Adjusting to New Ways of Working: Experiments with Service Delivery in the Public Sector

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Abstract

In response to the perceived failure of both the state and market models of service delivery, governments have embarked on a reform program that draws on the community sector to expand the suite of available policy and service delivery arrangements. This paper explores and identifies the nature of changed relationships between government and the community sector. It uses a case study that examines the operation of a new type of community organisation, and analyses the affectivity and outcomes from the experience of a community based networked arrangement. Although there is evidence of a shift to more relationship-oriented models of operation because of either mandate or preference both community and government sectors have found it difficult to make the necessary adjustments to these new ways of working. Community has begun the shift to this new relational approach but finds it difficult to sustain the momentum and tends to revert to more independent and competitive modes. Governments find it difficult to make the necessary adjustments to power-sharing and resource allocation and continue to operate as 'business as usual' through the traditional bureaucratic authority of command and control. In this way, the rhetoric of collaboration and partnership between government and the community sector is not necessarily matched by policy and action supporting the practice of 'new ways of working' although these 'experiments in service delivery' have opened the way for adopting more innovative and effective approaches to service delivery.

Introduction

In recent times several changes to social, economic and political systems have converged to shift both the nature and dynamics of the existing relationship between the government and community sector. As a result of the perceived failures of previous service delivery models, decision-makers within government are experimenting with new arrangements and different types of community-centric relationships and structures to achieve better social and economic outcomes (Kickert, Klinj and Koopenjan, 1997; Mandell and Steelman, 2003; Keast, Mandell, Brown and Woolcock, 2004). Specifically, these changes have emerged from a realisation on the part of all actors, that the solution to the ongoing complex social problems confronting societies requires working together in new and innovative ways that are underpinned by deliberative horizontal strategies encompassed in networked arrangements and collaborative, cross-cutting endeavours (Clarke and Stewart, 1997; Huxham, 2000). Newman (2000:47). Scholars including Huxham (1996, 2000) and Klinj and Koopenjan (2000) contend that the new focus is on building networks, fostering relationships and trust, sharing risk and rewards and capitalising on the benefits of collaborative advantage.

The delivery of public services in Australia has traditionally been provided by a mix of public, private and not-for-profit sectors (Butlin, Barnard and Pincus, 1982; Quiggin, 1999; Earls and Moon, 2000). At various times throughout history, the particular combination of this trilogy has shifted depending on economic circumstances and the prevailing ideological convictions. With respect to human service provision however, with few but perhaps increasing

exceptions, responsibility for delivery of services has fallen to the state and the not-for-profit sectors (Australian Council of Social Services, 1994). In this service relationship, government (the state) as the principal funder of services, generally has been the more powerful and thus more dominant partner (Australian Council of Social Services, 1994; Chanan, 1999) and has taken the lead role in setting policy direction. The community sector has been assigned the minor support role of 'safety-net' (Saunders, 1998), 'gap-filler' (Seibel and Anheir, 1990) or 'watch-dog' (Ryan, 1998). As a result of the dynamics inherent in such a vertically oriented relationship there has emerged a sense of antagonism and distrust between the two sectors (Lyons, 2003).

Specifically, these changes have led to a realisation on the part of all actors, that the solution to the ongoing complex social problems confronting societies, the 'wicked problems' (Clarke and Stewart, 1997), requires working together in new and innovative ways. In view of this, governments have adjusted their funding requirements necessitating that their own departments and especially community sector agencies demonstrate horizontal integration or 'collaborative tendencies'. However, these changes may have resulted in unintended consequences that may undermine the original intent of relational integration of services. The research question that this project seeks to address is: 'Using a case study exemplar, what are the changes required by government and community sectors to successfully implement new networked service delivery arrangements?

As this case study will demonstrate, while the community sector has been able to shift to a more horizontal relationship-based service delivery model, at times the relationship has been based on an instrumental self-serving approach to the new principles and the partnership and relationship mode has created competition for scarce resources and fractured rather than cemented emerging relationships. Government in general has not been able to make the necessary adjustments to thinking and practice, as while it has focused on partnerships as a vehicle for improved service delivery and solving 'wicked' problems, the alignment of policy and resource allocation has been problematic. This, it is postulated, arises as a result of a failure to shift fully to new methods of governance, measurement and evaluation that a collaborative, partnership-based model of operation would require. Consequently, it is contended that while government and community have embarked on a program of reform that is ground-breaking, the two parties are as yet unable to anticipate and fully understand the nature of the shift required. Consequently, these innovations in service delivery may unduly suffer unintended consequences and not be able to capture the considerable benefits that collaborative working may offer.

Methodology

An exploration of the nature of changed relationships between government and community organisations is undertaken through a case study of a government mandated community-government network set up under the auspices of a deliberative policy shift to integrated service delivery. Because human services are at the forefront of concerns around social cohesion and stability, experimentation in this arena became an imperative for both federal and state governments (Keating, 2001; Szirom, Lasater, Hyde and Moore, 2002; McGregor-Lowndes and Turnour, 2003). Given the unfolding and experimental context in which human service networks currently operate, the flexible but nonetheless guided approach of the case study provides a mechanism to capture and analyse the intricacies, processes, roles and changes in the networks as they evolve (Marshall and Rossman, 1990).

In order to better understand the nature and practice of the changed relationships between community member organisations and between community agencies and government as well as the processes and outcomes of this new service delivery model, qualitative techniques of data gathering through semi-structured interviews and focus groups have been

applied. Specifically, the personal or 'lived experiences' of participants, their understanding and interpretation of these experiences, and the context in which they occurred provided the primary focus for this research project (Marshall and Rossman, 1989).

Focus groups were used to secure an understanding of participants' experience in and understanding of the network including how it operated, its perceived successes and failures, how participation was facilitated and managed and, what they believed was necessary to ensure that networks worked. It is argued (Morrison, 1998; Johnson, 2002) that the group dynamics that transpire within focus groups creates a situation in which members are more willing to disclose and challenge opinions. Accordingly, the entire cohort of the service delivery network formed the participant pool for two focus groups. The network was comprised of government service delivery representatives at both state and federal levels and community sector practitioners who were involved with delivering the services 'on the ground'. Two focus groups were undertaken at an interval of 18 months in order to extract the relevant insights into the operation of the network and the relationships between network members and government as it evolved over time. For each focus group, at least 80 percent of the total 27 network agencies contributed insights about their experiences of service delivery under new networked arrangements.

Further, ten key informants from both the community and government sectors were interviewed to discern a more fine-grained understanding of the adjustments that both government and community sectors need to undertake in initiating and supporting new service delivery modes. A semi-structured interview process was selected to allow a level of flexibility around how the questions were administered. This process meant that, "the content of the interview was focused on the issues that are central to the research question, but the type of questioning and discussion allow for greater flexibility than does the survey interview" (Minichiello, Aroni, Timewell and Alexander, 1995: 65). However, an interview schedule was used to ensure that all questions were answered and as a mechanism to control the level of interviewer inducted bias (Hughes, 1976; Patton, 1987; 1990). Specifically questions were asked about how the network was formed, its purpose and how network participants experienced these experimental modes of service delivery and the perceived role of government in these new arrangements. In order to preserve the anonymity of the interviewees, individuals have been identified according to their representative sector and date of interview.

The methodology adopted allowed rich and thick insights into the operation and construction of the networked arrangements as well as the uncovering of the relationships both between network members and their agencies as well as between the network and government.

Shifting to a New Way of Working

The case study centres on the development of an integrated model of service delivery for homeless young people in a regional community. The network comprised 27 agencies who had been working independently to provide local services to young homeless people and their families. This clustering of services, while fulfilling community needs to ameliorate a significant social problem, also resulted in duplication and overlap of programs and services and the fragmented nature of the array of different providers. The differing service orientation meant that it was difficult to meet the growing demand by community and government for comprehensive service delivery. The new, networked-service model was designed to bring together this set of agencies into closer alignment in order to maximise resources, create a service model that 'wrapped around clients' and achieve greater problem solving and service innovation potential. In this way, the emergent network model with its reliance on shared commitment, mutual support and enhanced relationships presented as a substantial departure from the conventional service delivery practices of many of the participants.

The composition of the network provided for a mix of local and national community based organisations and both federal and state government representatives. Such a wide variety of agencies in the network was sought to ensure that duplication and waste were prevented and that comprehensive support was available throughout the service delivery district. As the network's submission for funding stated, "The intention was to provide a network model of collaborative and coordinated working relationships with these agencies" (Internal Document 1998). Thus, the case study network was initiated from a shift in government and societal priorities that sought more integrated modes of service delivery. The rationale for the formation of the network and the new terms of engagement between agencies was outlined in the Memorandum of Understanding developed by the participating agencies:

> Having an established alliance, rather than ad hoc groupings which might be formed from time to time, will allow for the development of consistent service delivery, timely response to client group needs, shared resources, improved service delivery through elimination of duplication of waste, and improved access to services by the client group (Internal Document, 2002).

However, while the primary impetus for a networked form was generated by government policy, the idea of a set of service providers coming together into a coordinated arrangement rather than the insular practice that had evolved over time also had strong resonance for many of the participating community and government agencies. For government representatives, networked arrangements based on relationships offered a more sustainable model for integrated services. The limitations of the previous top-down orientation were outlined in the following: 'If it is by direction, then it is not sustainable, because people will revert when those directing move on and forget about it.' (Government Sector Interview, 3 September, 2002). For community participants, there was a growing concern that the previous competitive practices engaged in by community agencies were detrimental to the overall quality of services for young people and their families in this community. This situation is explained:

> As the funding got tighter then I believe people, small agencies started to put up the 'barriers' type of thing in regard to communication … And so, they were afraid to tell people what they were doing because they were afraid that their ideas would be pinched and used by other agencies, or that they would be 'done out of' their funding (Community Agency Interview, 22 August 2002).

For many within the participating agencies the idea of 'a coming together of like agencies' around the service needs of young people was seen as a positive and progressive concept (Focus Group, 12 December 2001). The prospect of a different perspective and style of working made possible by the formation of the new integrated service and the adopted network model was identified by one member as a key contributing factor or incentive to become involved in the network:

> It was on about more than sharing and networking. The emphasis was different – it was about focusing on young people as part of a family and a community. It seemed to move young people through the maze rather than hold them in a dependent type relationship (Community Agency Interview, 22 August 2002).

In addition to an efficiency interest exhibited in clear commitment to improve the quality of service provision through integrating programs and services, interviews and focus groups also highlighted the desire for collaboration so that individual network members worked

together and learned from each other. In this way, relationships and relationship building became a primary integration mechanism to bring the previously dispersed and fragmented service provider together into a coherent service hub.

Integrating Through Relationships

In this case study the integration mechanism was centred on the formation of relationships between the network members rather than the previously *ad hoc* arrangements based on quasi-legal referral processes and protocols. The network members were aware that bringing such a diverse set of organisations together into a collective or network type arrangement was dependent on the formation of improved relationships between agencies. As one network member described the situation: "We knew that relationship building was central to the network's operation and especially to achieve change and outcomes" (Focus Group Respondent, 12 December, 2001). It was acknowledged that most of these agencies had previously been, if not outright competitors for funds, at the least reluctant to move beyond fairly superficial ways of working together. One respondent attributed this to the "simultaneous situation of competition and cooperation often characteristic of community agencies' relationships" (Community Agency Interview, 14 May 2003). In this context, both government and community members recognised a need for government to create the policy and program framework together with strategic direction-setting that facilitates new levels of interaction. Thus for a government representative: '…it is necessary that the role of government should be strongly focused on ensuring that processes are established that encourage co-operation and collaboration' (Government Sector Interview, 19 December, 2001).

In view of this desire to 'work better together', and because of the mandate or directive from funding bodies to coordinate and collaborate, the newly formed body based its operation on forming tight integration relationships between agencies with the expectation that this model would lead to improved services. However, it was quickly apparent that despite the desire for a more integrated mode of service delivery many of the member agencies were not prepared, or able, to go this far. The following statement highlights the problem:

> On formation and without clarification of our goals we went straight into forming tight integration through formal relational and centralised authority. This did not work well as we had no common purpose or goals and no real trust. Consequently we had to take a big step back to form better relationships and trust before we could move forward again (Community Agency Interview, 20 February 2002).

It was eventually recognised that with a limited history or experience in working together, few existing relationships between the organisations and limited trust, it was necessary to spend time learning about each other's organisations and their operation and building relationships. The need to take time to build relationships and trust was apparent, as initially 'the network was not in the position to do anything more than meet and share information' (Community Agency Interview, 20 February, 2002). To secure the commitment necessary for a tighter integration model, a more concentrated effort on relationship building was acknowledged in an approach that refocused effort and time on developing more considered relationships between members. Time and space were identified as necessary to allow relationships to provide the platform for achieving new ways of working; "We had to review things and say, let's take this one step at a time, let's spend some time building some relationships before we try to tie things down" (Community Agency Interview, 4 July 2002).

The relationship-building process took place and was facilitated around a regular schedule of network meetings as well as a succession of workshops focused on determining the direction that the network could take and beginning to develop joint program plans. Relationship building and trust were further enhanced through the closer casework arrangements network members became involved in as part of their commitment to the network ideal. As a result of these processes it was claimed that, "there is shared commitment and shared understanding, and stronger relationships" (Community Agency Interview, 4 July 2002). Despite the broad agreement for coordinated action, bringing together and maintaining such a wide array of agencies into a networked arrangement whereby services worked together was initially not an easy task. It was stated: "Getting to that point took a lot of commitment. There was commitment to change ways of working. There was a strong acknowledgment of the need for relationships to be built and people worked hard at this" (Community Agency Interview, 22 November 2001)

This initial phase of relationship building was followed by a period of hesitation about the ability to work this way when the funding was received. Much of this concern centred on the risks perceived from a loss of organisational autonomy. One respondent reflected on the early phase of the network and the shifts in operation that needed to occur to progress:

> People were really unsure on how this worked, how it would happen. There was hesitation around making the commitment to come on board. There has been a big shift in trust. They realise now that they have not lost anything in coming on board. The experience has largely been beneficial. You know that it will be better. You know that it will be in the best interest to go this way but you are not really sure how it will happen (Community Agency Interview, 4 July 2002).

Indeed, as one network member acknowledged, moving forward was problematised by the "fact that they were not really sure about what the terms coordination and collaboration meant – just that it was broadly 'working together'" (Community Agency Interview, 22 November 2001). In order to guide their actions and maintain network linkages a range of network management processes and instruments were developed. These included a memorandum of understanding, the use of brokerage funds, regular network meetings and a network coordinator. While these strategies all had a different emphasis, a common underpinning thread was a focus on the maintenance of relationships. In practice, the task of bringing together and fusing the disparate group into collective action largely fell to the Manager as the network coordinator. The specific attributes of the network manager or driver were described as someone who has the ability to 'nicely' bring people together, someone who knows how to work with others and take the network in the direction that everybody wants. This was variously described as the 'velvet glove' (Community Agency Interview, 22 November 2001) or the 'bright light' to which others are attracted (Community Agency Interview, 11 November 2002). The critical role of the network coordinator in achieving cohesion between members was described:

> With all the networks that I have been involved with, it has only been as good as the participation of the person, or people, or organisation driving it. And once that wanes the whole network won't work as well. So I think that is why the network works so well, because there is a paid coordinator to drive it and coming back to the organisations to monitor and secure their participation (Government Sector Interview, 22 August 2002).

Other key integration mechanisms for the network such as a Memorandum of Understanding and the use of brokerage funds also helped to provide a collective focus to the provision of services. It was suggested the brokerage funds were used "as a process or a tool to

encourage partnerships and relationships within the network" (Community Agency Interview 4 July 2002). Thus, brokerage funds were used to 'smooth over' network relations and tap into and utilise the diversity of people within the network.

As a result of their emphasis on improved relationships, the use of a range of integration mechanisms and, in particular the role of the network driver, the network was able to secure some positive and different ways of working to achieve coordinated outcomes.

Initial Network Results

At the service delivery level of the network's operation there was an identified improvement in case management processes as a consequence of the network's improved relations. Through the cluster of agencies coming together around the client the overlap of effort involved when clients have to go to individual agencies for each aspect of their intervention and the resulting duplication of services was avoided or at least minimised. This process is facilitated by the enhanced knowledge and understanding that network members have of each other's services. Further, because of the deeper relationships, service delivery was improved because there was an enhanced knowledge and access in relation to the total range of services available and moreover, service providers became more committed to an integrated model in which "people are more prepared to go the extra distance and to help out and stick to a problem until it is solved" (Community Agency Interview, 4 July 2002).

Beyond the case management aspect of improved coordination of services, the network also made some early inroads into integrative action through both cooperative and even collaborative arrangements. A key early example of this was evident in the co-location arrangement in place between the two members in which these agencies shared office space as well as subsidising services. The network also facilitated the evolution and implementation of a number of joint projects that "… left to the resources of individual agencies, would not have been possible" (Community Agency Interview, 11 November 2002, Focus Group; 12 December 2001). Through the professional and personal relationships and trust built over time some network members were able to 'work outside of the box' to creatively use existing resources (Focus Group, 12 December 2001; Community Agency Interview 22 February, 2002). While for some agencies involvement in these collaborative arrangements did not provide any immediate outcomes there was a realisation that there was a long-term benefit. A secondary outcome of these joint projects was the demonstration to other agencies they could work together to get outcomes and that sometimes one agency might do something for another just because it is the right thing to do and it benefits the broader membership and the community. This rationale is explained:

> So even though this project meant more work for the network and we did not receive any immediate benefit, the trust and rapport and good will that came from us working together on a project – that we showed that we were 'not in it for us' but the community and our partner – we received benefits in the long term including closer relations with government departments and better access to decision-making (Community Agency Interview, 4 July 2002).

These 'showcase' examples of collaborative action were also undertaken to demonstrate to other network members the benefits of the multiplier effect of collective work and to reduce their anxieties about lost autonomy. One respondent observed that the collaborative advantage secured better outcomes as the network members were able to 'get more out of the process of coming together' and challenged conventional power and authority processes as 'people may have lost some autonomy but they gained a lot more' (Community Agency Interviews 4 July and 22 August, 2002)

It was also acknowledged that participation in the network afforded members the "space, as well as the scope and economy of scale to do things differently" (Government Sector Interview, 22 August 2002). That is, through the collective resources, support and influence of the network members, the network was able to begin to challenge entrenched systems and ways of working.

> For many it seems that being in a network is about once a week going along to a meeting and having sticky buns and sharing information – not very productive stuff but also not very risky. You just went along and heard an update of what each agency was doing, that was a network … there was not other interaction or limited interaction between meetings and you did not really do anything different. It was sort of business as usual, each of us working in our own little areas. Through coming together around the network they, the members, see the big picture, not just their little individual bits (Community Agency Interview, 4 July 2002).

Despite the shift in operation and the benefits achieved it was acknowledged that full involvement in the advanced networked action and adoption of the collaborative ideals was restricted to a few core members. For the remainder, participation in the network was restricted to information sharing and monitoring developments to ensure the best interests of their parent agency were met or to periodic involvement in specific programs. This varying level of commitment was acknowledged as follows:

> We knew there would be 'fringe-dwellers', those that come only to hear what is going on, what they can tap into, but we also knew that there would be others who were fully committed, and we believed that the network should be open and encourage the others to come in when they were ready (Community Agency Interview, 22 February, 2002).

Thus, over time, as a result of the inability of some organisations to sustain commitment, coupled with ongoing personnel and funding changes to the sector, the number of agencies involved in the network was reduced from the original 27 to between 18 and 20 organisations. In order to sustain the network and increase the level of commitment, it became apparent to some members that a more formalised and intense set of relationships was required.

Ramping Up the Relationships

Toward the end of 2001, after a period of operation in which a number of gains toward more cooperative, coordinated and even tentative moves toward collaborative ways of working were beginning to be developed around the network and its members, a proposal was put forward that the network become an incorporated body. Forming an incorporated body was based on the idea that this would enable the network to apply for funding as a formal collective as well as providing a higher level of credibility and legitimacy in the broader public sector arena (Focus Group, 11 November 2002). That is, there was increasing evidence of governments wanting, and even demanding, that to receive government funds community agencies had to demonstrate their ability to work together in more collaborative ways (Community Agency Interviews 22 July, 2002; 11 November, 2002). As a consequence there was a realisation by many community-based agencies that it was necessary to band together not just to receive funds but also to compete against the 'larger and increasingly for-profit' agencies that were beginning to win contracts for services. As one respondent reflected on the move toward incorporation:

> I suppose another motivation is that the government told us that no one would get funding unless we could demonstrate we were working together. You know, we had to be integrated, and to do it collaboratively. …. And we decided that rather than government set the conditions and tell us that we had to work together and how. We decided that we would turn the tables and say 'well we want to work together anyway and we are doing this because we think it is the right thing not because you are telling us to' (Community Agency Interview, 4 July 2002).

A further reason for network involvement centred on the belief that such a mode would "provide a more seamless service to clients, reduce confusion about service issues, better pool resources and administrative costs, and most importantly give network members more control over their work" (Internal Network Document, 2001).

Consequently, the network embarked on the process to become an incorporated body. However, in doing so there was a realisation given the previous experiences that moving too quickly was counter productive and the need to be mindful to sustain the existing relationships between network members. As a consequence, considerable time and effort was put into conducting workshops and information sessions to provide network members with the opportunity to learn more about incorporation. Through these workshops and other subsequent meetings and processes including a feedback survey, network members were given the opportunity to discuss, question and consider the impact of incorporation for the network and their agencies.

Although not all network members were fully supportive, a collective decision was made that the network would move to become an incorporated body. The reluctance on the part of some agencies to become involved in the incorporation was attributed by one respondent as a lack of understanding of the philosophy of the network, a continuing lack of trust and the reluctance by some agencies to let go of individual autonomy (Community Agency Interview, 4 July 2002). Others, on reflection, considered that while those agencies did not demonstrate their previously stated commitment to the ideals of the network there was at least a level of honesty about their ability to involve themselves and their agency in a collective process at the expense of individual autonomy (Community Agency Interviews, 4 July; 11 October; 22 November 2002).

The network achieved incorporation status in April 2002 with 18 organisations assuming full membership status, with the remaining, including all of the previous government departments and two community based organisations, as affiliate members (Internal Document, Network Rules of Association, 2002). It was generally considered by respondents, and confirmed by network meeting minutes, that the move to incorporation engendered, at least initially, a renewed sense of commitment and enthusiasm for the network and its activities. The increased involvement of the network members meant that the network coordinator no longer had the key driver function and "increasingly network members took responsibility for decision-making and direction setting" (Community Agency Interviews, 4 July 2002; 11 November 2002). However, in order to support and maintain the network and drive the incorporated body an extended model of support and service provision was required.

This new model centred on the network becoming the parent body for the service program. By the network becoming an incorporated body that had direction over its former auspice agency it also represented a unique twist to the traditional ways of organising and providing services. Along with the revised structural model of operation a new staffing structure was also proposed. This change involved the program Director becoming the key support person for the network and the employment of a part-time operations coordinator to administer and

manage the service component. Based on this enhanced network model and structure, a funding application was submitted to the federal funding body. Having 'weathered' the incorporation process and submitted an application to support the revised model of operation, the feeling within the network was positive (Community Agency Interview, 4 July 2002). But by the middle of 2002, three interrelated events occurred that placed the network and the relationships that it had achieved under strain. These aspects were the introduction of a competitive funding offer, financial constraints and the loss of the network driver and key staff.

Unravelled Network Relationships

The first factor relates to the decision by a state government department to introduce a funding program that was based on examples of collaborative action. In view of its mandate the members of the network saw it as uniquely placed to make an application for some of these funds. To this end a meeting was called to discuss a proposal to prepare a joint submission. However, following the meeting when network members returned to their 'parent agencies' it became apparent that while the agencies had agreed to the terms of the incorporation including the collective application for funds (Internal Document, Network Rules of Association, 2002), there was 'a lack of understanding of what this really would require' (Community Agency Interviews, 22 August, 2002; 11 November, 2002). As a result, two of the bigger organisations pulled back from full membership because of the funding situation and the desire to 'go for it themselves'. A respondent commented on this reversion to self-interest to the detriment of collective action:

> What is happening now is that there seems to be a bit of a pulling back of some of the agencies particularly, around the funding rounds that are coming from the state government … ironically around collaborative programs. They [network member organisations] seem to be going back to their old habits of self–interest and agency protection rather than saying how can we best serve the needs of young people and use innovative ways and means (Community Agency Interview, 22 July 2002).

Another respondent identified the difficulty in moving beyond the 'single-agency' focus as some of the parent agency management committees were still operating according to individual principles that resulted in a reversion to competitive tendering model (Community Agency Interview, 11 November, 2002). This aspect is possibly a timely reminder that individuals, while decision-makers within networks, are not always the decision-makers for their parent organisations. It was observed: "The Management Committee of the representatives may not prescribe to the same values [as the network] or may not be able to" (Community Agency Interview, 11 November, 2002).

Nevertheless, interviews revealed that through the intervention of the network coordinator, a mutually agreeable resolution was achieved enabling the reluctant agencies to continue to participate in the network but which limited their involvement in decision-making (Community Agency Interview, 22 July 2002). However, despite the successful resolution of the issue, as a number of respondents have commented, the situation did create some tension and probably some soul searching about the ability of independent organisations to work together so closely. Indeed, stated that network members were "probably were more cooperative rather than strategically collaborative and integrative" (Community Agency Interview, 11 November 2002):

There was also the view, strongly expressed, that as a result of government tendering process around the issue of collaborative action both with respect to the current initiative and previous endeavours there was more fragmentation and competition in the sector, which

although discussed in terms of cooperation and collaboration in funding applications and planning action was "really, people looking after their own programs" (Community Agency Interview, 11 November, 2002). A related perspective on the driver for network involvement was:

> They come along because money drives everything, unfortunately. Now that's painting with a broad brush and there are people there with higher ideological goals. But there are also a lot of people there to get more funding to do this, that or the other. They were driven by money. (Community Agency Interview, 22 July 2002).

For all these respondents there was a sense that government, ironically by trying to achieve or enhance collaboration within the community sector, had in fact 'undone much of what had been achieved' (Community Agency Interviews, 10 July; 22 July; 11 November 2002). In general the impact of government funding processes on the community relations were described as "quite detrimental" (Community Agency Interview, 11 November 2002).

The second contributing factor to the 'unravelling of the network' centred on the failure of the network to secure additional funds necessary to support the extended model of service delivery proposed. That is, while supportive of the network and its experimentation with a more innovative structural arrangement and service delivery model, the principle funding and auspicing department, save for some one-off additional funding to a member organisation, was unable to provide the level of funding required for its implementation. A network member reflected on the dilemma:

> The project was considered to be the 'poster agency' at the cutting edge of this type of collective work and they are prepared to give it a bit of slack to experiment with this change of auspice and operation. …They have received some one-off funding but not the funding they needed to run the ideal model proposed (Community Agency Interview 14 May 2003).

For some network members, despite its ongoing 'championing of the project', the failure of the parent government department to financially support the new model, challenged the fledgling sense of trust that had begun to transpire between the community agencies and governments at all levels.

As a consequence of the lack of funds for a full time network coordinator to support the network operations the Executive had to 'take up the shortfall' (Community Agency Interview, 11 November 2002). These factors, coupled with the subsequent resignation of the network coordinator, put additional pressure on the network Executive to take the project forward, follow through on the incorporation and auspicing of the project and maintain direction and control over the network's projects (Community Agency Interview 14 May 2003). The importance of the driver function and the impact of the loss from the network in maintaining network cohesion and directed action were highlighted (Community Agency Interview, 22 August, 2002). Another respondent was more specific on the loss of cohesion and direction arising from the departure of the network coordinator:

> The analogy I use is that it is like a light bulb that is turned on and is bright and all the moths are drawn to it and when that person in that position is gone it is like turning the bulb off and all the moths fluttering around everywhere without any key direction because they are all flat out doing

their own thing trying to survive (Community Agency Interview, 11 November 2002).

The end result of these events was that there was a winding back of some of the network actions and the Executive's attention was directed to attending to issues relating to the change in auspice, dealing with the financial concerns confronting its operations and running the service that had gone into decline (Community Agency Interviews, 22 August; 11 November 2002; 14 May 2003). The focus was therefore on internal network operational issues and not the network as a whole. A continuing loss of membership also impacted on work of the Executive Committee, since there were few remaining full affiliate members to draw from to make up the Executive. As a result of the intense work required to keep both the network and the service operational, the Executive appeared to become insular in its operations (Community Agency Interview, 11 November 2002). Because it was meeting at least weekly and often more frequently a very cohesive unit was forged. This level of interaction and the decision-making that was occurring outside of the network proper led to an emerging sense of isolation and even distrust by some of the other network members (Community Agency Interview, 14 May 2003). Reflecting on the operation of the network at this stage one respondent indicated that it was not entirely cohesive and in fact exhibited characteristics that were much more aligned with networking and old ways of working:

> Honestly, I see the network as a few key people who have similar service philosophies, who have similar values, very much about similar value systems. And I suppose, I would go back to the bright light analogy, that the core focused on that goal, on the collaboration stuff, and other people, for whatever reason feel that it is important to be part of the network for information and participation. And it really is that there are a few core people that do the work. Beyond that it is monthly meeting participation (Community Agency Interview, 11 November 2002).

In this way, some of the members themselves were able to identify that the network was not connected at the level that had originally been intended or that was necessary to sustain joint action. However, as result of the concerted actions of some core members, new structural and operational arrangements have been implemented, including those that emphasise more inclusive decision-making processes, staff members have been employed and relationships mended (Community Agency Interview, 14 May 2003). Consequently, the threat to the network was averted and it has been able to move forward to meet the stated goals of coordinated service provision for homeless young people in the region.

Discussion and Conclusion

Recent public policy and practice demonstrates that there has been a deliberative endeavour by both government and community sectors to experiment with new and innovative 'ways of working' based on stronger horizontal relationships to better deliver seamless services to vulnerable client groups.

Following this line, the case study network developed a service delivery model based on seamless processes, enhanced relationships and shared responsibility and resources. The model had as its basis, a strong emphasis on client service delivery through the realisation that efficiencies could occur through joint endeavours and shared information and the understanding that these new ways of working delivered the collaborative advantage necessary for solving complex community problems. The case study findings indicate the integration of previously often competing agencies into a collective entity was achieved by a

strong emphasis on building relationships, coupled with structural connections of incorporation and a strong network driver.

Despite the considerable achievements emerging from the shift to a relationship-style of service delivery, several problems can be identified. First, within the network itself it was apparent that there was not equal commitment by all members to the network ideal and the nature and scale of the work to be undertaken. This uneven participation was exemplified by the existence of 'fringe-dwellers' or 'fence-sitters' within the membership whose presence limited the achievement of some of the more collaborative agendas of the network. Further, the lack of engagement and active participation served to undermine the higher level of trust required to sustain the network model. This finding suggests that community agencies are still working to adjust to the differentiated levels of commitment and trust that may be exhibited in these new arrangements.

The second and related finding is that funding arrangements have to reflect and be sympathetic to supporting new kinds of service delivery modes. As the case study demonstrated there can be unintended consequences of particular types of funding arrangements, such as those based on competition that can work against the formation of collaborative relations. Another unintended result was that the rhetoric of partnership and networks was not matched by government practice and this situation led to a resumed sense of distrust in government. In this way, as this case study indicates, the shift to service delivery arrangements relying on improved, collaborative relations between participants rather than those based on directed or funded requirements, while well intended can actually create fragmentation and competition.

Finally, as was highlighted by the work of Keast et al (2004) a shift to collaborative, relationship-based service delivery models requires new and often innovative structural arrangements, longer time horizons to develop trusting relations and an acceptance of the need for new types of outcomes and measurements. The case study organisation was limited in its ability to achieve its stated goals by government remaining in a traditional mode of operating in terms of its funding arrangements and evaluation systems.

Thus the case study has demonstrated that governments have encouraged these new ways of working. Moreover, it has shown that networked-based models between community and government can overcome the program fragmentation that has beset the human services arena and contribute to a greater commitment to addressing complex social problems. Further, networks by bringing in more players to the decision-making process can draw on greater expertise and tap into the synergies of group dynamics for more creative and seamless service provision. However, a deficit of knowledge of the subtleties and complexities of this more collaborative operating mode and a failure to adjust funding regimes, expectations and authority systems to accommodate this shift have seriously jeopardised the potential benefits of these models. In this way, in seeking to address complex social problems via network-based service delivery models, adhering to conventional authority structures and processes undermines the emerging sense of trust in governments' willingness to fundamentally change the nature of their relationships with the community sector. Clearly, the network mode allows a shift from the prior adversarial arrangements within and between the sectors to a more relational mode that exceeds the expectations and outcomes of working singly through planned and legalistic processes. Achieving and sustaining this higher level relationship orientation is dependent on all parties adjusting their behaviours, expectations and processes.

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