From government to network governance

Exploring the governance of complex societal problems

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ABSTRACT

The demands placed on governmental organizations by society have become increasingly diverse, unpredictable and interconnected with the rise of complex societal problems. The failure of traditional forms of government to manage the diversity of citizens’ needs has led to calls for more adaptable and networked forms of governance. While public sector organisations increasingly engage in networked governance of complex societal problems, these collaborations are often hindered by the inability of public sector organisations to adapt and innovate. This is connected to incompatibility between the hierarchical and market institutional logics and network governance. This thesis paper is a qualitative study case study that delves into this incompatibility by exploring how they affect networked governance within a Swedish municipality through the lenses of structure and culture. It also identifies ways these hinders are managed. The key findings of this paper illustrate that while many of the logics connected to the hierarchical and market system make it difficult for the municipality to enter in open and innovative collaborations, civil servants seem to have a key role in building up the capacity of municipalities to engage in networked governance. The following strategies used by civil servants to manage the tension between the conflicting logics were identified: 1) fostering intrapreneurship through creativity and adaptability; 2) fostering linking capacity; 3) fostering systemic thinking; 4) fostering learning; 5) redefining roles in collaborations; and 6) building commitment.

Key words: network governance, public sector governance, new public management, hierarchy, bureaucracy, organisational structure, organisational culture, municipality, institutional logics
"You have to see the hierarchical system. You have to see the blend of new public management and new public governance, which is a blend of the new and old. You have to see the patterns in that and learn to navigate in it, to be smart, really street smart but in the public sector" (Interview 3, Face to Face, 29.04.19)
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1. Introduction

The rise of complex societal and environmental problems such as climate change, poverty and inequality can be seen as one of the key challenges of our time. Rittel and Webber (1972) define these as ‘wicked problems’, as they could not be easily tamed or controlled by the traditional rational/scientific approach to governance. These problems often have multiple root causes and interact with each other to create “a system of problems” where “the solution can seldom be obtained by independently solving each of the problems of which it is composed” (Ackoff, 1974, 21). When public administration attempts to solve each problem individually to reduce complexity this can lead to the treatment of the symptoms of the problem rather than its root cause, in fact worsening rather than improving the situation (Senge et al., 2015). Many researchers have argued that we should talk of tackling or managing wicked problems, rather than solving them (Head, 2018; Rittel & Webber, 1972; Head & Xiang, 2016). Conklin (2006, 5) states that “You don’t so much “solve” a wicked problem as you help stakeholders negotiate shared understanding and shared meaning about the problem and its possible solutions. The objective of the work is coherent action, not final solution”. Thus, instead of ‘short-term reactive problem solving’ public administration should seek ways to create long-term value through including different actors in the management process (Senge et al., 2015, 28). These are often juxtaposed with ‘tame problems’, which are easily definable and solutions can be found and verified (Alford & Head, 2017; Rittel & Webber, 1972). Thus, these are more suited to the traditional rational form of governance. Wicked problems will be from here on described as ‘complex societal problems’ in this paper.

As a result of the scope and complexity of these problems and the impact of technology and globalization (Uhl-Bien & Arena, 2016), the demands placed on governmental organizations by society have become increasingly diverse, unpredictable and interconnected (Fenger & Bekkers, 2012; Ernits, 2018). The failure of traditional forms of government to manage the diversity of citizens’ needs has led to calls for more adaptable and networked forms of governance (Rittel & Webber, 1973; Head, 2018; Uhl-Bien & Arena 2016). Stewart (2003) argues that this is best achieved through municipalities as they are best placed to manage increasingly diverse citizens’ demands and wicked problems as they have daily contact with local residents and can “provide a comprehensive overview of the needs and priorities of their local area and communities” (Stewart, 2003, 14). This is based on the philosophy that strengthening local government fosters greater democratic values and more efficient governance, through empowering citizens to govern themselves and making decisions closer to those that it affects, which, ultimately, provide more relevant and quality policy than national government could (Montin & Granberg, 2013).

In Sweden, increasing collaboration both at the national, regional and local level has for long been an explicit objective set by the government (see Regeringskansliet, 2017; Regeringskansliet, 2008) because collaboration is seen as a key for more innovative and resource-smart management of complex societal and environmental problems (Regeringskansliet, 2017). However, these face challenges being fully implemented within public administration because of the dominance of earlier institutional logics from Hierarchical Centralised Governance (HCG) and New Public Management (NPM) (Meyer & Baltes, 2004). The logic of HCG, is grounded in Weber’s theory of bureaucracy seeing governmental organisations as impersonal rational systems. Thus, it focuses on the creation of standardised and predictable processes and rules in order to provide an equal and consistent service to all citizens. Whilst the logic of NPM, grounded in the philosophy of neoliberalism, aims to improve
the efficiency of governmental organisations through increased functional specialisation and managerial control of processes and systems (Nederhand et al., 2019).

Thus, while societies’ interconnectivity and unpredictability has increased, development of the public sector during the past decades has been characterized by fragmentation and standardisation as the public sector has been divided into more specialized, complex and formalized organizations (Fenger & Bekkers, 2012; Meuleman, 2008). In other words, increased demand for adaptive forms of governance stands in stark contrast with these developments of the public sector.

1.1 Research Problem

As a result of increased interconnectivity and complexity of modern societal and environmental problems, the public sector governance is becoming increasingly complex and municipalities today use a mixture of the hierarchical, network-based and/or new public management approaches following various organizational reforms to which the label of hybrid is often attached (Meuleman, 2008; Sunström & Pierre, 2009; Skelcher & Smith, 2015). Municipalities can be thus seen to be carriers of multiple institutional logics. However, this can cause conflict within the administration as different logics advocate different approaches to organisational structures, cultures, styles of leadership, roles and relationships with other parties, which makes them difficult to combine (Meuleman, 2008).

Though there is a clear awareness of the need for network approaches within public administration with the rise of governance networks, these are often unsuccessful. Meyer and Baltes (2004, 46) argue that “the dualistic pressures from both market and hierarchy” as one of the key reasons for network failures. However, there is little research looking at how the tensions manifest themselves at the organisational level and impact the management of collaboration within network governance. These pressures can be argued to be based on the presence of conflicting institutional logics within municipalities’ organisational structure and culture (Nederhand et al., 2019; Hinnings, 2012; Skelcher & Smith, 2015). While much research has been undertaken on the structural and cultural elements of the different governance systems, little has analysed how these impact each other. Furthermore, considering that organisations’ cultural and structural adaptation to changes in their external environment happens through a complex interplay between stability and change (Marquis & Tilsick, 2013; Hannan & Freeman, 1977; Tsoukas & Chia, 2002; Yin et al., 2014), there is a clear need to analyse this conflict through a lense that combines these two.

Through analysing the role of organisational structure and culture in municipalities engagement in network governance, this thesis aims to explore the dual pressures of former governance systems on public administrations in collaborations and management of complex societal problems.

1.1.1 Purpose

The purpose of this thesis paper is to explore how the prevalence of earlier institutional logics in municipalities’ organisational structure and culture affect network governance and how civil servants manage this tension. Within this, this thesis paper aims to explore instances where municipalities are working in collaborations with different departments and/or other actors as examples of network governance, and analyse how the market and hierarchical approaches to governance affect them. Through this, the thesis seeks to create a greater understanding of what role the influence of earlier governance systems play in relation to network governance, in order to improve the governance of complex societal problems.
1.1.2 Research questions
The following research questions will be used to explore the purpose:

1) How do the institutional logics of hierarchical centralised governance and new public management affect engagement in network governance?
   - How does this manifest itself within the organisational structure and culture of municipalities when engaging in collaborations?

2) How are the different logics managed by civil servants engaging in collaborations?

1.2 Layout

This thesis paper is organised in the following manner: introduction is followed by a chapter that introduces the reader to different forms of public sector governance. Third chapter, theoretical framework, focuses on the three different logics and their relation to organisational culture and structure within the public sector. Fourth chapter presents the object of the study. Fifth chapter introduces the methodological approach of this thesis paper and explains steps taken during data collection and analysis. Sixth chapter presents the key findings. This chapter is followed by a discussion of the results. The conclusion presents practical and theoretical suggestions together with limitations.
2. Public Sector Governance Trends

This section introduces the reader to three forms of public sector governance - hierarchical centralised governance, new public management and network governance. Although these three ideal types of governance have shaped public sector governance all across Europe, it is also important to acknowledge how the complex interplay between stability and change creates both pressure for reforms but also strong inertia. Drawing from theory of institutional logics (Thornton et al., 2005; Thornton & Ocasio, 2008; Aalto & Kallio, 2019) adaptation to these changing ideals of public sector governance should not be understood as a linear process since organisational change does not take place in a vacuum. New structures and culture cannot be established from scratch but organisational change is layered on top of a complex set of institutional logics that hinder and facilitate different aspects of the reforms (Skelcher & Smith, 2015; Nederhand et al., 2019; Meyer et al., 2014).

Furthermore, although the hierarchical, market and network logics behind these three ideal types of governance have also been prevalent in the private sector, it is important to note that the public sector has a particular set of environmental conditions, which distinguish it from the private sector and way in which these approaches are implemented. The key distinguishing factors of public sector organisations is that they are governed by the political process, not citizens purchasing power, and are largely financed by taxpayers money. Because of this, governmental organisations are seen to be accountable to the public and thus, hold a responsibility to contribute to the development and wellbeing of the community as a whole (Ranson & Stewart, 1994). Private sector organisations, on the other hand typically serve individual interests (Perry & Rainey, 1988). These distinguishing features form the context in which the three ideal types of governance take place.

2.1 Hierarchical centralised governance (HCG)

For large parts of the 20th century, bureaucracy and hierarchy became the dominant forms of governance in the public sector following the second world war, seen as the best way of building up society again in many Western democracies. This logic was founded on German sociologist Max Weber’s model of bureaucracy, which was described as the “ideal type” of organisation for much of the 20th century and would become the basis for many organizational forms throughout the century (Jaques, 1991). Harmon and Mayer (1986, 69) state that “Weber envisioned it to be the form of organization and administration in which the power of the organisation is by and large in the hands of officials with the requisite technical skills”. The model was based on a number of key characteristics, including the careful division of labour, disciplined hierarchy, impersonal authority with rules and regulations to govern decision-making and work, and the formal selection of employees based on their technical skills, as well as, career development opportunities based on these skills (Weber, 1946; Weber, 1947). Weber envisioned this model as a rational and objective form of governance arguing that it was the most efficient method for organising human activity.

Within Swedish local government, there was a gradual move towards representative democracy and a professionalisation of local governance from the 1930s. This was characterised by increased involvement of the state that aimed to transform municipalities into welfare state institutions with the aim of forming a society based on the values of justice, equality and democracy (Montin & Granberg, 2013). This approach was greatly based on the bureaucratic approach to governance with the creation of “powerful institutions”, greater regulatory control, hierarchy and a foundation in representative democracy and political parties (Montin & Granberg, 2013). However, this was argued to lead to too
little democratic influence on a local level and failures in efficiency. Thus, following the 1970s economic crisis and the rise of a new wave of market economic theory, this approach was challenged by calls for the need to improve public sector efficiency through the incorporation of “the thrust, initiative and adaptability of the entrepreneur” (Thompson, 1991, 108).

2.2 New Public Management (NPM)

From the late 1970s, the philosophy of NPM dominated public administration with the aim of improving the flexibility and efficiency of the public sector through combining “the rational planning and control mechanisms of bureaucracy with the flexibility, dynamism and entrepreneurship of the market” (Hall, 2007, 145). As part of this reform, public sector organisations and departments were increasingly separated into smaller more specialised units with “limited objectives and specific tasks” as an attempt to increase the efficiency and control of work (Verhoest et al., 2007, 327). When faced with increasingly complex and interconnected societal challenges, this could be seen as a way to reduce complexity and make these challenges easier to manage (Jensen et al., 2013). This development is reflected in Swedish local government trends from the 1970s with the introduction of various management approaches from the private sector. This was accompanied by the creation separate specialised departments for child welfare, elementary school, high school, social care, elderly care, the cultural sector, city planning and so on, which had their own budgets, legislation and regulatory systems (Montin & Granberg, 2013). This aimed to create greater efficiency and managerial control, as well as, a separation of public administration and politics, which was seen as an obstacle to effective management (Ranson & Stewart, 1994).

However, many argue that this approach has instead led to an increasingly fragmented public sector which has failed to tackle such problems because of the need for a more holistic approach (Head, 2018; Stewart, 2003; Fenger & Bekkers, 2012). Further to this, NPM can also be seen to have led to a higher demand for documentation and reporting, which has actually increased centralized control and the administrative burden within the public sector, whilst at the same time reducing their resources (Abrahamsson & Agevall, 2009). Thus, though New Public Management created a new logic based on the philosophy of the market, many of the features of hierarchical governance can be seen to have influenced its way of working. These factors combined have been argued to have led to a failure to meet the needs of citizens and a decline in service delivery (Bekker et al., 2013).

2.3 From government to governance

The increasingly complex set of problems that public administrators today deal with creates demands for new innovative approaches that are based on cooperation between different levels, organisations and sectors (Kettl, 2006). As a result of this need to find innovative solutions combined with increased expertisation and the rapid development of communication technology (Jessop, 2002, 10), national governments have delegated more tasks to local governments, private companies and international organisations (Pierre & Sundström, 2009). This delegation of tasks has led to ‘hollowing out’ of the state (Rhodes, 1997; Rhodes, 2007). This process is essentially a shift from ‘government’ to ‘governance’ - from hierarchical to network-based decision-making and management of societal problems. In Sweden, this could be seen at the turn of the century where expectations on civil society and their contribution to the welfare system began to rise, whilst, at the same time, cooperation between the public and private sector became all the more common (Montin & Granberg, 2013).
Rhodes (2007) argues that ‘governance’ is best understood as four interconnected trends: 1) Increased interdependence between organizations and sectors; 2) Increased interactions between members of the network due to the need to exchange resources and negotiate shared purposes; 3) Game-like interactions that are based on trust and regulated through rules negotiated and agreed by network; 4) Increased degree of autonomy from the state - networks are self-organizing and cannot be controlled by one single actor. The force that keeps these networks together is resource dependency - none of the actors operating in the network has enough resources to solve complex societal problems on their own which makes them dependent on resources of other organizations (Rhodes, 2007). As de la Mothe (2003,3) puts it, governance “is fundamentally about interdependence, linkages, networks, partnerships, co-evolution and mutual adjustment”.

2.3.1 Network governance vs new public governance

Although it is widely acknowledged that complex societal problems that demand coordination require more than just achieving the goals of individual organisations (O’Toole, 1997 cited in Kenis & Provan, 2007, 231), the practical implications of governance of these challenges through networks are less clear. While a lot has been written about potential of network-based approaches improve management of complex problems due to their potential capacity to unlock ‘a third space’ between the public and the private sector and cultivate inclusive policymaking (Davies, 2011, 6), their effectiveness (Kenis & Provan, 2007), accountability and legitimacy (Davies, 2011, Laranja, 2012), the degree to which this shift has actually shaped management of complex problems can be questioned. While Wolin (2002) and Davies (2011) argument about this shift being limited to academic and governmental rhetoric seems exaggerated for example in the light of rapidly increased numbers of public-private partnerships (PPP) (see Mouraviev et.al.,2012; Yuan et.al., 2018), it is clear that the extent of this shift varies, not only by policy domain but also spatially (Walker & Hills, 2012).

Due to elusivity of the term ‘governance’ (Rhodes, 1997; Davies, 2011) and the ongoing debate regarding its practical bearing outside of academia, a distinction is made between new public governance (NPG) and network governance. NPG, and closely linked concepts such as New Governance (Salamon, 2002), Network Management (Agranoff, 2007) and New Public Service (Denhart & Denhart, 2011), refer to management of institutionalised exchanges between governmental and non-governmental actors (see Davies, 2011). NPG can be thus understood as an umbrella term for managerial and practical ways to address the shortcomings of NPM (Virtanen & Kaivo-oja, 2011). Unlike NPM that focuses on management of closed systems and thus the intra-organisational aspects of management (e.g. leadership, personnel policies and strategy), NPG is anchored in the framework of open system. It thus focuses on inter-organisational networks, cooperation and facilitation of flow of resources for instance through establishment of PPPs (Virtanen & Kaivo-oja, 2011).

‘Network governance’ can be seen as an umbrella term for concepts such as ‘twenty-first century government’ (Kettl & Kelman, 2007), ‘transformational stewardship’ (Kee & Newcomer, 2008) and ‘collective impact’ (Kania & Kramer, 2011) that draw from systems thinking (see Clawson, 2008). Instead of an hierarchy, they have a heterarchical structure (Kee & Newcomer, 2008; Kettl & Kelman, 2007) and individual providers of services are embedded in the wider service system (Virtanen & Kaivo-oja, 2015). Participants to network governance have shared vision, shared measuring system and accountability (Kania & Kramer, 2011). Results are prioritised over the process itself and activities of partners to network governance are mutually reinforcing (Kania & Kramer, 2011; Kettl & Kelman, 2007). In sum, network governance goes beyond the NPG model that simply ‘enhances’ NPM with partnerships, projects and cooperation. Network governance approaches aim for collective
impact that can be defined as “the commitment of a group of important actors from different sectors to a common agenda for solving a specific social problem” (Kania & Kramer, 2011, 36).
3. Theoretical Frame

Analysing the design and behaviour of organisations can create greater understanding of their actions and influence on society today, which is vital to the sustainable management of complex societal problems. This section introduces the institutional logic approach that provides the theoretical frame for this thesis paper, which argues that the three institutional logics (hierarchy, market and network) provide the basis for the design and behaviour of public sector organisations. This section then goes on to explore how these logics manifest themselves in the organisational structures and cultures advocated by each of these approaches in order to provide a framework through which to analyse how these different approaches manifest themselves and are managed in the case study.

3.1. Institutional logics

Institutional logics can be understood as sets of intra-organisational rules, sanctions and routines that are created and recreated by organisations and individuals (Jackall, 1988; Thornton & Ocasio, 1999) through culture (Hinnings, 2012) and structure (Skelcher & Smith, 2015, 245). The three forms of governance - hierarchical, market and networked governance can be understood as three differing sets of institutional logics (Nederhand et al. 2019) that guide organizing principles and provides social actors with vocabularies of motive and a sense of self’ (Thornton & Ocasio, 2008, 101). Within the public sector they are also seen as sources of legitimacy (Seo & Creed, 2002; Nederhand et al., 2019).

Relevance of institutional logics changes over time as new logics emerge. This does not however mean that the previous logics disappear but different institutional logics can co-exist (Hinning, 2012; Novotná, 2014). This can lead to ‘institutional complexity’ (Greenwood et al. 2011) or ‘hybridization’ (Skelcher & Smith, 2015) which is a situation prone to conflict as “an organization confronting institutional pluralism plays in two or more games at the same time” (Kraatz & Block, 2008, 244 cited in Skelcher & Smith, 2015, 444).

When it comes to the debate about the relationship between agency and structure (see O’Donnel, 2010), institutional logics approach is located in the middle ground (see Greenwood et al., 2008; Skelcher & Smith, 2015). While institutional logics provides identity for actors and individuals’ interests, identities and understandings are thus embedded within logics (Sanders & McClellan, 2014), actors are also seen as innovative agents with the capability to overcome institutional constraints (Greenwood et al., 2008). As Thornton and Ocasio (2008, 102) put it the “institutional context both regularizes behavior and provides opportunity for agency and change”.

Emergence of a new institutional logic can be seen as disruptive as the emerging identity frame may contradict with the already existing one. However, individuals are seen as capable of overcoming these conflicting identities through innovation (Greenwood et al., 2008; Skelcher & Smith, 2015) and the creation of hybrid identities (Reay & Hinings, 2009; Sanders & McClellan, 2014). In the context of governance of societal problems, these individuals have the capacity to ‘span boundaries’ by linking departments and organisations together and thus engage in the network building process (Tushman & Scanlan, 1981; Nederhand et al., 2019).

The key argument presented here is that co-existence of the three different logics effects cross-organisational and cross-departmental collaboration within the public sector through organisational
structure and culture. While this conflict may be experienced by the organisation, it is also experienced by individuals who engage in collaborations as their role as civil servants follows various different logics. By describing the ideal types of organisational culture and structure of the three sets of institutional logics, this section identifies conflicting logics in relation to cross-organisational and cross-departmental collaboration in network governance.

3.2 Organisational Structure

Understanding how formal organisations are structured, operate and are governed, as well as, how they’re maintained or changed over time is key to understanding political, economic and social life in modern societies (Brunsson & Olsen, 1998). Institutional logics provide the basis for organisational structure and play a key role in its ability to achieve organisational goals and operate effectively. Tolbert & Hall (2008, 37) identify formal structure as “the official, explicit division of responsibilities, definitions of how work is to be done, and specifications of relationships involving the members of an organization” in order to create cohesion and achieve organisational goals. Different institutional logics advocate different approaches to structure and different levels of complexity, formalisation and centralisation. Whilst, complex societal problems often require a more adaptive approach focus on learning and collaboration, other tasks of government are more suited to a vertical approach. Below, theories on the three ideal types and to what extent their structures support them to address societal needs will be explored.

3.2.1 Organisational Structure and Hierarchical Centralised Governance

Organisational forms are often described to be on a continuum between a closed system and open systems approach. The institutional logic of HCG has traditionally been based on a closed systems approach to governance, focusing on how the internal events, structures and parts influence organisational effectiveness, the actions and behaviour within the organisation and how it functions (Allen & Sawhney, 2018). This is based on Weber’s logic of bureaucracy which focused on how to achieve the optimal functionality of each part of the organisation in order to improve organisational efficiency, perceiving organisations as separate from their environment and that the environment was predictable and stable (Harmon & Mayer, 1986). In order to achieve this, HCG is characterised by high levels of complexity, formalisation and centralisation. Through the standardization and formalization of government tasks, the separation of individual and organisational purpose, a clear division of labour and a centralised power structure to regulate this, it was seen as the ideal method for achieving administrative and resource efficiency and human security in public policy, the construction of infrastructure and technical problems (Meuleman, 2008).

Complexity, often referred to as differentiation, refers to the way in which an organisation is divided into different parts, sections, tasks and responsibilities in order to coordinate and control operations (Tolbert & Hall, 2008). In order to maintain coordination, HCG typically consists of great vertical complexity, defined here as to the extent to which decision making and supervisory tasks are divided, as well as, the number of layers in a hierarchy. HCG is characterised by many levels of hierarchy in which coordination is done vertically and lower levels are directly accountable to the higher levels with highly centralised decision-making structure and distribution of resources (Laranja, 2012). Furthermore, HCG also contains a separation of tasks into specialised departments which work separately from each other in order to increase stability, efficiency and managerial control, indicating high levels of horizontal complexity (Verhoest et al., 2007). Horizontal complexity Horizontal complexity is used to refer to the way in which tasks are divided up into different areas of work, units and jobs often based on the expertise of the members (Dooley, 2002). In HCG, the specialised
departments are argued to produce rational and objective knowledge for addressing societal challenges, with government officials seen to be best placed to establish what is in the public interest” because of their position and technical knowledge (Dixon & Dogan, 2002).

A second central aspect of organisational structure is the degree of formalization. Formalization has its roots in Weber’s theory of bureaucracy, referring to the extent to which work or tasks are routinized, procedures are formalized in writing and their regulation through, for example, formal performance review systems (Hage & Aiken, 1967; Blau, 1956). This is seen as a way to control individual behaviour through the standardisation of work to result in fewer errors, create reliable and stable results and ultimately greater organisational efficiency (Ganesh & Joseph, 2011). Within HCG, formalisation of work and procedures is seen as desirable, as not only does it provide reliability and stability, but also increases equity in both the treatment of its staff and in service delivery for citizens (Nederhand et al., 2019). The level of formalisation is often seen to be closely correlated to the degree of complexity in an organisation as a control mechanism in the face of increasing complexity. However, some argue that this can, in fact, become a barrier to employees responding to problems effectively as it reduces flexibility and innovation, especially when faced with problems that are not easy to predict (Tolbert & Hall, 2008; Alarcón et al., 2004). Thus, though formalisation does allow organisations to increase its efficiency in established processes or technical problems that can be planned for, it is often seen as negative in more turbulent environments.

A third key dimension of organisational structure is centralisation, which refers to the distribution of power within an organisation and the levels of participation of members in decision-making (Pugh et al., 1969). As organisations grow and become more complex, it becomes more difficult for power to be centralised among a small number of decision makers as the knowledge needed to make informed decisions often remains with front-line staff, especially in fast-changing environmental circumstances (Lipsky, 1980; Riccucci, 2005). This can result in actions or actions, which are ill-suited to and in effective dealing with current problems or conditions. This can be seen in HCG, as civil servants do not have the mandate to take many decisions (Stevenson & Jarillo, 1990). This inflexibility in decision-making processes can even harm the performance of middle-managers and front-line civil servants, and their ability to manage complex societal problems as it hinders them from taking independent decisions and responding to environmental changes (Andrews et al., 2009). Thus, critic of HCG argues that the inflexible and hierarchical nature of bureaucracy leads to inefficiency, lack of adequate information among decision-makers and a monopoly of power (Anttila et al., 2018; Niskanen, 1971; Andrews et al., 2009). Similar to formalisation, high levels of centralisation, have been argued to be suited to fairly stable and predictable environments, however, less efficient when faced with unpredictable and changing environmental conditions.

Thus, proponents of HCG argue that it is the best way of achieving an equal and consistent provision of public services for citizens (Nederhand, et al., 2019). However, this is challenged when addressing complex societal problems, as they often require a more adaptive response as HCG’s vertical structure is more suited stable conditions.

3.2.2 Organisational Structure and New Public Management

The logic of NPM can be seen to take a somewhat closed system approach with a strong focus on achieving organisational efficiency through the introduction of management concepts and methodologies adopted from the private sector. (Brunsson & Sahlin-Andersson, 2000; Emery & Giauque, 2005). Through this, NPM aimed to increase organisational and resource efficiency in the
Public Sector through maintaining high levels of horizontal complexity, but reducing to some extent formalisation and centralisation.

Similar to the hierarchical approach, New Public Management emphasises the need for greater horizontal complexity through the segregation of units in the public sector into single purpose organisations, often defined as functional specialisation (Nederhand et al., 2019). This was argued to foster greater technical expertise in policy areas and increase organisational efficiency in service delivery and solving societal problems (Meuleman, 2008). Many argue, however, that this produced mixed results, especially when concerned with complex societal problems, because of the need for a more holistic approach (Boyne et al., 2003). Christensen and Laegreid (2011, 415) even argue that this approach resulted in a fragmented system in which “specialized sectoral pillars or silos were seen as obstructing solutions to cross-sectoral problems”. When faced with a complex environment, organisations often respond by increasing organisational differentiation to try and make sense of the context, however, complexity theory argues that it is rather more flexible and adaptable organisations that are needed (Uhl-Bien & Arena, 2016).

New Public Management originally favoured reducing processes of formalization through advocating for greater flexibility and innovation in public sector management through the introduction of internal markets competition and incentives to encourage greater entrepreneurialism within the public sector. However, due to pushes for greater accountability measures and the reduction of public service expenditure as in the private sector, this period saw the introduction of governance reforms “according to which steering-policy decisions through governance and accountability mechanisms would supersede direct service delivery” (Hookana, 2008, 311). These included such practices as, initiatives with result-based resource allocation, management by objectives, performance measures, greater output controls, increased usage of auditing and evaluations, and demands for constant structural rationalisation (Movitz & Sandberg, 2013; Meuleman, 2008). This led to a greater demand for standardisation, documentation, reporting and quality assessments, which resulted in increased formalisation and administration on civil servants rather than decreasing it (Brunsson & Sahlin-Andersson, 2000). Thus, some even argue that these reforms led to a fall back on traditional hierarchical steering rather than true decentralisation.

In regards to centralisation, New Public Management attempted to distribute certain decision making powers through increased delegation and flexibility. Ghiselli and Siegel (1972, 617-618) describe how in tall organisations “the number of persons directly supervised by each manager is small, and the number of persons in the chain of command above him is large”, whereas in flat organisations “the number of persons directly supervised by each manager is large and the number of persons in the chain of command above him is small”. However, Tolbert & Hall (2008) argue that even if decisions are being made at lower levels, centralisation could still remain in the extent that these are controlled by organisational policies and rules. Thus, levels of centralisation can also be seen in more indirect ways through analysing who has the right to distribute resources and tasks, set goals and deadlines and evaluate them (Tolbert & Hall, 2008).

Proponents of New Public Management argued that the centralisation of decision-making powers among the political executives hindered civil servants from responding to citizens’ needs (Meuleman, 2008; Christensen & Laegreid, 2011). Thus, NPM aimed to provide public service senior officials and managers with greater authority around service delivery as they were perceived to possess the greater technical and professional knowledge to foster greater customer orientation. Gill-Mclure (2017, 6) argues that this aimed to “move consumer choice to direct demand and supply as opposed to the ballot
box”, viewing the political process as an obstacle to effective management (Ranson & Stewart, 1994). Critics of NPM, however, argue that this created problems of political control, which threatened democratic processes and the equal representation of citizens within this (Ranson & Stewart, 1994; Christensen & Laegreid, 2011). Furthermore, these processes were often accompanied with increased formalisation that regulated employees’ work in the drive for greater accountability, which is argued to have led to a reversion back to more traditional hierarchical steering rather than truly decentralising power (Meuleman, 2008).

3.2.3 Organisational Structure and Network Governance

In response to the failures of hierarchical and market approaches to govern complex societal problems, a new institutional logic emerged in the form of network governance, which advocates for a more holistic and inclusive approach to governance through horizontal coordination, bringing together different actors, departments and groups to address societal challenges on an equal playing field (Meuleman, 2008). Innovation and heterarchy thus form the core of network governance. As Caïden and Punja (2011, 35) put it, in the network governance structure “nobody has monopoly over creativity”.

The ideal structure of an organisation in this system is that of “learning organisation” (OECD, 2015). Civil servants role in a public learning organisation is that of “stewards” who see beyond the narrow objectives of their own unit or organisations and who understand interconnectedness of different actors and sectors (Hughes, 2013 cited in OECD, 2015, 45). This requires “linking capacity”, individuals’ capacity to form networks beyond their respective units and departments, to other departments, sectors and organisations (Bekkers et al., 2011 cited in OECD, 2015, 45).

The objective is thus to maximise learning and “linking capacity” through adaptable structures and horizontal rather vertical coordination (OECD, 2015). Flexible staffing systems where individuals constantly work with a new set of individuals (each with different background and set of skills) is also a way of increasing organisational learning and linking capacity since by increasing individuals exposure for different issues and organisations, flexibility is antidote for work in silos (OECD, 2015). Decreasing vertical complexity and formalisation can be also seen as key objectives. For instance Kidson (2013, cited in OECD, 2015, 47) suggests that instead of the traditional structure where leaders and teams are divided according to policy domains, a single leader could be given responsibility for policy across a number of different domains in an unstructured team setting. Rothschild and Whitt (1986) argue that true engagement in decentralisation processes implies democratic, collective decision-making. Similarly, network governance argues for a less centralized structure that encourages interaction among actors. In this ideal type, coordination is semi-formal, and agenda-setting and decision-making are based on dialogue, negotiation and collective deliberations (Laranja, 2012).

In sum, the ideal structure of a learning organisation stands in a striking contrast with centralised, formalised and vertically complex structures of the hierarchical and NPM models. Network governance argues for a more adaptive approach to governance, in which, rules and routines are formed collectively based on the context and the actors involved. This philosophy is founded on building trust-based relationships and collaborating, rather than a policy of control or competition.

Because of the increasing uncertainty and complex nature of the world, organisations are more vulnerable to the need for change as they cannot always control or predict the factors that influence them (Uhl-Bien & Arena, 1992). Thus, organisations need to develop the capacity to continuously
adapt to changes in their environments in order to meet demands and remain viable. This is particularly relevant regarding the governance of complex societal problems. Though ‘tame problems’ can often be addressed through more of a closed systems approach as they are more stable, CSP are seen to be part of a system of interdependent parts, which are continuously interacting and thus require a more holistic approach (Uhl-Bien & Arena, 2016). The next section will explore the role of organisational culture in the three ideal types of public sector governance and how this further impacts the management of CSP.

3.3 Organisational Culture

Organisational culture can be defined as the “shared values and beliefs, assumptions, perceptions, norms, artifacts, and patterns of behavior” that form the basis of organisational work and influence operational effectiveness (Ott, 1989, 1). These can be seen to be based on different institutional logics ‘that guides its organizing principles and provides social actors with vocabularies of motive and a sense of self’ (Thornton & Ocasio 2008, 101; Friedland & Alford 1991).

Traditionally, the field of organisational culture has been dominated by a closed systems approach with a focus on how leadership construct culture to advance organisational productivity through creating shared norms, assumptions, symbols, and meanings, independent of external forces (Schein, 2004; Parker & Bradley, 2000). However, theory on institutional logics argues that organisational culture is part of a wider system, “located in a social and institutional context, and this institutional context both regularizes behavior and provides opportunity for agency and change’ (Thornton & Ocasion, 2008, 102; Hinnings, 2012). Here, culture is seen as something that organizational members are socialised into and take for granted as the natural or rational way to do things, based on the organisational environment rather than merely leadership (Louis, 1980) This is a way for organisational members to develop a sense of what they see as the right or appropriate way to behave in order to develop a common way of working and a sense of organisational stability (Czarniawska-Joerges, 1992). In some cases, though, it can be positive to be a newcomer who does not take these for granted and can question such assumptions (Alvesson, 1993).

Organisational culture can both hinder and facilitate the transition from one institutional logic to another. While basic assumptions provide employees with a sense of purpose through a clear mission and guidance for how work is to be completed and decisions made, a strong culture can also create inertia which makes it difficult for organisations to adapt to environmental changes and different logics (Christensen et al., 2005). This is a particular difficulty in public administration, because even if the organisation functions efficiently it can still fail to address current societal needs or challenges appropriately, because of difficulties adapting to the specific context. (Head & Alford, 2017).

In sum, organisational culture provides organisational members with a sense of identity and commonality based on institutional logics. Below, theories on the organisational culture of the three ideal types will be explored to depict how the different logics manifest themselves in culture.

3.3.1 Organisational Culture and Hierarchical Centralised Governance

Research on public administration has traditionally identified stability, predictability and control as strong characteristics of HCG organisational culture founded in the logic of bureaucracy or hierarchy (Parker & Bradley, 2000; Perry & Rainey 1988; Nederhand et al., 2019). This manifests itself in organisational norms for organising work and behaviour with a strong focus on information management, formalisation, knowledge of the rules, rule enforcement and centralised control
mechanisms (Parker & Bradley, 2000). However, others argue that HCG is characterised by two somewhat conflicting values, on the one hand, “a distrusting statement of constraints and limited powers”, (Whorton & Worthley, 1981, 358) connected to control and accountability, whilst on the other, a belief in the common good and protection of society, based on the promotion of equity and security of life and property (Lundquist, 1998).

These values manifest themselves in the norms and assumptions for how work should be done within HCG and shape individuals identity. As mentioned previously, HCG is characterised by high levels of formalisation, formalized decision-making processes, and an emphasis on rule enforcement (Cameron & Quinn, 2006; Bozeman, 1979). This creates a culture in which procedures govern what people do and where great weight is given to having knowledge of and following these rules and policies. Managers in this approach coordinate, monitor and organise activity (Yosinta, 2016). This is based on the belief that creating a culture of control and stability is the most effective way of achieving efficient, reliable and stable work output, founded in Weber’s theory of bureaucracy (Weber, 1947). However, placed within the context of public service, this is founded on the values of equity and consistency, with a strong belief in the provision of an equal, professional public service for all citizens where all similar cases are treated the same (Stoker, 2006). This can be seen in the identity of individuals and their focus on serving the public (Nederhand et al., 2019).

Similar to the HCG organisational structure, this approach is best suited to times of stability. Parker & Bradley (2000) argue that public administration has traditionally lacked an external and flexible culture, weighing consistency and control over values such as adaptability, change, goal orientation and productivity. Nederhand et al. (2019) argue that this is reflected in the internal orientation of civil servants, which benefits the predictability of public service but lacks an openness and external focus. These were some of the values promoted in the market and networks approaches in response to the failures of bureaucracy.

### 3.3.2 Organisational Culture and New Public Management

Theory the logic of NPM places an emphasis on the values of competition, productivity, efficiency, effectivity and a customer orientation in public governance (Hookana, 2008). Here, planning and goal setting are utilized to achieve productivity and efficiency” through the pursuit of goals and objectives and rewards based on outcomes (Parker & Bradley, 2000, 129). Furthermore, Lundquist (1998) argues that NPM emphasises business values such as cost-effectiveness, competition rationality and productivity which are in direct opposition to the traditional democratic and social values of government.

In practice, New Public Management represented a move from the hierarchical and formal control mechanisms of HCG to the managerial control of the private sector where politicians would set the main policy goals, but would delegate the responsibility of meeting these goals within a set budget (Du Gay, 2008). This was combined with the introduction of performance indicators, output based rewards, financial controls and the introduction of internal market models in order to monitor and control results (Walker, et al., 2011; Christensen & Laegreid, 1999). Because of the lack of an external market per se, these aimed to foster internal competition to develop services, which were “value for money” (Diffenback, 2009, 894). This fostered a rational and goal oriented culture, with an emphasis on accountability, which creates a results-orientation among civil servants and a lack of flexibility as it can be difficult to make time and room for other tasks that may come up through, for example, dialogue with citizens (Bartels, 2016).
3.3.3 Organisational Culture and Network Governance

Increased interdependence and range of actors and sectors in the network governance systems also shapes organisational culture. The ideal organisational culture in the network governance system can be seen to be characterised by a flexibility/external focus, which utilises adaptability, creativity and readiness to achieve its goals (Cameron & Quinn, 2006). This approach is commonly associated with innovation, risk taking and development “characterised by a readiness for change” (Parker & Bradley, 2000, 129) as well as the values of collaboration, participation, consensus decision-making and commitment building and trust to create cohesion (Cameron & Quinn, 2006; Zammuto & Krakower, 1991).

These key values are founded in the network logic and translate into norms and assumptions about how work should be done and shape individuals behaviour. Here, the manager’s role is to act as mentors that nurture growth and overall health of the system (Dilworth, 1996; Stoker, 2006) instead of focusing strictly on operational goals and objectives. What is required from civil servants is that they understand their role in the wider system, not simply within the organisation (OECD, 2015). Success is thus not measured in terms of completed operative goals but as contribution to the wider system (Stoker, 2006). Public servants at all levels are encouraged to explore and experiment in order to foster innovation (OECD, 2015).

3.4 Conclusion

In conclusion, this section has brought together the distinctive cultural and structural features fostered under the three institutional logics. While these categorisations are required to build up the theoretical framework, it is also important to keep in mind that organisational structure and culture are deeply interconnected. Furthermore, as it was pointed out in the background, change from one logic to another through an organisational change does not take place episodically but it is rather layered on top of the earlier set of structural and cultural factors (Marquis and Tilsick, 2013; Yin et al. 2014; Oertel, 2018). The key structural and cultural factors developed here will provide a framework to explore how the conflict between the HCG and NPM logics and the new network-based logic manifests itself in the object of study in the analysis.
4. Object of the study

The object of the study is the municipality of a medium sized city in Scandinavia. The municipality is governed by a central municipal council (in Swedish: Kommunfullmäktige) made up of 61 council members who are elected every four years. This council is responsible for setting the goals and guidelines for the different departments, the municipality’s budget and the municipal tax rate. The city council is, then, responsible for appointing the municipal board (In Swedish: Kommunstyrelsen), who are responsible for leading and organising the different municipal departments, and, the municipal committees (in Swedish: Nämnder), who are responsible for overseeing that the departments are run in accordance with the goals and guidelines decided by the city council. These are made up of members from the represented political parties (Riksdagen, 2017). The object of study is divided into 14 departments, which are each governed by a Head of Department (In Swedish: Direktör) appointed by the municipal board and divided into different sections and sub-units.

Nyholm & Haveri (2009) highlight that municipalities in the “Nordic welfare state” are key examples of those working with network governance approaches through engaging different actors in governing as they attempt to better meet the demands of local citizens. This city is an interesting case study since it has developed a variety of cross-sector and cross-departmental collaborations to address societal challenges and city planning in projects (Isaksson, 2005; Bolin & Laurin, 2013; Boverket, 2005; Forsemalm et al., 2011). However, it is still largely dominated by the market and hierarchical styles of governance (Forsell et al., 2013; Sjögren, 2018; Nyström & Ali, 2013). Thus, making it a prime example to explore how the conflict between the three systems manifests itself in practice and how this could be managed.
5. Methodology

Before moving on to steps taken during data collection and analysis, a few words about methodology and the underlying arguments regarding ontology and epistemology are needed in order to clarify the kinds of claims made in this thesis paper (see 6 & Bellamy, 2012).

Central objects of this study are organizational structure and culture. While these phenomenon are not directly observable, they are still considered as ‘real’. In order to make claims about the structures and cultures present and how they shape the municipality engagement in collaborations, this thesis makes inferences from what can be observed, in other words, from what is being said about the structure and culture of the municipality during interviews and how this relates to different institutional logics.

Although it is acknowledged that individuals' perception on structure and culture are shaped by their personal experiences and the social context they are part of, this thesis paper is based on the premise that, with the help of well-selected theory and a rigorous and well-planned research design, it is possible to go beyond these perceptions and explore how organizational structure and culture, shaped by the logics connected to different forms of public governance, effect the municipality’s engagement in networked governance of complex societal problems (see 6 & Bellamy, 2012).

5.1 Case study

The research design of this thesis paper is a holistic single case study - it focuses on one organisation, the municipality of a medium-sized city in Sweden. Since the intent is to explore a specific issue, how institutional logics within the municipalities’ organisational culture and structure effect networked governance, the case was chosen based on its instrumentality (Stake, 1995 cited in Creswell, 2013, 98) - due to various organisational reforms and willingness to address complex societal problems through networked approaches, the potential conflict between the organisational culture and structure and prerequisites of network governance (adaptability, mutual trust, common objectives) is likely to manifest itself within the municipality. In other words, the case was chosen to best understand this conflict.

Case study is considered an appropriate design framework for this study since case-based research allows researchers to gain an in-depth understanding of a complex phenomenon within a particular context (Yin, 2014). As the theory section illustrates, the relationship between the two main factors, organizational culture and structure, is a complex one. Effects of this relationship to the municipality’s engagement in network-based governance of complex societal problems thus emerge in complex way that cannot be reduced into independent and dependent variables. Hence, a case study research design helps to understand the complexity and nuances of these relationships (6 & Bellamy, 2012, 103).

Case studies, an in particular single case studies, have been criticised for indeterminacy (as they are often used to research complex situations) and for making generalisations based on a small sample (6 & Bellamy, 2012, 108). It is thus important to point out that instead of statistical generalisability (Yin, 2014, 41), this thesis aims for analytical generalisability - it explores municipalities engagement in networked governance of complex societal problems is shaped by structural and cultural aspects of the previous systems of public governance in this particular context with the objective of enriching
understanding of the relationship between the changing ideals of public governance and the practical implications of these changes.

5.2 Data collection

Qualitative methods, here defined as “an emergent, inductive, interpretive and naturalistic approach to the study of people, cases, phenomena, social situations and processes in their natural settings in order to reveal in descriptive terms the meanings that people attach to their experiences of the world” (Yilmaz, 2013, 317) were considered as necessary methods in order to ‘delve in to the messiness’ (Manning, 2006, 52) of the relationship between structure and culture and how that shapes the municipality’s engagement in cross-sectoral and cross-departmental collaboration.

5.2.1 Interviews

Data was collected through semi-structured interviews. Interviews were chosen as the method of data collection for two reasons. Firstly, unlike many other methods, interviews generate data directly on the object of this study. Secondly, considering that conflicting institutional logics that manifest themselves through organisational culture and structure were central objects of this thesis, interviews were preferred over other methods as they provide insights on perceptions, attitudes and meanings (Yin, 2014, 106). Interviews also provided the opportunity to focus on stories about hinders to collaboration and the way that these hinders were managed. Stories facilitate exploration of cultural aspects (norms and values) since they present ‘highly texture depictions of practices’ (Maynard-Moody & Musheno, 2003 cited in Nederhand et. al. 2019, 225).

The next step was to choose the level of structure of interviews. Since this thesis paper focuses on how organisational culture and structure of one municipality effect its engagement in network-based governance of complex societal problems, it was important that enough room was left for the interviewees to elaborate on their perceptions and experiences. However, in order to decrease interviewer bias (Kvale, 2007; Patton, 2002) creating a guide with ten questions was needed. Predetermined structure thus protects reliability of data while still allowing the asking of control questions that can facilitate validation of interpretations (Kvale, 2007, 42).

One interview guide was thus created to provide structure for interviews. The questions were first written in English but later translated to Swedish and checked by a native Swedish speaker. In order to make the participants feel comfortable while discussing sensitive issues, the guide followed a so-called hourglass structure - it starts with easier introductory questions (e.g. ‘Can you tell us about your experience with [a specific cross-sectoral collaboration the interviewee has been part of ]?’) that are followed by more precise and possibly challenging questions (e.g ‘If someone would ask you to describe the environment of the project or collaboration you belong to, how would you describe the role of Malmö Stad?’) that cover different aspects of organisational culture and structure discussed in the previous section. The interviewees are considered to be ‘knowledgeable agents’ who are capable of explaining their actions and objectives (Gioia, Corley & Hamilton, 2013) and what they sought to achieve through particular objectives. However, this guide does not include direct questions about what the interviewees “know” about this conflict and but it seeks to encourage the interviewees to use stories and detailed examples in their answers and, when possible, to describe specific situations linked to the hinders and strategies they used to overcome these hinders. Inclusion of stories was seen as useful as they allowed the respondents to illustrate how the strategies they chose to use in that situation fit or do not fit the standard practice or strategy used (Bartels, 2013 cited in Nederhand et al.,
Furthermore, considering the complexity of organisational structure and relationships between different units, the interviewees were also asked to draw a organizational map in order to facilitate communication and encourage them to talk about decision-making and power relations.

All interviews were conducted at the offices of interviewees since these were private locations conducive for discussion. Duration of the interviews varied from 45 minutes to 1 hour 15 minutes. Four of the interviews were conducted in Swedish, six of them in English.

5.2.1.a Sampling & participant profile

Since a key objective of this thesis is to explore tensions in public sector organisations that emerge from the contradicting institutional logics, the sampling process was theoretical - selection of interviewees was done on the basis of their relevance to the theoretical frame (see section 3) (Mason, 1996, 93-94 cited in Silverman, 2014, 144). Based on the selected the theoretical approach, two key thresholds for the sampling process were identified:

1) Considering the size and wide mandate of the city of the municipality, inclusion of interviewees from different departments was considered necessary. However, since the extent to which departments cooperate with each other and external actors varies across policy domains (see Pierre & Sundström, 2009; Dahlström et al., 2009) some departments were filtered out due to little experience from network-based approaches and management of complex societal problems.

2) While there was no formal threshold in terms of how long experience is needed, first-hand experience from collaborations (either with external actors or within the organisation) was a requirement since, as the theory section illustrates, conflicting approaches to public sector governance are likely to manifest themselves in collaborations.

Relevant departments that filled the first threshold were identified through searching information about cross-sectoral projects and other collaborative initiatives the municipality has or has had. The second step was to identify relevant civil servants who have experience from working collaboratively. Twelve civil servants in managerial and front-line positions were identified and they were sent an email that briefly described the purpose of this thesis. In the absence of a functioning email address they were called directly. Since the initial group of potential interviewees was rather small, and many of the civil servants did not have time for an interview, snowballing was used to reach 'saturation point'. Interviewees were thus asked to recommend other managers and front-line employers with experience from cross-sectoral or internal collaborations. In total twenty-four civil servants from five sectors were contacted. Out of these twenty-four, eleven civil servants from three sectors agreed for an interview.

Only ten interviews were conducted due to one last-minute cancellation. These individuals work in Environmental Department (Miljöförvaltningen), the City Office (Stadskontoret) and the Department of Labor Market and Social Services (Arbetsmarknads- och socialförvaltningen). Five of the respondents interviewed have a managerial role in the municipality and five of them have a non-managerial role.
5.3 Data Analysis

5.3.1 Transcription

Recordings of those interviews that were conducted in English were transcribed using a transcription application called Temi. The transcriptions were then checked against the recording. Interviews conducted in Swedish were transcribed manually and they were proofread by a native Swedish speaker. After this step, the transcriptions were proofread. These transcriptions were done in standard orthography and repeated (e.g. the the girl) and filler words (e.g. um) were also removed. Although it was acknowledged that removing these parts of the transcription could lead to loss of information, these choices were considered justifiable as this thesis focuses on the manifest content (what is being said) of the interviews rather than latent expressions (what is meant) (see Gibbs, 2007, 13-14).

5.3.2 Coding & analysis

Coding is a crucial stage of data analysis since formulation of codes also focuses our thinking about the transcribed text and its interpretation” (Gibbs, 2007, 40). In other words, coding is ‘a way of relating our data to our ideas about these data’ (Coffey & Atkinson, 1996, 40 cited in Boyatzis, 5, 1998). Coding of transcripts was done thematically, using a computer software called Nvivo that is commonly used in qualitative research to organize unstructured text. Thematic analysis is “a process for encoding qualitative information” (Boyatzis, 1998, 4). The coding process followed Braun and Clarke’s (2006) six-phase guide. The six steps are: 1) becoming familiar with the data; 2) generation of initial codes; 3) searching for themes; 4) review themes; 5) define themes and; 6) write-up.

Since this thesis paper is concerned with addressing the specific research questions (add cross ref), the code generation process was mainly deductive - it was driven by earlier research connected on cultural and structural characteristics of the three different institutional logics. The competing values framework by Quinn and Cameron (2006) was used as the primary source of code generation for organisational culture as it helped to group different values with different types of organisations (than can be seen as presenting ideal types of the three different institutional logics). This model, originally developed by Quinn and Rohrbaugh (1981), explores the conflicting demands within organisations between, one the one hand, flexibility and control (y axis), and, on the other, their internal and external focus (x axis). Organisations with an internal focus are perceived to focus on information, management and communication, whilst those with an external focus highlight growth, resource acquisition and interaction/external support. In regards to flexibility and control, organisations more oriented towards control emphasise stability and cohesion, whilst those with focused on flexibility emphasise adaptability and being spontaneous (Zammuto & Krakower, 1991; Quinn & Spreitzer, 1991).

Codes connected to structure (formalization, centralization, complexity) were not connected to a particular framework, but driven from research on institutional logics and organizational structure discussed in the earlier section. In sum, a list of preliminary themes was created based on earlier research. Some sub-themes that emerged inductively during the process of coding raw were also included in the final codebook (see Appendix 3).

Considering that the interviewees were considered as ‘knowledgeable agents’ capable of explaining and clarifying their actions and objectives regarding organizational culture and structure (Gioia,
Corley & Hamilton, 2013) the focus was mainly on semantic themes which stay at the “the explicit or surface of meanings of the data” instead of latent themes that focus on meanings (Braun & Clarke, 2006, 84). The process of interpreting the results was done by going through codes and re-categorising coded parts based on which research questions they answer. This process then allowed identification of key findings.

5.4 Ethical considerations

*Informed consent* was obtained through informing interviewees about the overall purpose and main aspects of the research design (Kvale, 2007, 27). Every interview started with a short description about the overall purpose of the interview and this also provided the interviewees with a chance to ask questions. However, the interviewers did not describe the specific objectives of this study since that could counteract with deception of the interviewees (Kvale, 2007, 27) and thus decrease validity of data. Interviewees were also informed about the use of a recording device. Interviewees were also asked to fill a consent form (see Appendix 1).

*Confidentiality* implies that “private data identifying the participating subjects is not reported without permission of the subject” (Kvale 2007, 29). At the onset of the interviews, the participants were assured that they will not be identified or identifiable in the thesis paper or any other reports that may result from the thesis paper. Steps were also taken in order to assure confidentiality during the data collection stage - hard copies of raw data were destroyed after use. During the process of writing, special attention was paid on the use of quotes in order to make sure they do not contain any information that could make the interviewees identifiable from the text (Boyatzis, 1998).

5.5 Reliability & Validity

In qualitative research, the exact definition and role of terms ‘reliability’ and ‘validity’ has been subject to a long debate since the meaning of these terms deeply connected to other methodological considerations. Term ‘validation’ is used here to refer to a process or a set of steps taken, not ‘verification’ (Creswell, 2013; Golafshani, 2015). The key step taken in terms of validation was debriefing with an external reviewer who provided external checks on the research process (Creswell, 2012). The reviewer had long experience from cross-departmental and cross-sectoral collaboration and could thus provide the researchers with new perspectives and critical questions.

For the purposes of this thesis paper, reliability is defined as “consistency of observation, labeling or interpretation” (Boyatzis, 1998, 151). During the data collection stage, triangulation was used to increase reliability in the sense that both researchers were present during the interviews. This allowed the ‘main’ interviewer to focus on making sure that all questions are being asked while the other interviewer could focus on posing follow-up questions in order to build up rigor of the data. Reliability was enhanced also through obtaining detailed field notes both in the form of handwritten memos and a good-quality recording. Transcription and checking the transcription against the tape were also steps taken to enhance reliability. During the stage of data analysis, reliability of data was enhanced through a process of double coding where unclear codes were discussed and re-defined together. This was followed by a checking process where the researcher that had not done the first round of coding checked all coded parts of the transcripts (Boyatzis, 1998; Creswell, 2012).
5.6 Delimitations

The following set of limitations have been identified during planning, data collection and data analysis:

1) Due to differing language skills, some interviewees expressed themselves more eloquently than others which may have affected the data collected. Providing the interviewees the opportunity to do interviews in Swedish or to use Swedish terms when needed was an effort made to mitigate the impact of this limitation on collected data.

2) While choosing a municipality with long experience from cross-sectoral and departmental collaborations was a threshold for choosing the case, there are differences between departments in terms of how experienced they are from collaborating with other actors and sectors. This disparity in terms of experience may have shaped collected data. Choosing multiple departments and individuals with experience from multiple departments was an effort made to balance out differences in experience from collaborations.

3) This case study can be defined as a holistic-single case study since it is not divided into sub-units of analysis. While it is acknowledged that including sub-units of analysis is a useful device to increase the rigour of data (see Yin, 2014) the collected data did not reflect significant differences in terms of different sectors or roles (e.g. manager and non-manager) which led to exclusion of two initially planned sub-units of analysis.
6. Analysis

In order to explore how the conflicting logics of HCG, NPM and networked governance affect municipalities’ engagement in collaborations, ten interviews were conducted with managers and civil servants who are engaged in network governance through cross-departmental and/or cross-sectoral collaborations in a Swedish municipality. The aim of this was two-folded: to analyse the structural and cultural factors that are hindering network governance and to identify strategies used by civil servants to manage conflicting logics in collaborations. This analysis is thus divided into two sections with according key themes based on the theoretical frame. Below, the key findings are presented.

6.1 Conflicting logics in collaborations

This section explores how the institutional logics of hierarchical and market governance systems affect collaboration/network governance in the municipality through analysing the characteristics of organisational structure and culture. Based on the thematic analysis a number of key factors affecting collaborations and engagement in network governance were identified and are presented below.

6.1.1 Complexity, specialisation and coordination

High levels of organisational differentiation or complexity are key characteristics of logics of HCG and NPM and play a large role in how organisations behave, as well as, how they organise and communicate work (Dooley, 2002). One of the key themes raised in the interviews was how the recent processes of reorganisation from the urban area administrations (in Swedish: stadsområdesförvaltningar) to the sectoral system (in Swedish: förvaltning) in 2017 (Malmö Stad, 2017; Malmö Stad 2019) affected the municipality’s engagement in network governance and collaboration processes, both within and outside the organisation. Many of the respondents felt this change had created greater complexity, moving from a place-based system to one in which they were “divided into silos” (Interview 7, Face to Face, 13.05.19) emphasising functional specialisation as in the logic of NPM (Nederhand et al., 2019). Respondent 10 explained that this change was made in order to centralise activities and ease top-down coordination in order to secure citizens right to an equal service (Interview 10, Face to Face, 22.05.19) However, respondent 9 described this change as “very unfortunate” because the urban areas administration had been put in place as “they would of course facilitate collaboration” because of the actors close proximity to each other (Interview 9, Face to Face, 17.05.19). Here, the sectoral system was seen to have increased organisational differentiation creating greater challenges for collaboration and the coordination of activities across departments.

Functional specialisation is a key characteristic of the NPM logic with the aim of increasing organisational efficiency and managerial control (Bartels, 2016). However, high levels of horizontal complexity can create challenges for civil servants linking capacity, which is key to network governance, as it separates the organisation’s activities, budgets and communication (Meuleman, 2008). This was illustrated by respondent 2 who highlighted that: “When the city planning office presents what happens within area development, they show only their own projects […] and same with the environmental department, they talk only about their own projects […] One should present what the municipality does within area development, right?” (Interview 2, Face to Face, 29.04.19)
Rather than seeing the interconnectedness of the different parts and seeing the municipality as a whole, this creates a silo mentality, which can obstruct the management of cross-sectoral/departmental problems (Christensen & Laegreid, 2011). Respondent 8 argued that the separation of units even affects the “quality of the deliveries” as there is a lack of linking capacity so “one expert is here, but another one is there and they should team up […] there are so many different, very qualified and competent people here that are not used in a good way” (Interview 8, Face to Face, 14.05.19). She even argued that the municipality is “much better at working with other actors” than collaborating internally. A number of other respondents argued that this could be due to the size of the municipality, arguing that, from their experience, smaller municipalities were much more “collected” and it was easier to facilitate collaboration or coordination of activities.

Furthermore, organisational differentiation and specialisation can create difficulties for creating a climate of openness and participation due to the internal focus on fostering technical expertise and a culture in which civil servants are seen as best placed to identify areas of public interest because of their expertise (Dixon & Dogan, 2002; Bartels, 2016). Some interviewees argued that this can hinder civil servants from engaging in open and participative processes because of prestige, which are often required for network governance. Respondent 3 highlighted that in these processes one of the key difficulties highlighted by their coworkers was that “it’s very hard for me not to be the specialist, not to tell you what the solution is, to ask you open questions to help you.” (Interview 3, Face to Face, 02.05.19). Furthermore, open processes were even seen to be threatening to the specialist, because of the predominance of a culture of control. Respondent 3 argued that this “could affect the possibilities and capacity to collaborate, for example, and to co-create. Because, then you have to let go, to let go all your thoughts and all your truth and a lot of things” (Interview 3, Face to Face, 02.05.19).

In sum, high levels of horizontal complexity in the municipality were seen as a way to ease managerial control, increase organisational efficiency and, thus, improve public service delivery. However, this was seen to hinder internal collaborations and network governance as it created greater divisions between departments and a lack of linking capacity. Furthermore, this can even be seen to foster an internal and control oriented culture, which hinders engagement in the more open and participative processes associated with the network governance logic.

### 6.1.2 Formalisation and results-orientation

A second key structural challenge for network governance when managing complex societal challenges is that of formalisation. This can be seen to manifest itself in the form of predefined outcomes and the measurement of results typical of NPM, which were seen to restrict processes of co-creation, learning and adaptive responses. Respondent 9 stated that “We report enormously… the administration grows enormously… it is too much. It is clear that we need to do it for the statistics but this has paralyzed us completely” (Interview 9, Face to Face, 17.05.19). Here, the quantity of administration and the use of quantitative performance measures was seen to take time and resources away from their daily contact with citizens and addressing their needs. As identified in the theoretical background, earlier research identified the results-orientation of civil servants fostered under NPM as a barrier to network governance because of a lack of time to take on tasks outside of performance measures (Nederhand et al., 2019). Similarly, respondent 6 highlighted “time constraints” as a key hinder to collaboration as there is a lack of time to meet potential partners and build commitment for projects (Interview 6, Face to Face, 14.05.19).
The ideal organisational form of network governance aims to reduce the role of formalisation as a control mechanism (Meuleman, 2008; OECD, 2015) however, civil servants engagements in collaboration projects were often seen to be restricted by the demands for pre-defining outputs and measurements. Respondent 3 stated “I think that’s one thing that our organization is striving towards every time to find the point B…….We have to have the solution before we have investigated what the solution is. That’s very strange. If we do it in an innovative project….. If we have the solution now, I don’t think it’s innovative” (Interview 3, Face to Face, 02.05.19). Similarly respondent 6 highlighted that in European Union (EU) funded collaboration projects “you have to define roles, responsibilities, funding, shares and all this” before the project start and report back after to control work. However, here, the respondent highlighted that “with funding comes responsibilities” and in order to ensure that you fulfilled these there was a need to report back (Interview 6, Face to Face, 14.05.19). This highlights the conflict within public governance between the need for transparency and control of funding and an increasing demand for greater adaptability and creativity. However, respondent 6 argued that “you can still do that and have a dialogue” about changes to the pre-defined outcomes (Interview 6, Face to Face, 14.05.19). Thus, knowing how to manage this process and adapt can be vital to projects successfully meeting societal demands.

However, another challenge with the use of quantitative measures raised by respondent 8 was that the constant measuring of “economic consequences” for the organisation leads to a lack of prioritization of other effects such as the social or environmental, which are more difficult to measure (Interview 8, Face to Face, 14.05.19). Similarly, respondent 9 highlighted this challenge with collaboration in contrast to measuring economic benefits stating “there is more value in collaboration but it is difficult to measure” (Interview 9, Face to Face, 17.05.19). Because of the results-orientation of the municipality, this can make it difficult to justify working in collaborations when results are primarily measured based on economic consequences.

Levels of formalisation can be key to organisations ability to adapt to changes in their environments in order to meet demands and remain viable. However, a number of interviewees also argued that a certain degree of formalisation can be beneficial. Respondent 1 argued that formalisation of a networks purpose “is one of the keys to be successful really” and without this, it can be difficult to progress or coordinate activities, but that this should be done collectively (Interview 1, Face to Face, 29.04.19). Similarly, respondent 8 stated “I think with no structure at all […]I don’t think that’s the way moving forward. I like structure […] it just depends on how and who designs […] what it should look at” (Interview 8, Face to Face, 17.05.19) Similar to network governance, formalisation is not abolished, but rules and routines are formed collectively based on the context and actors involved.

Furthermore, formalisation was even identified as a multiplier that facilitates the municipality’s engagement in network governance. While it was mainly connected to rigidity of the system and slow decision-making, it can be seen also seen as a multiplier in the sense that formalising rules and roles of collaboration can make parties to a collaboration feel more secure about their own role and expectations which can contribute to trust-building. Formalisation of participation and inclusion (e.g through making citizen dialogue obligatory) can be also seen as a factor contributing to networked governance of complex societal problems as it encourages, when combined with willingness and commitment, the municipality to engage in dialogue with citizens, local enterprises and non-governmental organisations (NGO). This highlights one of the main challenges of network governance and collaboration; finding a balance between the levels of formalisation and centralisation, and flexibility and openness.
6.1.3 Centralisation, consistency and control

As identified in the theoretical framework, one of the key structural characteristics of the HCG is the centralisation of power and decision-making. This is often argued as necessary because of the responsibility that municipalities have to the public and in order to maintain a stable and consistent provision of public services (Andrews et al., 2009; Stevenson, 1990; Niskanen, 1971). A number of interviewees highlighted the importance of the centralised governance of public administration due to the “responsibility” they hold to the public. However, it was argued by respondent 3 that “this is appropriate when you don't have that much change [...] when it's very complex it's hard to adopt [...] as you don't have a solution” (Interview 3, Face to Face, 02.05.19). This was illustrated in the theoretical background where centralisation was often seen to create difficulties when addressing complex societal problems, as they are often unpredictable and fast-changing so require more a more flexible and/or adaptive response. Similarly, respondent 9 highlighted the lack of flexibility in local governance “there is quite strong resistance within the municipality to opening up [...] it is very ingrained [...] I thought it would have to change in pace with expansion of the welfare mission but it sits very tight” (Interview 9, Face to Face, 17.05.19). Here, the need for change and openness and was seen to be hindered by pressures to maintain stability and consistency.

6.1.3.a Decision-making

“I guess that those we collaborate with would say that we’re boring. Civil servants just saying that I can't take a decision on this and that and, and so on.” (Interview 1, Face to Face, 29.04.19)

Throughout the interviews, one of the main hinders mentioned in relation to centralisation was the unclear or lack of mandate that civil servants possess when they enter collaborations. Though civil servants can and are encouraged to engage in collaborations by politicians, it was expressed that:

“you need to be aware of the limitations that you have as a civil servant [...]. You cannot be a part of the knowledge alliance as a decision maker. I'm not a decision maker. I always try to be very clear on that [...]. I'm here as a representative from the municipality but I'm not a decision maker. If we are to take an important decision in the knowledge alliance, I always have to have that anchored within the organization in this way, or with my manager or with the city director.” (Interview 1, Face to Face, 29.04.19)

As stated in the theoretical background, network governance aims to reduce centralisation though decision-making based on dialogue, negotiation and collective deliberations (see Caiden & Puniha, 2011; Laranja, 2012) which can be difficult to achieve if those participating in the networks do not have the power to take such decision. Furthermore, the lack of involvement of decision-makers in collaborations raises another challenge often related to centralisation in complex organisations, where decision-makers do not possess the knowledge needed to make informed decisions (Lipsky, 1980; Ricucci, 2005). This was raised by a number of respondents, with respondent 1 stating that that one of the most difficult challenges for collaborations is

“to transfer that knowledge which you have gained in knowledge alliances to those who need to take the decisions there you have a big gap, which needs to be filled in some way. Then most of the times it's up to me to fill that gap and this could be extremely hard to do if you haven't been in the knowledge alliance”. (Interview 1, Face to Face, 29.04.19)
This was seen to have been exasperated by a recent reorganisation in one department which aimed to centralise the coordinate activities through a new strategic department in order to ease top-down control. However, a number of civil servants highlighted that this had created a greater distance between them and decision-makers. Respondent 4 stated that:

“we lack, especially now in this new organisation, due to its size, relation to the politicians. That is really how I experience it, that there are so many levels that the politicians do not even have a chance to get to know what we do… we no longer have any direct contact… we can tell them about what we do only once per year”  (Interview 4, Face to Face, 08.05.19).

Here, interviewees saw the creation of the strategic department had increased centralisation and further hindered communication between politicians and civil servants, which can make it difficult for them to understand the needs of the organisation and citizens, and thus, make informed decisions, as highlighted in the theoretical background (see Tolbert & Hall, 2008). This has even led to, in some cases, the development of collaborations only for the initiatives to be discontinued. Respondent 1 shared that:

“I did a work on discrimination with a working group, me and a colleague of mine and five other people from NGOs….a working group was to meet every two weeks, I think during the six months. And then, we presented a plan…which when it came to kommunstyrelsen, they just said that we don’t have money for this. So the trust that I had gained within that group of NGOs was totally gone after that.” (Interview 1, Face to Face, 29.04.19).

Similarly, Respondent 9 stated that:

“I have been part of a knowledge alliance that was very successful according to those who were actually involved put then it was put down. We had the solution and were about to start the implementation phase and then they just put it down… it was two bosses up here who decided that” (Interview 9, Face to Face, 17.05.19).

Because of the distance between politicians and civil servants, many respondents stated that they rarely meet the politicians who are responsible for many of the decisions and thus, have little influence over this process. However, this was also highlighted as important to maintain the impartiality of politicians (Interview 7, Face-to-Face, 14.05.2019). Furthermore, due to interest towards networked governance from top-down, both at the national and municipal level, every interviewee argued that the municipality as a whole has a great interest in facilitating collaborative approaches to complex societal problems. Due to centralised structure, this interest or even pressure to collaborate, this was transferred from the political level to lower levels in the hierarchy.

In sum, the high levels of centralisation fostered under the HCG logic can be seen to hinder civil servants engagement in network governance as they cannot fully engage in processes of collective decision-making and the distance between decision-makers and civil servants engaged in collaborations can even hinder the success and continuation of collaborations because of a lack of knowledge of the value created in them. However, centralisation could also be seen as a multiplier for network governance due to interest in fostering collaborations from the top-down.
6.1.3.b Control and Insecurity

Interview respondents highlighted how the centralisation of decision-making and power contributed to the creation of a culture of control or fear. Respondent 3 argued that in the municipality “you’re steering with fear and not with courage”. One example of this was that staff felt the need to ask their bosses “how they should take their decisions”, because of a fear of taking the wrong decision. One reason for this cited was “worries and concerns in doing new things or doing things in new ways [...] They tend to go back to old ways of working. You don’t go to new ways of working because then you need courage and perhaps trust and so on. So I think it’s, it’s natural to go back to the roots in some way” (Interview 3, Face to Face, 02.05.19). This culture of fear was even seen to foster a need for “security” among civil servants which hindered them from taking initiative, as well as, innovation and creativity, which are some of the key prerequisites for network governance. Change was, thus, seen to challenge the need for stability and consistency emphasised in the traditional logic of HCG.

This need for stability was seen to be particularly prevalent just now, because of the unstable political climate, which respondents saw as instilling greater insecurity and control of decision-making processes. Respondent 4 highlighted that:

“We can see that in good times when it goes well and it’s trustworthy, it doesn’t affect that much. But now, in this time, there is quite a lot of anxiety and it’s not that stable with politicians, for example, then it becomes clear that it’s tightened up and there’s more control... It’s more like a question every time you have to take a decision, “why are you doing this?” (Interview 4, Face to Face, 08.05.19).

Furthermore, another respondent even highlighted that within their department a formal decision had been taken which forbids civil servants from communicating with politicians (Interview 7, Face-to-Face, 14.05.2019). However, this was seen to be a result of the “shaky” political landscape, where the municipality has a minority government, and was perceived as an attempt to ensure stability. Respondent 7 explains that:

“it’s very risky that someone from us that we say different things and that they tried to directly make us change things. And that they don’t have an overview of what they say. So I think it makes sense. Especially since there’s so many things changing now. Like all of these policies everything runs out in 2020 [...]So it could be extremely confused if too many people say too many things. And we don’t risk that things change in a random way.” (Interview 7, Face to Face, 14.05.19)

Thus, the greater centralisation of control was seen as necessary in order to maintain politicians impartiality and protect citizens from power abuse and the “personal whims of policy officials” (Nederhand et al., 2019, 222).

This highlights the key challenge of public governance, balancing the responsibility placed upon public service by local citizens and need for stability and consistency, with the need for more innovative and adaptive responses to handle the growing welfare demands of society and the management of complex societal problems. As respondent 6 raises the hierarchical decision-making structure exists “for better or worse [...] it is after all tax money we sit on and therefore there has to be some type of control, you cannot just build trust, it is utopia. You can however think a bit about how one could make decision-making processes or anchoring processes a bit smoother, those can be always improved” (Interview 6, Face to Face, 14.05.19). Finding this balance between necessary control mechanisms and fostering a culture that encourages innovation, openness and collective decision-making is key to enabling network governance.
6.2 Managing conflicting logics in collaborations

This section focuses on strategies used by civil servants to manage collaborations and to build up the capacity of the municipality to engage in networked governance, despite the hinders that were identified in the section above.

6.2.1 Intrapreneurial strategy

While the logics of centralisation, formalisation and complexity were considered as hinders to collaborations, some individuals seem to navigate in the system more easily than others. It was argued by multiple respondents that knowing the organisational structure, understanding the political character of the organisation and the need for hierarchy and complexity in the public sector are important. This kind of knowledge made it possible for the civil servants to distance themselves from the system and ‘bend the rules’ (Interview 1, Face-to-Face, 30.4.2019) by even skipping some steps of the decision-making ladder in order to create room for collaboration (Interview 10, Face-to-Face, 21.05.2019). In the words of respondent 3: “...as civil servants, you have to be very aware of the system that you're working in. You have to see the hierarchical system... You have to, to see the patterns in that and learn to navigate in it, to be smart really street smart but in the public sector” (Interview 3, Face-to-Face, 30.04.2019).

Furthermore, the importance of creativity in managing conflicting logics can be also seen in responses related to a question about what advices should be given to newcomers. Multiple respondents argued that no advices should be given since being a newcomer is very beneficial when managing collaborations because one is often more creative when one has not yet internalised the structure and norms. There is more room for exploring and even making mistakes. Respondent 2 answered the question of what kind of advices she would have needed when starting in the municipality in the following manner “I would not want anyone to tell me something like that. Because then I also have the opportunity to say oh, I did not know about that ” (Interview 2, Face-to-Face, 30.4.2019) while respondent 8 argued that “As a newcomer, it's accepted that you do mistakes. So you could work with that and do mistakes and push the limits really.” (Interview 8, Face-to-Face, 15.05.2019).

Being able to distance oneself from the organisational culture was considered useful. This can be seen from the way that various respondents highlighted the importance of newcomers’ ‘fresh minds’ (Interview 2, Face-to-Face, 30.04.2019). Respondent 2 for instance argued that “Because when you work for awhile, the risk is that you are too much in this and you constrain yourself. I have seen that a lot that we constrain ourselves way too much. We have more space to make decisions and to act than we really think, that's my opinion. But the longer you work, the more internalized this thinking, in the culture, in the norms that are played out in the organization. When as newcomer, you're not aware of this. So I would say, the recommendation to the organization is to use the newcomers, to make mistakes, to push the limits.” (Interview 2, Face-to-Face, 30.04.2019). Similarly, another respondent described how her new colleague from another sector helps the entire team to question some practices by making them more visible (Interview 8, Face-to-Face, 15.05.2019).

In sum, this sections has described a strategy that requires innovativeness and ability to distance from oneself from the structure and culture. This kind of distancing seems facilitate navigation in the system which helped civil servants to be innovative and create more room for intra- and inter-organisational
collaboration. This is strategy could be thus seen as a form intrapreneurship and it is in line with Parker and Bradley’s (2015) innovativeness and risk-taking as prerequisites network governance.

6.2.2 Fostering linking-capacity

How much these above-mentioned norms and values connected to the logic of NPM and HCG shape individuals and teams ability to cooperate, seemed to differ between different sectors and units. Respondent 5 for instance argued that while some teams’ ability and willingness to cooperate across departments does not seem to decreased as a result of structural changes that increased complexity, some teams strongly are often strongly against structural changes because they fear losing cooperation with others. (Interview 5, Face-to-Face, 8.5.2019).

Supporting and building linking capacity of individuals and teams can be thus seen as a strategy used in the municipality to manage conflicting logics. This was highlighted in the interview with one respondent who argued that his role as civil servant is to be “like a spider in the web” (Interview 10, Face-to-Face, 21.05.2019.) Relationship- and trust-building, not structural changes, were seen as means to overcome norms and assumptions that contributed to fragmentation. This was visible for instance in the answer of respondent 1 who argued that “When I started it was quite messy. It has been quite a lot of problems with the leadership and coworker Partnership and the culture and it was quite hard culture and judging and so on. Our decision was that we don't need another change of organization. We need to work with the body. We need to work more with the culture of the working environment. How we turn to each other, how we work with each other. It is about creating possibilities for trust.” (Interview 1, Face-to-Face, 30.04.2019).

On a practical level increasing linking capacity between individuals and units seem to be closely connected to time management: while lack of time was identified as one of the key hinders for collaboration as it seems to lower linking capacity, it was also pointed out that linking capacity can be nurtured by prioritising team building. Respondent 4 for example argued in order to boost interconnectivity she has prioritised team-building exercises over more informative meetings. She argues that “using our workplaces to have fun with each other, build relations and contacts” is important because how people get along and connect with each other is often more important successful factor for collaborations than any structural aspect (Interview 4, Face-to-Face, 2.5.2019).

In conclusion, fostering linking capacity of individuals and units through making opportunities for collaboration more visible was a strategy used to manage conflicting logics and to facilitate collaboration. This supports the idea of linking capacity as a prerequisite for networked governance (see Bekkers et al., 2011).

6.2.3 Fostering systemic thinking

While deeply connected to the previous strategy, fostering systemic thinking (see Clawson, 2008) can be seen as a strategy used by the civil servants to create opportunities for collaboration despite conflicting logics. While it was pointed out that the municipality is deeply fragmented, there were also both formal efforts to foster systemic thinking through implementation of geographical area programs that facilitate collaborative ways of working. While these were formal programs, their implementation
seemed to be dependent on civil servants ability to foster systemic thinking both within the organisation but also in collaborations with external actors. This was done for instance by mapping actors and problems, focusing on holistic solutions instead of each actors’ individual contribution, and by building a common vision instead of a rigid set of objectives. Four respondents also promoted shared budgets (either within the organisation or within collaboration) which is also seen as a strategy of fostering systemic thinking (Interview 8, Face-to-Face, 15.05.2019; Interview 9, Face-to-Face, 21.05.2019; Interview 1, Face-to-Face, 30.04.2019; Interview 2, Face-to-Face, 30.04.2019). Fostering systemic thinking as a strategy for collaboration within the municipality also supports Dilworth’s (1996) and Stoker’s (2006) the notion of leadership in network governance as nurturing growth and health of the overall system instead of strict focus on operational goals and objectives of each unit.

6.2.4 Building commitment

Increased linking-capacity seems to manifest itself as smoother processes of commitment building and these strategies are thus deeply intertwined. Building commitment (in Swedish: förankring) is a process of informing and engaging individuals, units and departments takes place prior to implementation of a new project of program. Often one department or unit takes main responsibility for a project and therefore a key task of managers is to make sure that all relevant actors to that project are onboard and committed despite their possibly less visible role in that project. When individuals and units are aware of each others responsibilities and objectives, and how these contribute to the wider system, this anchoring process is smoother, lowering the threshold for collaboration. It was also pointed out that this process of engaging and building commitment has to take place at all levels, it is not enough to engage only managers (Interview 5, Face-to Face, 13.05.2019). As one interviewee pointed out, the commitment-building process is about “making sure that they [other sectors] see the benefits of this and feel that this has impact on their work as well [...] That means that we need to have a discussion with them about this, not just let them know that we are going to do this. The objective is that when we implement the project, we can also build their civil servants commitment in order to collaborate”. (Interview 6, Face-to-Face, 14.05.19). Another way to engage individuals was through practical work, directly connecting them to people they serve and reminding them about their role as civil servants. As stated by one interviewee “If you work with collaborations, you can’t just sit around and talk about it. You have to do it. You have to, you have to walk your talk [...] I’m a civil servant. So I serve the people living there and I have also have to serve the collaborations that we have.” (Interview 5, Face-to-Face, 13.05.19)

In sum, building commitment towards a collaboration is a strategy used by civil servants within the municipality. While sometimes it is limited to informing relevant actors about an upcoming project, sometimes it involves a much deeper process of making different actors to see the relevance of collaborating in order to manage or resolve a certain problem. In some cases this strategy can even involve reminding colleagues about their ability and responsibility as civil servants to seek to manage or even solve these problems.

5.2.5 Fostering learning

As the previous section (see section 5.1) illustrates, focus on expertise was considered as a hinder in intra- and interorganizational collaborations as it often narrows down the range of actors and solutions. Another hinder was how to spread ‘best practices’ from successful collaborations beyond one unit or department. However, fostering a learning organisation mentality (combined with linking capacity)
(see Hughes, 2013 cited in OECD, 2015, 45; Bekkers et al., 2011 cited in OECD, 2015, 45) seemed to be a key for improving cross-departmental and cross-unit learning and fragmentation to different areas of expertise. While the municipality offers formal training and other opportunities for learning, fostering learning organisation mentality was more connected to learning from each other through dialogue, knowing where individuals, teams and organisations expertise lie as it helps to understand how each actor can or does contributes to the collaboration (Interview 6, Face-to-Face, 14.05.19; Interview 8, Face-to-Face, 14.05.19). While this was often done informally, some departments had also formalised this by organising meetings that focus on best practises and knowledge-sharing.

One way to foster learning capacity and the notion of civil servants as learning agents was through making the underlying norms connected to knowledge and expertise more visible. It was argued that there is a need for changing perspective on what ‘knowledge’ means in the context of complex societal problems (Interview 3, Face-to-Face, 02.05.19; Interview 8, Face-to-Face, 14.05.19). It was argued that the municipality needs to understand that the value of knowledge that its citizens’ possess since ‘they are the experts of living in this municipality’ (Interview 8, Face-to-Face, 14.05.2019). It is also important to point out that while this was a strategy used by individual civil servants it was also formalised in the sense that some departments of had either created or were in the process of creating more opportunities to learn from citizens (Interview 8, Face-to-Face, 14.05. 2019).

5.2.6 (Re)defining roles in collaborations

Although the municipality has a long history in partnerships, these partnerships have been traditionally characterized by transaction instead of collaboration - the municipality has been buying services from NGOs or private enterprises instead of co-creating them (Interview 4, Face-to-Face, 08.05.2019). Furthermore, as the municipality often collaborates with NGOs whose financial and human resources are significantly smaller, the municipality often has often seen itself as more ‘professional’ than NGOs it cooperates with. As a result, the municipality has continued to take a leading role in collaborations. This problem was however widely acknowledged and multiple interviewees argued that while the municipality still has a leading role in many collaborations, it also actively seeks to take more facilitative role in other collaborations (Interview 1, Face-to-Face 30.4.2019, Interview 4, Face-to-Face, 08.05.2019, Interview 7, Face-to-Face, 15.05.2019). One respondent for instance argued that in collaborations he is engaged in the municipality’s role is mainly to “coordinate by stepping in with some resources and make sure that something like a little bit more large scale could happen”. (Interview 7, Face-to-Face, 14.05.19)

However, letting go some of control is a challenging task since the municipality is often, at least in terms of financial resources, the strongest actor in collaborations (Interview 6, Face-to-Face, 14.05.19). Although there seemed to be an internal tendency to see the municipality as ‘the most professional’ organisation especially in collaborations with small NGOs, many respondents argued that communication and appreciating different sets of skills instead of mere financial input are key enablers when it comes to defining roles within collaborations. One respondent for instance highlighted this by arguing that “If you want to collaborate, we have to understand that small organisations contribution is smaller-scale, it is not similar to the municipality’s contribution…. we can complement each other and we have used their knowledge for building up our knowledge on housing issues” (Interview 4, Face-to-Face, 08.05.19). In other words, appreciating heterarchy (see Caiden and Puniha, 2011) of collaborations was connected to a strategy that seeks to purposefully
identify underlying expectations connected to roles and ‘professionalism’ and create appreciation for the heterogeneity of skill-sets of different actors instead merely looking at size and financial resources of each organisation.

7. Discussion

This thesis paper explored how the prevalence of the institutional logics of HCG and NPM affects the engagement of a Swedish municipality in network governance through analysing cross-departmental and cross-organisational collaboration. The premise of this paper was based on the conception that new forms of governance are needed to manage complex societal problems, which foster greater adaptability and collaboration (Senge et al., 2015; Uhl-Bien & Arena, 2016; Rittel & Webber, 1972). Collaboration within network governance was seen as one way of achieving this, however, this was believed to be hindered by the prevalence of earlier institutional logics. This section discusses the findings in the light of earlier research. It also provides an assessment of limitations and practical and theoretical suggestions.

In response to the first research question, “How do the institutional logics of hierarchical centralised governance and new public management affect engagement in network governance?” and how this manifests itself in the organisational structure and culture, it was found that the logics emerge in several areas and forms, affecting the municipalities ability to collaborate across departments and sectors. As shown in the results, the logics of HCG and NPM can be seen to manifest themselves in the levels of complexity, formalisation and centralisation present in the municipalities structure, which in turn impact the organisational culture created and how individuals make sense of this and engage in collaborations (see also Thornton & Ocasio, 2008).

The theoretical background identified that HCG logic advocates a closed system approach to governance marked by high levels of complexity, formalisation and centralisation (Laranja, 2012; Meuleman, 2008). From the analysis, the centralisation of decision-making and high levels of vertical and horizontal complexity still present in municipal structures when engaging in collaborations were seen as a challenge for network governance. As Stevenson (1990) argues, it was found that civil servants lack of mandate and the distance between them and decision-makers were identified as key hinders to engaging in collaborations as they did not have the power to engage in open and collective decision-making processes. Similar to that identified in the theoretical background (Anttila, 2018; Lipsky, 1980), this can lead to inefficiency and ill-informed decisions as decision-makers were not fully informed about the value of the collaborations. Furthermore, this structure was seen to foster a culture of control and fear, where civil servants needed to gain permission to take certain decisions and thus, had little room for flexibility or to adapt to rapidly-changing environmental condition, which is often needed for the management of complex societal problems (Andrews et al. 2009).

However, centralisation can also be seen to enable network governance indirectly, in some instances, because of political interest in facilitating collaborative approaches. This highlights one of the core dilemmas of modern day governance, which was raised in the interviews, the awareness of a need for more creative and adaptive forms of governance, whilst at the same time maintaining the responsibility of public governance. Nederhand et al. (2019) argue that these structures are in place to ensure a level of predictability and stability within public service in order to create an equal service for
citizens based on political directives. As highlighted in the theoretical background, whilst this model can be suited to more predictable or “tame” problems when addressing complex societal problems this can constrain both the organisation and civil servants as more adaptive and flexible action is often required (Meuleman, 2008; Rittel & Weber, 1972; Boyne et al., 2003). However, though interviewees expressed their frustration with these structural constraints, they also acknowledged the need for such checks and balances because of the “public” nature of their work. How, they managed these conflicting logics will form the second part of this discussion.

Functional specialisation and formalisation, two core characteristics of the NPM logic identified in the theoretical background (Hookana, 2008; Moritz and Sandberg, 2013; Nederhand et al., 2019; Meuleman, 2008), were also seen as key hinder to the municipalities engagement in network governance and collaborations by respondents. The separation of departments into functional units was argued to ease managerial control and coordinate activities to improve organisational efficiency and secure citizens right to an equal service. However, others argued that this contributed to the creation of silos, as found in earlier research (Christensen & Laegred, 2011), in contrast to the more holistic approach which is required for the management of complex societal problems. As Hughes (2013) argues, collaborations and network governance is founded in the conception that public sector organisations see beyond the narrow objectives of their own unit and understand the interconnectedness of their actions in relation to other actors and sectors, as well as, the need to link these. Whilst Kidson (2013) argues that instead of dividing teams into different policy areas, they should be mixed, however this can create difficulties for coordination and control. This raises the question of how to balance the need for the efficient use of resources and efficient coordination methods, and the need for a more holistic and connected approach to governance.

Another key hinder to the civil servants’ engagement in collaborations was that of formalisation. As found in the theoretical background, the high levels of formalisation associated with the logic of NPM was seen to foster a results-oriented and internally oriented culture (Nederhand et al., 2019), which restricted civil servants flexibility to adapt to problems or needs that arose outside of these domains. Proponents of NPM, argue that the use of performance indicators and extensive reporting mechanisms foster organisational efficiency and are key to public sector accountability (Hookana, 2008; Ganesh & Joseph, 2011). However, interviewees highlighted that this restricted processes of innovation, learning and adaptive responses, as well as, the time civil servants could spend on unexpected matters that fall outside the realm of their performance measures. Similar to the HCG logic, the use of pre-defined outputs and measurements can be effective when addressing ‘tame problems’ that have predictable outcomes, however, make it difficult to foster the culture of innovation and adaptability required for complex societal challenges, as well as, a lack of openness to other actors and citizens’ needs. This conflict between creating an efficient and accountable public service, whilst at the same time fostering a more adaptive and systemic approach to the governance of complex societal problems forms the core of public sector governance.

Overall, though the NPM and HCG logics provide a number of hinders for network governance, they are founded in a belief in serving the public interest and upholding the values of equality, efficiency, accountability and impartiality. How to balance this responsibility and the increasingly diverse needs of local citizens and society forms the basis for the second research question and how civil servants manage these conflicting logics.

This thesis paper answered the second research question, “how conflicting institutional logics can be managed in collaborations?” by identifying the following strategies used by civil servants who were
engaged in cross-organisational and cross-departmental collaboration: 1) intrapreneurial strategy; 2) fostering linking-capacity; 3) fostering systemic thinking; 4) building commitment; 5) fostering learning and; 6) (re)defining roles in collaborations

The findings of this thesis paper are in line with the theoretical framework since they support the earlier discussed logics of networked governance, in particular the need to foster organisational learning (OECD, 2015) and the need for adaptability (Caiden & Punia, 2011) together with the notion of individuals who apply different sets of logics as ‘stewards’ (Hughes, 2013 cited in OECD, 2015, 45) and ‘boundary spanners’ (Nederhand et al., 2019; Tushman & Scanlan, 1981). Civil servants interviewed for the purposes of this thesis can be seen as ‘playing two games’ (Kraatz & Block, 2008 cited by Skelcher & Smith, 2015, 444) and by doing so they facilitate engagement of the municipality in collaborations and network governance of complex societal problems at large, despite the hinders that result from the conflicting institutional logics. The key findings thus indicate that their role as civil servants is characterised by duality as they balance between the different logics. Furthermore, while significantly constrained by the logic of NPM and HCG, these individuals seem to have agency to increase the capability of the municipality to participate in network governance of complex societal problems.

Furthermore, it is important to point out that implementation of the six identified strategies, does not seem to require a formal leadership position but these strategies are available for managers and non-managers alike. However, these strategies seem to be connected to a set of skills in the sense that implementing these strategies through different mechanisms seems to require capabilities including but not limited to readiness, innovativeness, determination and even boldness since those civil servants that engage in collaborations have to withstand structural and cultural hinders and discrepancies related to the overlapping ideals of governance of complex societal problems.
8. Conclusion

As it was pointed out in the introduction, networked governance of complex societal problems has gained plenty of attention among policymakers and politicians because of the increasingly diverse and fast-changing societal demands placed on government. However, as the key findings of this thesis illustrate, there are several factors that hinder municipalities from moving from ‘talking the talk’ to ‘walking the walk’.

8.1 Key Findings

The key findings of this thesis highlight that core characteristics of the logics of HCG and NPM hinder seem to largely hinder municipalities engagement in networked governance of complex societal problems. This is seen to manifest itself within the organisational structure in the levels of complexity, formalisation and centralisation of the municipalities’ structure and the culture this creates. Though these structures are seen to be founded in the need to maintain the responsibility of government to the public through creating an efficient, accountable and equal public service, they can also be seen to restrict municipalities’ adaptability, flexibility and innovativeness, which are needed for a networked management of complex societal problems. Finding a balance between these conflicting demands is thus a central component to public governance today.

While removing some of these hindrances is not possible or desirable as they are deeply rooted in the need to provide equal service for citizens, there is a need to consider how the dual role of civil servants connected to the conflicting logics impacts both at the organisational and individual level. In order to manage the tensions between the different logics in collaborations, civil servants can be seen to have developed a number of strategies including: 1) fostering intrapreneurship through creativity and adaptability; 2) fostering linking capacity; 3) fostering systemic thinking; 4) fostering learning; 5) redefining roles in collaborations; and 6) building commitment. While many of these strategies of managing these conflicting logics were not bound to a formal leadership position, it is important that people in formal leadership positions understand the pressure caused by this dual role. In addition, the key findings of this thesis paper indicate that if municipalities want to further engage in sustainable networked governance of complex societal problems, identification of strategies and ways to manage the conflicting logics of HCG, NPM and networked governance both at the structural and organisational level is needed.

Before moving on to the discussion about the contribution of the key findings and further research, it is important to point out limitations of this thesis paper. As it has been pointed out earlier, this was a single-case study that focused on one Swedish municipality only. While this made it possible to delve into the complex relationship between institutional logics and organisational culture and structure, it is also important to keep in mind that these relationships are in many ways defined by the context. Furthermore, it is important to point out that this thesis explored only how the municipality engaged in collaborations from within - it, thus, excludes any hindrances that external actors may have experienced when collaborating with the municipality.

8.2 Contribution and Further Research

This thesis paper has created a greater and deeper understanding of what role the influence of earlier institutional logics play in relation to network governance and how the conflicting logics are managed
by civil servants who engage in collaborations. By going beyond the ideal types of organisational forms connected to each institutional logic and delving into the complex relationship between institutional logics and organisational structure and culture this thesis made an important contribution to the field of leadership and organisational studies. By bringing in institutional logics into the debate, this thesis paper incorporates the individual through focus on agency of the individual. A key argument presented here is that while the conflicting logics manifest themselves as multiple hinders for cross-departmental and cross-organisational collaboration, civil servants have an important role in building up municipalities capacity to participate in network governance.

Furthermore, this thesis has made a contribution to the field of leadership and organisational studies by exploring challenges related to networked governance of complex societal problems from organisational and individual perspective. However, there is need for further research. As key findings of this thesis and earlier research points out, institutional logics within the field of public administration do not seem to function in a zero-sum manner - emergence of networked governance of societal problems does not necessarily entail decreased prominence of the HCG and NPM logics. However, leadership theories in the field of public administration have been often connected to the three institutional logics by seeking to identify what kind of leadership is needed and ideal in each context (Meuleman, 2008). There is thus a need to go beyond these ideal types connected to the public sector and municipalities in particular and to research what kind of leadership is needed in a context characterised by conflicting logics. Furthermore, though this thesis explored the role of individuals in managing the tensions between the conflicting logics in collaborations, there is a further need to research how these could be managed on an organisational level, and how to balance this with the distinct responsibility that local government holds to the public to foster the sustainable development of the community as a whole.
List of references


Appendix I

Consent Form (example)

Title of research study: From Government to Network Governance - exploring governance of Complex Societal Problems

Researcher(s): Amanda Kinnunen & Rebecca Stewart

The researcher has informed me about the following:
1. The purpose of the study
2. I can withdraw from the study. If so, I don’t have to give a reason for that.
3. All information the researcher gets from me is kept confidential.
4. My name and the name of my organization will be treated with strict confidentiality.

_____________________________________________
Signature and date

_____________________________________________
Printed name
## Appendix II

<table>
<thead>
<tr>
<th>Title</th>
<th>Questions</th>
<th>Explanation of what we want to explore</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Introduction</strong></td>
<td><strong>1.</strong> Can you tell us a bit about your role in the municipality and your tasks and responsibilities?</td>
<td>Introduction to organisation’s work in collaborations/network governance. Immediate challenges they see.</td>
</tr>
<tr>
<td></td>
<td><strong>2.</strong> Can you tell us about how your organisation works with other departments and external actors?</td>
<td></td>
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<td></td>
<td><strong>3.</strong> Can you tell us about your experience with (Insert example of their work in network/collaboration project)?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a. What went well?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b. What tensions or obstacles did you face?</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>4.</strong> If someone would ask you to describe the environment of the project or collaboration you belong to, how would you describe the role of the municipality?</td>
<td>4. How they see their role in relation to others in the project to explore if they are really engaging in collaboration (network governance) or merely cooperation (New Public Governance)</td>
</tr>
<tr>
<td></td>
<td><strong>5.</strong> Can you think of any particular collaboration project that you consider outstanding?</td>
<td>5. To explore what they perceive as successful in collaborations and what the role of the municipality was here.</td>
</tr>
<tr>
<td></td>
<td>a. Why do you think this project is outstanding?</td>
<td></td>
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<tr>
<td></td>
<td>b. What made this work well? What did that look like? (point out contradictions)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>c. what was the role of the municipality in this project?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>d. What are they key success factors for collaborations?</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>6.</strong> Can you draw the organisational structure of your department?</td>
<td>6/7. To identify the organisational structure of the department, which type of governance this is in accordance with and if/how this changes in collaborations 8. To identify what is hindering the success of collaborations (network governance) and if there is any structural conflict.</td>
</tr>
<tr>
<td></td>
<td>a. Specifically: Decision-making processes, division of labour, procedures,</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b. Ask which connections are strong and weak</td>
<td></td>
</tr>
<tr>
<td></td>
<td>c. Are there routines and rules &amp; regulations for how work should be done, relationships between colleagues</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>7.</strong> Does this change when you work in collaborations? If so, why &amp; how?</td>
<td></td>
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<tr>
<td></td>
<td><strong>8.</strong> How do you see routines or structures hindering or aiding the success of such projects?</td>
<td></td>
</tr>
</tbody>
</table>
| Decision making | 9. Looking at your drawing of the organisational structure, who defines the problems to address and the objectives in collaboration projects?  
  a. Can you elaborate on the relationships here?  
  b. How are decisions made about the projects development and implementation? Who else is part of the process? | 9. To identify to what extent municipalities are working in collaboration vs. cooperation with other actors and how power/authority is distributed in these initiatives |
|------------------|-------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| Culture          | 10. If someone new were to come to your organisation, how would you describe it?  
  a. What were those things that you wish someone told you that you should and shouldn’t do when you started in order to work successfully in the organisation?  
  b. Could you frame these as core values and if so what would they be?  
  11. What about in collaborations? Can you describe shared understandings of how collaborations “should/shouldn’t” happen to work successfully in the municipality?  
  a. Could you frame these as core values if so what would they be?  
  12. What happens when different agencies or organisations come together with different values, different agendas, different pressures?  
  a. How do you manage that?  
  b. What works well?  
  c. What happens when there are tensions? What can you do?  
  d. Emergence of leadership  
  e. How do you think this affects the collaboration?  
  f. How is power distributed?  
  g. What happens outside the meeting? | 10 & 11. To identify the organisational culture of the department, which type of governance this is in accordance with and if/how this changes in collaborations  
  12. To identify what is hindering the success of collaborations (network governance) and if there is any structural conflict. |
### Appendix III

<table>
<thead>
<tr>
<th>Theme</th>
<th>Definition</th>
<th>Institutional logic(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Structure</strong></td>
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</tbody>
</table>
| Complexity | The way in which an organisation is divided into different parts, sections, tasks and responsibilities in order to coordinate and control operations (Tolbert & Hall, 2008). | HCG/ NPM  
Network governance (low degree of complexity)                                      |
| Formalisation | the extent to which work or tasks are routinized, procedures are formalized in writing and their regulation through, for example, formal performance review systems (Hage & Aiken, 1967; Blau, 1956). | HCG / NPM -  
Network governance (low degree of formalisation - flexibility)                      |
| Centralisation | Distribution of power within an organisation and the levels of participation of members in decision-making (Pugh et al., 1969)                                                                                       | HCG/ NPM  
Network governance (decentralisation)                                                   |
<p>| <strong>Culture</strong> |                                                                                                                                                                                                 |                                                                                       |
| Control | Norms for organising work and behaviour with control mechanisms (Parker &amp; Bradley, 2000).                                                                                                                                                      | HCG                                                                                   |
| Stability | Preference for stable routines (Parker &amp; Bradley, 2000).                                                                                                                                                                                               | HCG                                                                                   |
| Consistency | Provision of an equal, professional public service for all citizens where all similar cases are treated the same (Stoker, 2006; Edwards, 1999).                                                                 | HCG                                                                                   |
| Productivity | Clearly defined objectives (Stoker, 2006). Short-term operative goals to measure success.                                                                                                                                                          | NPM                                                                                   |
| Competitiveness | Result orientation, market orientation, measurement of success through financial losses/gains (Bartels, 2016).                                                                                                                                 | NPM                                                                                   |</p>
<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Source(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creativity</td>
<td>Innovation (OECD, 2015) Success not measured in terms of completed operative goals but as contribution to the wider system (Stoker, 2006).</td>
<td>Network governance</td>
</tr>
<tr>
<td>Trust</td>
<td>Trust among partners / individuals (Kania &amp; Kramer, 2011; Rhodes, 2007)</td>
<td>Network governance</td>
</tr>
<tr>
<td>Cohesion</td>
<td>Shared values (Kania &amp; Kramer, 2011)</td>
<td>Network governance</td>
</tr>
<tr>
<td>Participation</td>
<td>Active participation (Kania &amp; Kramer, 2011) (vs buying services / PPP)</td>
<td>Network governance</td>
</tr>
<tr>
<td>Commitment</td>
<td>Commitment to the common goal (see Kania &amp; Kramer, 2011)</td>
<td>Network governance</td>
</tr>
<tr>
<td>Learning / Development</td>
<td>Willingness to learn Learning organisation (OECD, 2015) Formal training vs knowledge sharing</td>
<td>Network governance</td>
</tr>
</tbody>
</table>