relationships with partners and stakeholders in service delivery.
- Develop a succession management system and career paths for professional development and advancement to ensure development of a quality workforce as retirements and attrition escalate in the years ahead.
- Develop training and recruitment strategies that ensure Pinellas County Government trains and secures employees capable of meeting the demands of the rapidly changing and challenging environment it faces. Special emphasis should be placed on the ability to perform effectively in the new network and partnership arrangements demanded by the BCC’s emergent leadership roles.
- Develop and implement a core values effort which consistently brings attention and reinforcement to the values the organization wishes to emphasize.
- Institute a performance management system to bring focus and reinforcement to the strategic plan.

INITIATIVE 3: DEFINING AND ORGANIZING ROLES AND RELATIONSHIPS AMONG SERVICE PROVIDERS. This initiative seeks to define and organize effective roles and relationships among internal and external service providers in ways that leverage resources and optimize impact.

Goal: Better define and enhance the roles and relationships of internal and external service providers whose work is similar to or complementary of the mission of Pinellas County Government.

Strategies and Actions:

- Identify and communicate widely the roles of Pinellas County Government in implementing various elements of the strategic plan.
- Design new forms of organizing internally that facilitate cross-issue and cross-functional work within the organization, and management through networks and partnerships with external service providers.
- Designate the areas of the County likely to remain unincorporated, and define Pinellas County Government’s roles in providing services to those areas. Address the County’s service role in unincorporated areas that are part of City Planning Areas in a fashion similar to the Pinellas County Government’s role in other unincorporated areas.
- Continue to pursue decision to expand the BCC membership on the PSTA.

- Support consolidation of fire districts (but not a single countywide district), and additional functional consolidation and system improvements among fire agencies.
- Support annexation policy changes consistent with 2005-06 legislative package.
- Utilize the Countywide Plan to perform key leadership roles: a) establish the procedure that County staff shall originate development of the plan and its rules; b) direct County staff to develop options to redefine the BCC's role and relationship to the PPC, including alternative membership configurations, and combining the County staff and PPC staff into one planning group.
- Use the Countywide Plan as a means of integrating and implementing all major planning initiatives that address countywide issues, including the BCC strategic plan, Pinellas by Design, the Recreation, Open Space and Culture Systems Master Plan, and the Livable Communities Initiative.
- Create among key local government service providers an organized initiative to foster collaboration, conflict resolution, and on-going communication. This initiative may be organized by specific topic or by general discussion of common issues.

Section One: External Changes Shaping Local Government Effectiveness

The key assumption of this section is that for both government and the function of governance to be effective, there must be a high degree of alignment between the ways the economy is structured and functions to create wealth¹, and the ways governance and governments are structured and function. If and when the primary wealth generators change², so must the community's governmental and governance approaches³. Why is this so? Because both the economy and government (i.e. the political economy) are strongly shaped by and responsive to the needs, aspirations and values of the people they serve⁴. If we find a shift in primary wealth generation, we can assume that shifts in needs, aspirations and values are occurring. Therefore the key question of this scan is whether such a shift in primary wealth generation has or is occurring in Pinellas County.

Before turning to this question, two quotes clarify and expand the logic of the above paragraph. The first is a quote from Zuboff and Maxmin about current understandings of how economic change occurs. The second quote from futurist and social critic Alvin Toffler helps explain why it is so critical that governments undertake restructuring and innovative models for organization and management similar to those being embraced by business:

“When we think about the big changes in economic history...our attention has typically focused on the “industry” in industrial revolutions. New machines and new methods of production have been the center-stage attractions.... But during the past twenty years, a new school of historians has begun to reveal a much more complex reality. The new history shows that people, not just machines, make economic revolutions. In fact, history suggests that the best way to imagine the future of an economy is to ground your thinking in a deep appreciation of its people and their dreams. How do people yearn to live their lives? What do they long for?” (Zuboff & Maxmin⁵)

¹ The term primary wealth generation refers to those business activities that provide a product or service that generates income from sources outside of the county. In effect, they contribute to a “positive balance of trade” from a local perspective by bringing in “outside” dollars. Tourism from this perspective is a primary wealth generator since it brings in people and dollars from outside the community.

² A shift in primary wealth generator does not mean the former generator no longer exists. It may well continue and continue vibrantly. However, it is no longer dominant. Assuming governmental functions have adapted to the former wealth generator, they must now adapt to the new wealth generator while continuing to support the former one.

³ Following Kettl, we define government as the structure and management authority of governmental bodies and governance as to how these structures and authorities work in practice, i.e. how they link to the broader environment. Kettl, D. 2002. The transformation of governance. Johns Hopkins Press.

⁴ Zuboff, S. and Maxmim. J. 2002. The support economy. New York: Viking.

⁵ Zuboff, op. cit. pg 32.)

"In any system...there needs to be some congruence between the way a people make wealth and the way they govern themselves. If the political and economic systems are wildly dissimilar, one will eventually destroy the other." He continues, "Few seem to have considered that if we change the structure of business and leave government unchanged, we create a gaping organizational mismatch that could damage both. An advanced economy requires constant interaction between the two. Thus, like a long-married couple, government and business eventually must take on some of each other's characteristics. If one is restructured, we should expect corresponding changes in the other." (Toffler⁶)

If there has been a shift in primary wealth generators, then Pinellas County Government is operating in a context of new demands and a changing vision of the future. These new demands in turn require a new definition of the leadership roles it will play in developing and implementing public consensus in support of new vision and practice for the political economy of Pinellas County.

Has a shift occurred in primary wealth generation in Pinellas County⁷?

This question must be answered at two levels. The first restricts itself to Pinellas County. The second acknowledges that the economy of Pinellas County is intricately tied to a national and global economy. As the primary wealth generators of the nation change, governments and governance nationally are impacted. As the practices of the global economy change, the practices of governments and governance also change. Each level of this question is addressed below.

At the first level the question can be addressed with relative clarity. The primary wealth generators of Pinellas County have shifted. The following quote is from Pinellas By Design: An Economic Development and Redevelopment Plan for the Pinellas Community (July, 2005 draft): "In the past decades, there has been a gradual shift in the nature of the primary industries in Pinellas County. Despite its prominent role in the settlement and growth of Pinellas County, tourism currently plays a less central part in the local economy...In 2000, manufacturing, wholesale, trade, finance, research, and other business services contributed more than 59% (of the imported money in the area)." Tourism, while still significant, is no longer the primary wealth generator. Instead, services, transfer payments and manufacturing provide that function. An economy based on population growth no longer exists given the relatively slow growth rate of the County (this is not to say that construction is insignificant, but it is not the primary wealth generator it is in other Florida counties, where construction is driven by high rates of population growth).

⁶ Toffler, A. 1991. Powershift. Pp. 238-39.

⁷ One could argue that the first question that should be addressed is whether a shift is occurring in the needs, aspirations and values of the citizens? While we would concur logically, we in reality do not have the data to address this question. Therefore we are assuming that economic changes can be used as a proxy to assume changes in need, aspiration or value. We acknowledge this is an imperfect proxy.

Moreover, the population of Pinellas County, unlike most of developing Florida, is getting younger, according to the findings of Pinellas By Design, and the size of the economy is growing at a faster rate than in previous decades. To sustain the growth and size and quality of the economy, the study concludes that 50,000 new high-wage primary jobs will be needed in Pinellas during the next 20 years.

At the second level, of national and global economy, the answer is more complex simply because the forces and actors are much more numerous, the relationships more complex and the task of defining primary wealth generation more difficult. Despite these complexities, there is general agreement that significant economic shifts have occurred in the United States over the last thirty years. Understanding the impact of these shifts for a particular local government is not always readily understandable. Taken in total however, they have created a set of conditions, which support the conclusion that primary wealth generation has shifted. Table 1 provides a list of the variables or factors in wealth generation, business practice and technology, which lead to this conclusion.

What Table 1 illustrates and documents is that there are substantive changes in the understanding of wealth creation, in the practices that create wealth and in the user or consumer's experience that the marketplace is seeking to provide. Taken singly, the meaning or significance of each of these illustrations is debatable. Taken as a group, these selected illustrations make a strong argument that significant changes in how wealth is created have been occurring in our society.

Summarizing the logic of this environmental scan:

- First, the economic and business changes listed in Table 1 reflect changing needs, aspirations and values of people;
- Second, alignment between the nature of the economy and the ways and means of governing is important to achieve the needs, aspirations and values of people;
- Then, for the public sector to be optimally effective in the eyes of the citizens, it must review and adapt, as needed its own structures, processes and practices to ensure that it is aligned with and capable of meeting the needs, aspirations and values of the people it serves.

Conclusion

During the past two decades, there has been an erosion of consensus supporting the historic economic growth vision (The Old Economy), and the traditional role of County Government in support of that vision.

There has emerged a need for a new vision for Pinellas County consistent with the demands of the New Economy, and a new consensus aligning the leadership roles of Pinellas County Government with it. As graphics 1-4 illustrate, there is a change flow or reaction that occurs when the economy changes that lead to changes in governmental function and leadership resulting in changes in practice. These graphics convey the concept when the primary wealth generators of a local economy change as they have in Pinellas County, public leadership roles and ways and means of performing them must also change.

Private market forces and citizens acting through public and non-profit institutions will shape the new vision for Pinellas County. Their interrelationships and interactions form the County's "political economy." Alignment among these sectors is crucial to the realization of an acceptable and sustainable vision for the future. Graphic 5 illustrates that private market direction, business organization and practice must align with the ways and means of organizing and conducting the "business" of government and non-profit public service providers.

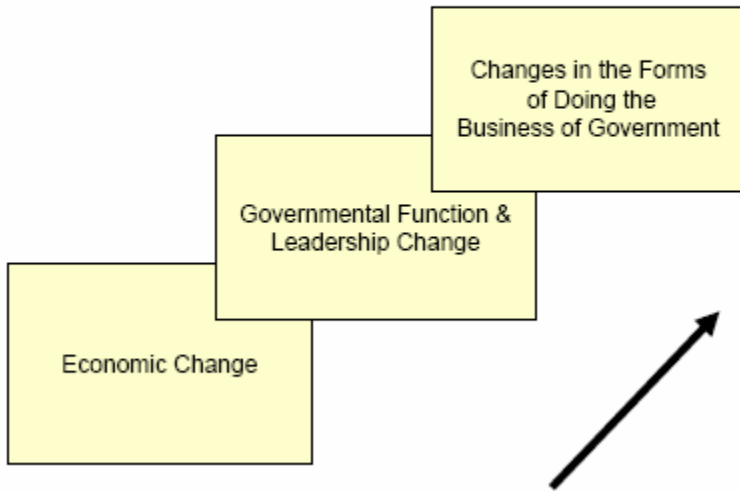
The primary responsibility of Pinellas County Government is to provide public leadership as the new vision is shaped and concretely realized. As graphic 6 illustrates, public leadership depends on alignment between the needs, aspirations and values of the citizenry and those establishing and administering public policy. The entire Strategic Planning Process being undertaken by Pinellas County Government is grounded in the definition of the leadership roles it will play, and is an effort to establish strategies to perform these roles effectively.

The process of discovering and acting on changing needs, aspirations and values is underway through the numerous community engagement and planning processes Pinellas County has undertaken. The Livable Communities Initiative; Pinellas by Design: An Economic and Redevelopment Plan for the Pinellas Community; The Recreation, Open Space, and Cultural Systems Master Plan are examples that reflect emergent needs, aspirations, and values. Finding ways to implement these and other major plans successfully will be the litmus test for effective governance in Pinellas County during the immediate years ahead.

The challenges faced by Pinellas County Government are faced by most other urban counties or by other large regional governments. Therefore a national perspective on effectiveness in local governance can provide guideposts for Pinellas County. We turn to such a review in the next section of this environmental scan.

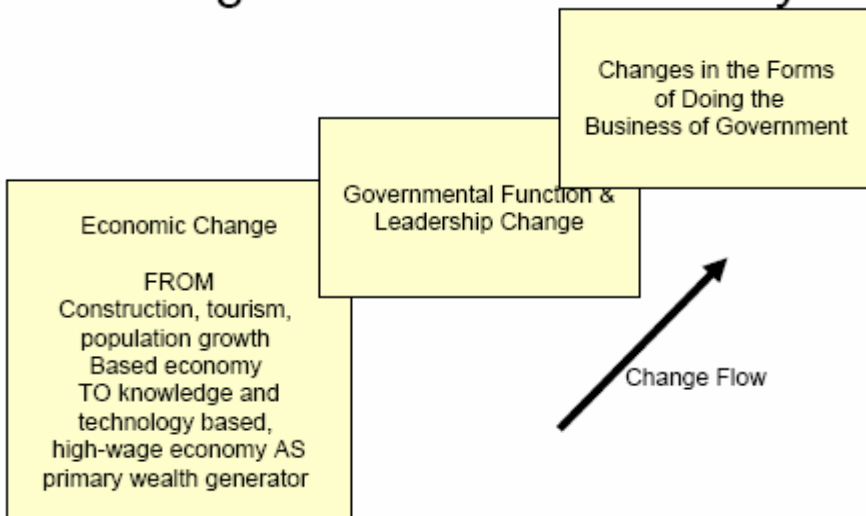
Graphic 1: Macro view of the change reaction

“Change” Reaction through the Political Economy

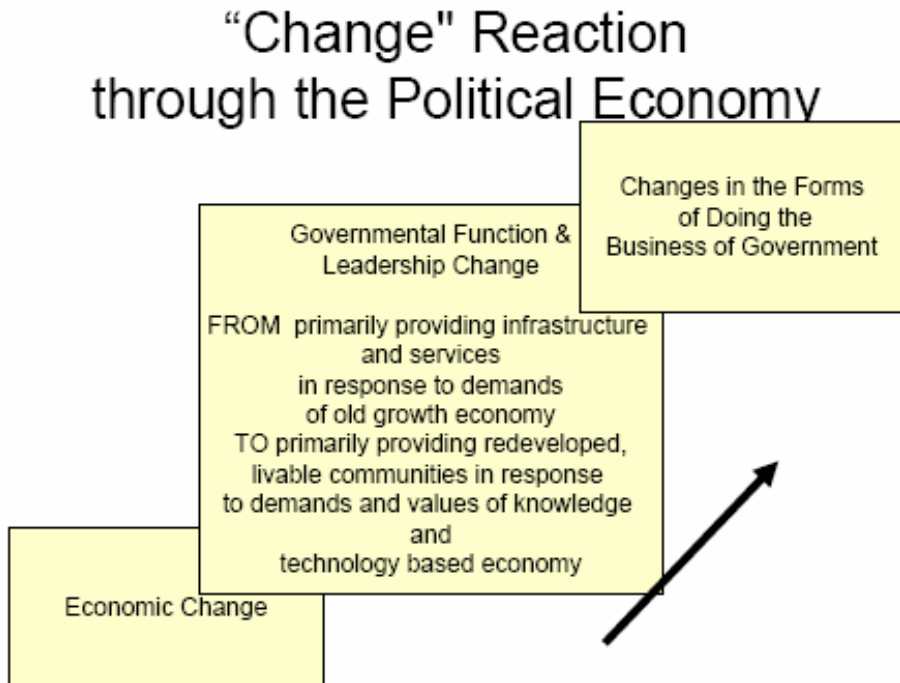


Graphic 2: Detailed view of the economic change component of the change reaction model

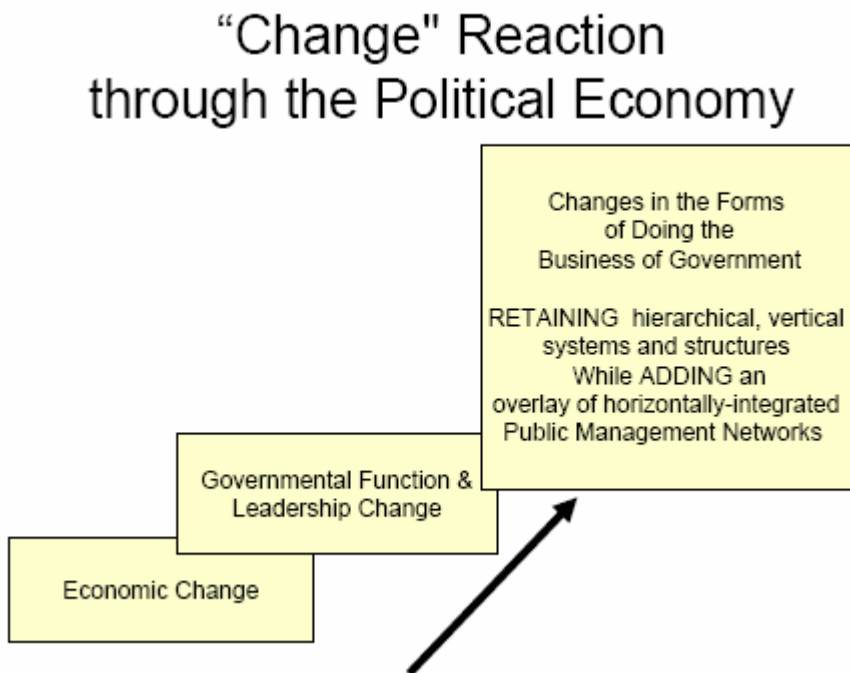
“Change” Reaction through the Political Economy



Graphic 3: Detailed view of the governmental function and leadership change component of the change reaction model



Graphic 4: Detailed view of the forms component of the change reaction model

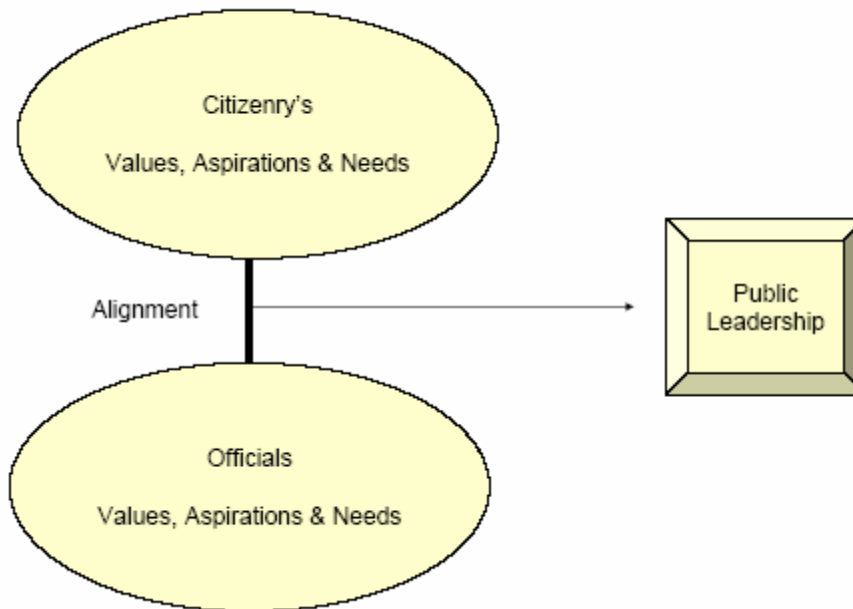


See section two for further discussion of this graphic.

Graphic 5: Vision, Political Economy and Organizational Practice



Graphic 6: The conditions for effective public leadership



Section 2: The emergence of networks as a mechanism for local governance

The following quotes and observations from scholars and practitioners are representative of a body of thought about the overall direction of American public administration. As will be shown, these trends are affecting Pinellas County Government.

Donald F. Kettl is Professor of Public Affairs and Political Science, University of Wisconsin. Kettl is author of The Transformation of Governance: Public Administration for Twenty-first Century America⁸. He writes:

"At every level (of government)...partnerships with both governmental and non-governmental partners have proliferated...That has made government both more horizontal in search of more coordination and integration with...partners in service provision---and vertical...It is not so much that the horizontal relationships have supplanted the vertical ones. Rather, the horizontal links have been layered on top of the vertical ones."

"Therein lays the central challenge for domestic governance. (For more than a century) reformers have focused on reorganizing administrative structure and reshaping organizational processes...Elected policy makers have seen these vertical relationships the cornerstone of bureaucratic responsibility: delegation of authority to administrators in exchange for accountability for results. The hierarchical chain, driven by authority, provided the critical linkage between front line workers and policy makers."

"The spread of horizontal relationships muddies that accountability. They replace hierarchical authority with networks...For public administration; the challenge is reconciling the management and accountability challenges of these networks with the bedrock that hierarchical authority has long provided. How can government ensure accountability in extended service networks where administrative responsibility is widely shared and where no one is truly in charge? How can government, structured and staffed for an era when vertical relationships dominated, build the capacity to manage horizontal partnerships effectively? (This is the central question facing Pinellas County Government.)"

Three challenges emerge from these trends:

1. Adaptation: fitting the traditional vertical systems to the new challenges (posed by the trends); and integration of horizontal systems with traditional vertical ones.
2. Capacity: enhancing government's ability to govern and manage effectively in this transformed environment.
3. Sorting Out Functions: Sorting out the functions of various levels of government."

⁸ Kettle, D. 2002. The transformation of governance. Baltimore: Johns Hopkins.

The following quotes and observations are from "The New Public Management Imperative: Government by Network" by William D. Eggers and Stephen Goldsmith through Deloitte Research and the Ash Institute, Kennedy School of Government at Harvard University.⁹:

"The traditional hierarchical model of government does not meet the demands of this complex and fast-changing age. Rigid bureaucratic systems---with their command and control procedures, narrow work restrictions, and siloed cultures and operational models---are particularly ill suited to responding to problems that increasingly know no organizational boundaries.

The rise of networked government represents the convergence of four major trends that are altering the shape of the public sector: 1) *Third Party Government*: the decades long increase in using private firms and non-profits to deliver services and fulfill policy goals; 2) *Joined Up Government*: the increasing tendency for multiple government agencies, sometimes at multiple levels of government, to join together to provide integrated services; 3) *The Digital Revolution*: the most recent technological advances that enable organizations to collaborate in real time with external partners in ways previously not possible; and 4) *Consumer (Citizen) Demand*: increased citizen demand for more control over their own lives and more choices and varieties in their government services, to match the customized service provision technology has spawned in the private sector. Like any change of such magnitude, it poses some major challenges to those in charge. Tackling them requires a form of public management different from what we've been accustomed to over the past 100 years..."

There are different kinds of Public Management Networks emerging. Eggers and Goldsmith have developed a typology of the kinds of networks. Included are Service Contracts; Ad-Hoc Networks (activated in response to a specific situation, i.e. natural disaster); Channel Partnership (when one agency works through another to achieve mutual objectives); Information Dissemination (for example, when a public agency contracts with a non-profit to disseminate information to the public); and Switchboard Networks (for example when government serves as a catalyst in bringing about formation of a network of food pantries for the homeless).

"Networks have already fundamentally changed how business is conducted and how business organizations are structured. Companies are re-examining, re-defining, and re-creating their business models and increasing relying on a web of alliance partners...the ability to effectively develop and manage a firm's extended enterprise capabilities is increasingly seen as a key source of competitive advantage in the 21st Century marketplace. Similarly, modern trends and problems require and at the same time enable, the movement to networked government."

"...for a growing number of agencies at all levels of government...the skill with which the agency manages networks contributes as much to its successes and failures as the skill with which it manages its own employees."

⁹ Eggers, W. and Goldsmith, S. 2004. The new public management imperative: Government by network. Kennedy School of Government working paper.

For review of further scholarly work on public management networks, see also: Public Management: New Strategies for Local Governments, by Dr. Robert Agranoff. This book and Kettl's work cited above in 2003 were companion winners of the Louis Brownlow Book Award, the top literary prize in the field of public administration, sponsored by the National Academy of Public Administration.

Conclusion

A key feature of the current and emerging economy is the existence and use of networks. This same practice has clearly emerged in public administration and represents at this time the best practice available for addressing complex public policy issues that cross jurisdictional boundaries and require collaborative effort across public, private and non-profit sectors.

Table I: The changing economy from a wealth generation, business practice and user perspective

From	To
Wealth Generation: Changes in sources and understanding	
Labor and physical assets based economy	Knowledge based economy ^{10, 11}
Traditional understanding of capital as physical assets and financial resources	Broader capital model to include traditional plus environmental, intellectual and social capital ¹² , human capital ¹³ , natural capital ¹⁴
Traditional measures of wealth, GNP, GDP, etc	Broader measures of wealth: Gross Nature Product ¹⁵ , Social Return on Investment ¹⁶ , Sustainable Net National Product ¹⁷
Business and Workforce Practice	
Siloed organizations	Network organizations ^{18,19}
Clearly contained organizations	Horizontal ²⁰ or Extended organizations ^{21, 22}
Asset and people management	Knowledge management ²³

¹⁰ Drucker, P. 1993. Post-capitalist society. New York: Harper Collins.

¹¹ Quinn, J., Baruch, J., and Zien, K. 1997. Innovation explosion. New York: Free Press.

¹² Ekins, P. 1992. A four capital model of wealth creation. In Ekins, P. and Max-Neef, M. (eds). Real-life economics: Understanding wealth creation. London and New York: Routledge. Pp. 147-155.

¹³ Becker, G. 1993. Human capital. Chicago: University of Chicago Press.

¹⁴ Pearce, D. 1992. Economics, equity and sustainable development. In Ekins, P. and Max-Neef, M. (eds). Real-life economics: Understanding wealth creation. London and New York: Routledge. Pp. 69-76.

¹⁵ Ekins, op.cit.

¹⁶ Aeron-Thomas, D., Nicholls, J., Forster, S., and Westall, A. 2004. Social return on investment. London: New Economics Foundation.

¹⁷ Daly, H. 1996. Beyond growth: The economics of sustainable development. Boston: Beacon Press.

¹⁸ Davis, S. and Meyer. C. 1998. Blur: The speed of change in the connected economy. Boston: Addison-Wesley.

¹⁹ Shapiro, C. and Varian, H. 1998. Information rules: A strategic guide to the network economy. Boston: Harvard Business School Press.

²⁰ Ostroff, F. 1999. The horizontal organization. New York: Oxford.

²¹ Duncan, W. 1994. Manufacturing 2000. New York: American Manufacturing Association.

²² Deprez, F. and Tissen, R. 2002. Zero space: Moving beyond organizational limits. San Francisco: Berrett-Koehler.

²³ Stewart, T. 2001. The wealth of knowledge. New York: Doubleday.

From	To
Limited information	The challenge of attention and information overload ²⁴
Standard compensation	Value added compensation ²⁵
Dependent work	Interdependent work ²⁶
Job stability	Job fluidity ²⁷
	Competitive advantage through culture ^{28, 29}
User-Experience	
Mass production	Mass customization ³⁰
Delayed information	Real time feedback
Quality product	Quality experience ³¹
Limited consumer choice	Broader consumer choice

²⁴ Davenport, T. and Beck, J. 2001. The attention economy. Boston: Harvard Business School Press.

²⁵ Stern, J. and Shiely, J. 2001. The EVA challenge: Implementing value added change in an organization. New York: John Wiley.

²⁶ Shrader, M. 1990. Shared minds: New technologies for collaboration. New York: Random House.

²⁷ Herszenberg, S., Alic, J. and Wial, H. 1998. New rules for a new economy. Cornell University Press.

²⁸ Saxenian, A. 1994. Regional advantage: Culture and competition in Silicon Valley and Route 128. Cambridge: Harvard University Press.

²⁹ Rosenfeld, S. 1992. Competitive manufacturing. New Brunswick, NJ: Rutgers.

³⁰ Pine, B. and Gilmore, J. 1999. The experience economy. Boston: Harvard Business School Press.

³¹ Power, T. 1988. The economic pursuit of quality. London: M.E. Sharpe.