Week 13: Collaborative Governance, Network Effects & Diffusion

Bethany and Dante
Collaborative Governance in Theory and Practice
Chris Ansell and Alison Gash

- Meta-analysis of 137 articles in existing literature to discern a common language, conceptual framework and lessons learned to make future collaborative governance initiatives more effective.

- Much of existing research is based on case studies

- Research Question: “Is collaborative governance more effective than adversarial or managerial governance?”
  - Very few of the existing studies actually evaluated governance outcomes.
Collaborative Governance in Theory and Practice
Chris Ansell and Alison Gash

• Collaborative Governance: A governing arrangement where one or more public agencies directly engage non-state stakeholders in a collective decision-making process that is formal, consensus-oriented, and deliberative and that aims to make or implement public policy or manage public programs or assets.

• Six important criteria:
  1) Forum is initiated by public agencies or institutions
  2) Participants include nonstate actors
  3) Participants engage directly in decision making and are not merely “consulted” by public agencies
  4) Forum is formally organized and meets collectively
  5) Forum aims to make decisions by consensus (even if consensus is not achieved in practice)
  6) Focus of collaboration is on public policy or public management.
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Critical starting conditions:
• Imbalances between the resources or power of different stakeholders
• The incentives that stakeholders have to collaborate
• The past history of conflict or cooperation among stakeholders.
Other influential conditions:

• Effective Leadership
• Basic protocols & ground rules
• Broad participation
• Use of deadlines
• Trust building
• Commitment
• Shared ownership
A Preliminary Theory of Interorganizational Network Effectiveness: A Comparison Study of Four Community Mental Health Systems, Keith Provan and Milward Brinton

What, if any, is the relationship between the structure and context of mental health networks and their effectiveness?

Used surveys, interviews, documents and observations from 1991-1992 to collect data from agencies, clients and clients’ families or case managers.

• Sample: Four U.S. cities with high and low rates of per capita spending on mental health services:
  – Tucson, Arizona ($19.76)
  – Albuquerque, New Mexico ($23.79)
  – Providence, Rhode Island ($52.34)
  – Akron, Ohio ($45.33).
A Preliminary Theory of Interorganizational Network Effectiveness: A Comparison Study of Four Community Mental Health Systems
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<table>
<thead>
<tr>
<th>City</th>
<th>Factor Analysis Rank of Client Data Perspectives</th>
<th>Core Agency Centrality</th>
<th>Distribution of Influence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Providence</td>
<td>1&lt;sup&gt;st&lt;/sup&gt;</td>
<td>1&lt;sup&gt;st&lt;/sup&gt;</td>
<td>Concentrated Influence</td>
</tr>
<tr>
<td>Albuquerque</td>
<td>2&lt;sup&gt;nd&lt;/sup&gt;</td>
<td>4&lt;sup&gt;th&lt;/sup&gt;</td>
<td>Concentrated Influence</td>
</tr>
<tr>
<td>Tucson</td>
<td>4&lt;sup&gt;th&lt;/sup&gt;</td>
<td>3&lt;sup&gt;rd&lt;/sup&gt;</td>
<td>Dispersed</td>
</tr>
<tr>
<td>Akron</td>
<td>3&lt;sup&gt;rd&lt;/sup&gt;</td>
<td>2&lt;sup&gt;nd&lt;/sup&gt;</td>
<td>Moderately Dispersed</td>
</tr>
</tbody>
</table>
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Theoretical Contributions to enhance network effectiveness:

• When the network is integrated, but only when integration is achieved through centralization of the network
• Will be highest when mechanisms of external control are direct and not fragmented
• Will be enhanced under conditions of general system stability, although stability alone is not sufficient
• When embedded in a resource-scarce environment, network effectiveness will range from low to moderate. When embedded in a resource-rich environment, effectiveness will range from low to high
Interorganizational Imitation: The Impact of Interlocks on Corporate Acquisition Activity, Pamela Haunschild

Tobit model that explores the role of relationships for managers on boards in relation to acquisition activities versus competing theories interpreting reasoning for imitation.

Sample: Acquisition data on 327 medium and large sized firms (over $35 million in assets in 4 industries from 1981-1990

To demonstrate that one firm’s practice is the result of imitation of another firm’s practice requires that 3 conditions be satisfied in this context:
• The model (tied-to firm) engages in an acquisition at time $t$
• The imitator (the focal firm) is exposed to the model through director ties
• At some later time, the focal firm engages in an acquisition
Interorganizational Imitation: The Impact of Interlocks on Corporate Acquisition Activity, Pamela Haunschild

<table>
<thead>
<tr>
<th>Explanation for Imitation</th>
<th>Hypotheses</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director Interlocks</td>
<td>1, 2, 3a, 3b, 3c</td>
<td>Yes</td>
</tr>
<tr>
<td>Similar Conditions</td>
<td>4, 5, 6</td>
<td>No</td>
</tr>
<tr>
<td>Private Information</td>
<td>7, 8, 9</td>
<td>No</td>
</tr>
</tbody>
</table>

• Explores the relative contributions of individual attributes, formal organization positions, network centrality, and network proximity in explaining individual variation in perceptions of work-related conditions in an advertising firm.

• New England advertising and public relations company (N=79)
Research questions

1. Are there empirically distinguishable SIP processes undergirding the impact of network interaction on individual perceptions?

2. Do network factors exercise an effect on perceptions above and beyond that accounted by individual attributes and formal positions?
Hypotheses

1. Network interaction affects individuals' perceptions through two mechanisms: localized social influence based on network proximity and systematic power based on network centrality.

2. a. Expressive network proximity will be a stronger predictor of work-related perceptions than instrumental network proximity.
   
b. Instrumental network centrality will be stronger predictor of work-related perceptions than expressive network centrality.

3. The rank order of independent variables, from the least to the most effect on work-related perceptions will be as follows: individual attributes, formal positions, and centrality and proximity.
Variables

• Independent:
  – Network-type
  – Formal positions
  – Attributes

• Dependent:
  – Encouragement of risk taking
  – Information access
  – Individual acceptance
  – Job autonomy
  – Inter-departmental conflict
Measures: Network indices

• Instrumental networks: who are important sources of professional advice, whom you approach if you have a work-related problem or when you want advice on a decision you have to make?

• Expressive networks: who are very good friends of yours, people who you socially see outside of work?
Measures: Network centrality

- Centrality was operationalized as an “aggregate prominence” measure, which indexes individual centrality as a function of the centrality of those to whom one is connected through direct and indirect links.
Measures: Network proximity

- Network-effects model or spatial-effect model, mixed regressive-autoregressive model, and an endogenous feedback model of social influence.
Results

**H1:** Network interaction affects individuals' perceptions through two mechanisms: localized social influence based on **network proximity** and systematic power based on **network centrality**.

**H2:**

a) Expressive **network proximity** will be a stronger predictor of work-related perceptions than instrumental network proximity.

b) Instrumental **network centrality** will be stronger predictor of work-related perceptions than expressive network centrality

**H3:** The rank order of independent variables, from the least to the most effect on work-related perceptions will be as follows: individual attributes, formal positions, and centrality and proximity.
Network Studies of Social Influence
Marsden & Friedkin (1994)

• Explores one of the main assumptions/tenets of social network analysis: that proximity of two actors in social networks is associated with the occurrence of interpersonal influence between the actors.

• Different social and psychological studies have addressed the relationships between networks (structures) and social influence.
Challenge

• The main issue is how to determine reference groups. Possession of information about attitude or behavior of another actor is necessary for influences.
Perspectives on social influence

• Structural cohesion
  – Emphasizes the network connectivity present among actors.
  – Social cohesion as the number, length, and strength of paths that connect actors in networks.
  – Clique-like structures
Perspectives on social influence

• Equivalence
  – Describes the similarities of actors in terms of their profiles of interpersonal relations.
  – Social proximity in terms of the similarity of actor's profiles of network relations.
  – Structural equivalence-like structures
Issues in the study of social influence

• Cohesive and equivalent cluster memberships intersect in most networks

• Difficulty to determine causes of homogeneity

• Consider only actors that are similar, mutually visible, and joined by a structural cohesive network
Statistical models
Empirical research on social influence

- Minor role of experiments
- Most studies use network effects models
- Most focus on dyads
- Organizational studies usually examine one or both of the theoretical perspectives on influence
Issues of empirical research on social influence

• Difficulty to claim effects in non-experimental and cross-sectional studies
• Researchers infer in the context of homogeneity and network pattern (possible bias)
• Both perspectives (structural cohesiveness and equivalence) can be flawed if network measure does not include important resources
• Conformity pressure affect influence model

• Addresses the shortcomings of public (network) management literature when dealing with multiorganizational network management
Networks

• Multiorganizational arrangements for solving problems that cannot be achieved, or achieved easily, by single organizations.

• Networks offer challenges to classical explanations on single organizations and its management.

• Public management networks are led or managed by government representatives.

Diagram:
- FDA: Enhance regulatory decision making
- NIH: Opportunities presented by science
- Industry: Expedite drug, diagnostics, and device development process
- Public: Improve patient care and promote health
- Partnering for the public health
Equivalents to traditional management processes

• Desperation to find a POSDCORB for network theory!

• Useful terms imported from classic theory
  – Activation
  – Deactivation
  – Framing
  – Mobilizing
  – Synthesizing
  – Groupware
Equivalents to traditional management processes

• Flexibility

• Accountability

• Cohesiveness

• Power