Second generation reform in Anglophone countries gave prominence to horizontal, cross-government, cross-boundary and inter-agency questions. Having previously emphasized disaggregation and the diffusion of delegated and contractual responsibilities, in this new phase what was once broadly subsumed under coordination became mainstreamed under new terminology and emphases.

The starting point, ‘whole-of-government’, is sufficiently broad to encompass a range of themes contending for distinctiveness as expressions of a horizontal focus (Christensen and Laegreid 2007), even if the reality is one of overlapping and inconsistent concepts and practice. The field is beset with different terminologies and ambiguous use of them as well as fluctuating fashions. For example, ‘joined-up government’ in the UK is often identified with focusing on delivery agencies in different sectors (public, private and third), but also with cross-boundary units and inter-departmental activity. Australia’s ‘whole-of-government’ approach encompasses a range of activities and has, in practice, been used to describe broader strategic and systemic initiatives of government.¹ The notion of collaboration has been linked heavily to these horizontal developments; however, whether substantive collaboration – as opposed to cooperation, for example – has actually developed has been questioned (O’Flynn 2009).

This chapter considers a range of horizontal experiments from the last decade drawing on the experience of Australia, Canada, New Zealand and the United Kingdom.² It examines factors that account for the emergence of this distinctive ‘movement’ in these countries and the several strands that have contended for distinctiveness. The issues with realizing and sustaining effective horizontal government are common across the four countries. The prospects are both somewhat discouraging, judged by the mixed results of the experiments, and propitious in that the horizontal government continues to move into the mainstream.
5.1 THE BACKGROUND AND CONTEXT OF THE HORIZONTAL GOVERNMENT MOVEMENT

The focus on horizontal arrangements is commonly dated to the early Blair government in the United Kingdom and its preoccupation with addressing the fragmentation which accompanied New Public Management (NPM) reforms. As a leader in the reform era, the UK has often been at the forefront in introducing distinctive new reforms. Australia, Canada and New Zealand subsequently followed suit but with the timing and level of commitment reflecting their own requirements.

All have emphasized the need for greater collaboration and coordination across departmental boundaries during the 2000s. This is exemplified through the emphasis on ‘joined-up government’ (JUG) in the United Kingdom, ‘horizontal management/government’ in Canada and ‘integrated government’ in New Zealand (Fitzpatrick 2000; Shergold 2005a; Christensen and Laegreid 2007). Irrespective of the terminology used, and despite differences across countries on how to implement initiatives (Bakvis and Juillet 2004b), these concepts essentially provided new labels for the principle of horizontal coordination in public administration that has challenged government for decades (Hood 2005; 6, 2004).

The term joined-up government was introduced by the Blair Labour government, which came to power in the United Kingdom in 1997 (6, Raab and Bellamy 2005), as a significant component of its modernization programme, one of the key aims being to ensure that policy making was more joined up and strategic (Cabinet Office, 1999). The Modernizing Government White Paper stated that the government would be adopting and encouraging a whole systems approach whereby improvements in effectiveness and value for money would be assessed holistically, rather than on an individual basis (Cabinet Office 1999, para. 4.6).

Canadian governments have been preoccupied with coordination and cooperation for a number of decades. Originally, this preoccupation was coined ‘coordinated government’ and, later, ‘horizontal management’ (Fitzpatrick 2000), which has been defined as ‘the coordination and management of a set of activities between two or more organizational units, [which] do not have hierarchical control over each other and where the aim is to generate outcomes that cannot be achieved by units working in isolation. The structures and processes used to achieve coordination can range from informal networks to jointly managed secretariats’ (Bakvis and Juillet 2004a, p. 8).

Making sense of the different formulations is challenging. The concept of whole-of-government has been portrayed as an umbrella term describing a group of responses to the problem of increased fragmentation of
the public sector and public services and a wish to increase integration, coordination and capacity (Ling 2002). In its simplest form, whole-of-government is about working collaboratively with officials in other portfolios and across jurisdictions to integrate policy and programmes, and achieve more efficient and effective implementation and service delivery (Briggs 2005). Whole-of-government requires a focus on the bigger picture and an understanding of the government’s overall policy agenda and priorities (MAC 2004). It emphasizes increased coherence across government, objectives shared across organizational boundaries, encompasses design and delivery of policies, programmes and services, can involve government and non-government organizations (that is public, private, non-profit and community sectors), and can span all levels of government (that is federal, state/territory and local) (Christensen and Laegreid 2007; MAC 2004).

Apart from terminology, the formulations then differ in emphases with breadth and depth being important: whether the focus is intra-government or more broadly on governance (that is either boundary spanning within government or crossing boundaries between the public, private and third sectors); and in terms of levels of analysis, ranging from inter-organizational arrangements at the micro level through to meso networks and mandatory cross-government requirements. Whilst there are commonalities, the elastic applications of the terms can sometimes make it difficult to sustain clear distinctions.

5.2 EXPLAINING THE WHOLE-OF-GOVERNMENT MOVEMENT

The analysis of external and internal factors assists in explaining significant change (Hood 1994), but they operate at different levels and are not necessarily complementary. However, the four explanations considered below have tended to reinforce trends to whole-of-government.

5.2.1 Whole-of-government as a Reaction to Disaggregation of Government under NPM

The expansion of agencies under the more flexible regimes and fashions of NPM are well documented (Pollitt and Talbot 2004). For the purposes of contextualizing the conditions produced under NPM it is necessary to fill in the other elements that decentralized the state. There was a greater reliance on expanded use of specialized agencies, reliance on third parties for services, and ‘devolution’ of responsibilities to line departments and other organizations.
Two caveats are relevant. First, there have been wide variations in the propensity to agencify with some countries adopting a systemic approach, while others followed a more selective strategy. In New Zealand, arguably the system most disaggregated vertically and horizontally following NPM reform, the results of fragmentation were stark. Apart from the proliferation of public organizations, the Minister for State Services, Trevor Mallard, observed that departments compete against each other to hire the same staff, sometimes to the detriment of the Government overall. Some sectors . . . require major coordination from the centre that soaks up resources. There’s an absence of . . . feedback on whether policies actually work – because the policy advisors work in a department other than the delivery one and the connections between operations and advice aren’t established . . . (In a fragmented system the centre needs to be strong. But – paradoxically . . . the centre has been struggling for definition. (quoted in Boston and Eichbaum 2007, p. 152)

Australia and Canada did not agencify systemically like New Zealand and the United Kingdom, although there was still a flowering of often-small agencies.

Secondly, there were debates about how much power was actually relinquished via the disaggregation movement. Indeed for Anglophone countries the centre of government remained relatively strong (see Richards 2008); but hollowing out did raise questions of capacity, coherence, control and performance.

The partial reversal of the agenciﬁcation trend internationally, was appropriately most apparent in Britain (Talbot and Johnson 2006), where it had originated via the executive agency agenda (Massey and Pyper 2005). The ‘re-aggregation’ prevalent there has not been repeated in other Anglophone systems, such as Australia and Canada, as these had not undertaken such radical agenciﬁcation agenda. Yet somewhat similar movements can be detected that reﬂect a mood to review and tighten oversight through some restructuring and considerable rationalization of public bodies.

New Zealand was always the country with great potential to roll back the multiplicity of specialized agencies organized around the functional principle and it has been standard practice to critique the fragmentation for more than a decade. Yet the changes have been relatively modest, and confined to intra-field level of restructuring, the most notable being the creation of a Ministry of Social Development, which attempt to join disparate parts back up (Gregory 2006; Boston and Eichbaum 2007).

In Australia’s case several agencies were pulled in closer as part of the clarification of corporate governance templates. The most significant was the creation of a Department of Human Services, as a small agency for
strategically directing, coordinating and brokering improvements to the
delivery of services and which incorporated under its umbrella six agen-
cies, including Centrelink, a one-stop shop and multi-purpose delivery
agency that provided services on behalf of several purchasing departments.

An agenda for resurrecting a more comprehensive ministerial department
through absorbing bodies or extending controls was given formal recognition
in Australia through the Uhrig review (2003) into the corporate governance of
statutory authorities and office holders. The post-Uhrig agenda has been for
ministerial departments to have tighter and more direct control over public
agencies. Public bodies were comprehensively mapped by the Department of
Finance and Deregulation, and the ‘dangers imposed by bureaucratic pro-
liferation’ noted with most public servants working for agencies, many with
statutory independence, while departments of state employed a minority of
public employees. The centre was also concerned about opaque governance:
‘if implementation is to be driven hard it is important that there be clarity of
purpose, powers and relationships between Ministers, public servants and
boards’ (Shergold 2004b). Departmentalization therefore was occurring
through absorbing statutory authorities and reclaiming control of agencies
with hybrid boards that did not accord with corporate (and therefore private
sector) governance prescriptions.

Similarly, we find that the centre in New Zealand had moved ‘to create
and grasp more effective levers of control over crown entities that form
part of the broader state services’ (Gregory 2006, p. 153). In response
to confusing arrangements for governance and problematic legislation,
the Crown Entities Act 2004 established a framework for establishing
and operating crown entities, of which there are over 3000, and clarifies
governance including accountability relationships between entities, board
members, ministers and parliament.

Joined up and horizontal approaches have been heralded as being strat-
egies to overcome the silo effect and dissipate the departmental and com-
petitive mentality that resulted from NPM reforms in various Anglophone
countries. This has been well reflected in the emphasis placed on more
collaborative approaches in many countries, especially those that have
moved into post-NPM phases (O’Flynn 2009).

5.2.2 Whole-of-government as a Response to Wicked Problems

Rittel and Webber (1973) first coined the term ‘wicked problems’ to
describe ill-defined, ‘malignant’, ‘vicious’, ‘tricky’, or ‘aggressive’ issues –
that include a range of seemingly intractable public policy problems.
Wicked problems were contrasted with ‘tame problems’ that have clear
missions, outcomes and identifiable and definable solutions (Rittel and
Webber 1973, p. 160). It is well recognized that for many nations the most pressing policy challenges cross organizational (and jurisdictional) boundaries (OECD 2001; Abramson et al. 2006) and they display several characteristics of wicked problems. Several public policy issues have been identified fitting such a description such as indigenous disadvantage, land degradation, obesity, climate change in Australia (APSC 2007a), gangs, family violence in New Zealand (Eppel et al. 2008), homelessness, teenage pregnancy in Britain (Kavanagh and Richards 2001), and more generally crime, immigration, poverty and national security.

As a result of the complex and inter-dependent nature of wicked problems, traditional hierarchical and bureaucratic systems are unable to cope with the informational demands of ambiguity, complexity and uncertainty. Since wicked problems permeate large systems, their solutions require the coordinated efforts of many agencies and departments (Jackson and Stainsby 2000). Accordingly, many governments have identified approaches that centre on more integrated, coordinated or collaborative approaches; in the Australian context, for example, the whole-of-government agenda was strongly wedded to a renewed focus on these complex or ‘wicked’ problems (APSC 2007a).

5.2.3 Whole-of-government as Strategic Enabler

Whole-of-government can be depicted as a new government’s agenda or a new direction in reform. For example, in Australia, whole-of-government emerged from the Howard government’s push for more integrated approaches to more complex strategic policy issues such as national security and defence (Howard 2002, p. 7). Dr Peter Shergold, the then Secretary of the Department of the Prime Minister and Cabinet, championed this cause; articulating the need to break down the departmental silos and mindsets that inhibit holistic thinking and working.

Following a different, yet overlapping, path with the utilization of different terminology, the Rudd government (elected in 2007) continued the message for whole-of-government working, including emphasizing greater cooperation between all levels of government in order to prepare for future challenges (one of the government’s top three policy priorities for ‘new ways of governing’). This connected strongly to the collaborative governance theme which emerged from the 2020 Summit convened by the government in 2008 (O’Flynn 2009). The drive for new collaborative approaches and the development of partnerships with other sectors has been further emphasized in recent times as a means of meeting complex policy problems (Rudd 2009). Prime Minister Rudd proclaimed his aspiration and vision to make the Australian Public Service the best public
service in the world and established the Advisory Group on Reform of the Australian Government Administration to develop a blueprint for reform of the public service (Rudd 2009). In its discussion paper the Advisory Group reinforced the need for the public service to be more collaborative, innovative, risk tolerant and accepting of the failure that can come from experimentation in order to learn and improve. The requirement for a longer-term focus, coupled with increased flexibility and agility are also now on the agenda (AGRAGA 2009). This has re-energized and re-engineered the whole-of-government focus, as several of these elements require whole-of-government commitment and working.

5.2.4 Whole-of-government as Response to External Pressures

External pressures have long been seen as a driver for public sector reform; international competitiveness, for example, has often been linked to NPM reforms. A range of external threats, however, have developed in recent times as primary reform drivers. The global financial crisis being a pertinent example and security issues have emerged over the last decade as critical for most countries.

In Australia, external threat issues of security and terrorism have dominated public policy thinking. The threat of global terrorism and emerging challenges of counter-terrorism, protection of borders and domestic security were depicted by the then head of the public service as having transformed Australian life and identity (DPMC 2003). For New Zealand, the impact of security and international developments were less direct and immediate, but biosecurity issues have been represented as broadly comparable in the sense of seeking to protect a country’s national interests from external threats (Gregory 2006). In response a ‘whole-of-biosecurity’ strategy was developed to handle the increasingly complex, economic and environmental threats and the international obligations that developed in relation to this challenge.

The impact of external threat is felt more directly by agencies concerned with protecting borders and security with a flow on effect to other parts of government, including budgets, and the general of governance. This produces a powerful motivating force for centralization through central coordination, tighter control and the overall integration of governance.

5.3 FORMS OF WHOLE-OF-GOVERNMENT

A diversity of whole-of-government forms have emerged in practice, however it is possible to identify four distinctive dimensions which capture much of this diversity.
5.3.1 Integrating Service Delivery

Integrated Service Delivery (ISD) is the process of bringing, and fitting, together government services in order to provide seamless services to citizens (Kernaghan 2005). Otherwise known as a ‘one stop shop’ or ‘single window’ (Flumian et al. 2007), ISD arrangements aim to ensure one-stop access to services through coordination (sharing of work for mutual benefit), collaboration (coordination with sharing of power) and clustering (cluster similar government services together so citizens can access the services in one place) (Kernaghan 2005).

An early case of a complex ISD was Australia’s Centrelink that was also political salient and budget significant. Centrelink was established in 1997 as a one-stop-shop, multi-purpose delivery agency to deliver services to several purchasing departments, and therefore provides an exemplar of horizontal coordination of service delivery. Essentially, two separate national networks of regional offices for social security and employment were combined. The delivery of services subsequently evolved through several models in the search for integrated service delivery (Halligan 2008).

A recent experiment with ISD is Service Canada, a service delivery model that was designed in response to the fragmentation and disjointed approach previously employed to deliver services to Canadian citizens. Service Canada was developed to address this fragmentation through adopting a citizen-centred approach to service design and delivery and bringing together a wide range of government programmes and services from different jurisdictions to provide citizens with integrated, accessible and seamless services. Announced in 2005, Service Canada employs over 22,000 employees to serve the country’s 32 million citizens (Flumian et al. 2007).

A number of barriers have been highlighted as inhibiting progress with horizontal government in Canada (Service Canada), including the continuing dominance of silo structures within and across departments; and across jurisdictions (Flumian et al. 2007). Kernaghan (2005) highlighted four governance barriers to ISD arrangements: political, structural, operational/managerial and cultural barriers. Political barriers cover issues associated with little public recognition of ministries for engaging in ISD, an emphasis on the vertical dimension of government and lack of direct control exerted by ministers on decision-making, potentially jeopardizing [crucial] political support for ISD initiatives (Flumian et al. 2007). Structural barriers cover inter-jurisdictional tensions and political competitiveness as well as horizontal governance issues (inter-departmentally) and issues associated with lack of dedicated funding and the vertical nature of the budgetary process. Operational and managerial barriers
incorporate [lack of] inter-operability (of technological, pay, reward and recognition systems that work against horizontal working); and public anxiety about privacy and security in general, and government databases and the security of electronic transactions in particular, can seriously inhibit information sharing across departments. Finally, cultural barriers include an emphasis on the vertical dimension of government; and support of departmental, rather than inter-departmental and inter-governmental, initiatives, that works against horizontal working (Kernaghan 2005; Flumian et al. 2007).

Structural reforms of government organization involving functional boundaries can still leave public officials with the problem of how to bridge vertical separation and horizontal divisions. There were issues with Centrelink related to the separation of policy formation and implementation and how best to constitute a multi-purpose service delivery agency. In essence, a horizontal question (inter-agency failures in collaboration) was converted into a vertical question (defining the relationship in terms of purchaser and provider). On the vertical dimension, the limitations of basic purchaser–provider as the means for handling relationships were apparent. The advantages of the horizontal integration of welfare delivery can often be realized more effectively through partnerships and alliances for delivering services for a range of clients (Halligan 2007a).

The position of Centrelink later changed under an integrated governance agenda. The impact of integrated governance on Centrelink was comprehensive. Centrelink came under a new parent department, the Department of Human Services, created within the Finance portfolio with responsibility for six delivery agencies that operated under direct ministerial control and one advisory board. The rationale was to improve the delivery of services within a whole-of-government approach by strengthening the vertical dimension (ministerial and departmental control) and horizontal dimension (delivery network across agencies within the portfolio) (Halligan 2008).

5.3.2 Whole-of-government as Coordination and Collaboration

Horizontal government approaches have developed in the last decade in public sector practice in order to promote inter-agency collaboration and cooperation in the pursuit of government policy goals (Bogdanor 2005). These approaches reflect both traditional coordination and new forms of organizing, structuring, and coordinating that seek to connect distinct parts of the public sector. In Anglophone countries, such approaches represent an important break with conventional notions of public sector
organizing, and a response to dealing with complex public policy problems and operating in complex environments.

5.3.2.1 Whole-of-government as coordination

Coordination has been a perennial consideration in system design, but now features more prominently in reform agendas (Peters 2006; Verhoest and Bouckaert 2005; Bouckaert et al. 2010), and particularly where movement away from disaggregation is pronounced and governments are seeking to reassert central direction in order to improve performance. The new significance of coordination reflects in part a rebalancing following 1990s NPM (Halligan 2006, 2007b). Much of the coordination has a traditional character, but it also seems to have acquired new characteristics and emphases, one being collaboration.

Australia came late to new wave coordination with its emphasis on horizontal and whole-of-government. Earlier experiments had occurred at the federal level – and traditional coordination still existed – but they were not well articulated and strongly supported. The federal government’s connecting government agenda was ambitious with high-level commitment to a multi-layered approach that included cultural change, and was encapsulated within a broader reform programme of integrated governance.

Australian coordination in the 2000s took three overlapping forms: traditional, experimentation with new modes of coordination (variations on joined-up and horizontal government) and integrated governance. The boundaries are not always clear, and the official characterizations not necessarily helpful. Take for example the term ‘whole-of-government’, which is used by officials for a range of cross-service and inter-departmental activity, the emphasis partly depending on where the observer is located.

A traditional conception of coordination is ‘a process in which two or more parties take one another into account for the purpose of bringing together their decisions and/or activities into harmonious or reciprocal relation’ (Kernaghan and Siegel 1987, p. 263). Coordination may be represented as ‘remedial activity’, implying a more retrospective focus, reacting to disasters and responding to communications problems. It would be an overstatement to depict traditional approaches as retrospective and their contemporary counterparts as prospective, except the emphasis has moved more to the prospective. Another definition addresses procedural and policy/functional coordination centred on central agencies (Painter 1987). The archetypal mechanisms of traditional coordination were the interdepartmental committee and central agency coordination through control of financial and personnel transactions.

Coordination and integration can be differentiated, but as distinctive elements (Verhoest and Bouckaert 2005). Or they can be regarded as
clusters of activities on a spectrum in which coordination refers to fairly rudimentary activities that range from ‘taking into account’ to dialogue and joint planning, but stopping short of implementation; and integration refers to implementation through structures that range from joint working (defined as temporary collaboration) through alliances to unions (6 2005, pp. 48–50).

5.3.2.2 Whole-of-government as collaboration

Much of the rhetoric related to horizontal government has contained a strong flavour of collaboration. Indeed, some of the broader consultant-driven material talks of the collaborative imperative, or the need for perpetual collaboration between government agencies, and beyond (Cortada et al. 2008). Of course collaboration itself is as fuzzy a concept as horizontal government and the marriage of collaboration with these approaches has emerged in a post-NPM world (see O’Flynn 2009). One of the unanswered questions which comes from the linking of collaboration with more joined-up, horizontal forms of governing is whether these are a form of collaboration (that is, they represent examples of collaboration), or whether collaboration is required to operationalize these forms of governing (that is, collaboration is the enabler of whole-of-government).

Part of the explanation for the coupling comes from a series of pressures which have prompted a collaborative solution. The emergence of cross-cutting and/or ‘wicked’ problems (Huxham et al. 2000; APSC 2007a), and the ever-dwindling resources of public sector organizations in an era of increasing demands from both government and citizens take us down a path where collaboration appears as a panacea (Lowndes and Skelcher 1998; Economist Intelligence Unit 2007). We can further understand this when we consider the purported benefits of collaboration. It has been argued that collaboration has increased in attractiveness because it may (a) encourage trust and reduce conflict; (b) unlock distinctive competencies in other sectors; and (c) deliver a transformational approach to improvement in public services (Entwistle and Martin 2005). Collaboration has emerged as both a ‘holy grail’ of setting in train a strong international agenda in collaborative governance, and also as an approach of last resort – when all else fails, collaborate (Bryson et al. 2006). It has also emerged as a means of reconnecting, or reintegration in fractured and fragmented domains. Such ideas have been linked to the notion of collaborative public management which blends collaboration with inter-organizational, cross-agency operations. Collaborative public management is ‘the process of facilitating and operating in multi-organizational arrangements in order to remedy problems that cannot be solved – or solved easily – by single organization’ (McGuire 2006, p. 3).
A variety of definitions exist for collaboration, with a general definition including: A mutually beneficial and well-defined relationship entered into by two or more organizations to achieve common goals. The relationship includes: a commitment to mutual relationships and goals; a jointly developed structure and shared responsibility; mutual authority and accountability for success; and sharing of resources and rewards. (Mattessich and Monsey 1992, p. 39)

This differs considerably from other forms of working together, namely cooperation and coordination. Any of these three could rightly define the nature of horizontal, joined-up or whole-of-government approaches. Thus, ‘cooperation’ is a relatively informal relationship without a common mission or structure. Information is shared between parties and authority is retained by each of the organizations involved. Resources remain separate, and risk is relatively low (Mattessich and Monsey 1992, p. 39). ‘Coordination’ involves higher levels of formality and mutually compatible missions, although not joint ones. The parties here focus on planning together, clearly dividing tasks and roles, and opening formal communication channels. Parties retain authority, but resources are more likely to be shared between parties, albeit not to the extent of a more fully developed collaboration. Accordingly, risk levels increase (Mattessich and Monsey 1992, p. 39). These approaches differ from a more durable and pervasive collaborative relationship where separate organizations are brought together to create new structures with a common mission: joint planning, formally defined communication challenges across various levels, and higher risk are all features of a collaboration. Authority is now shared in a collaborative structure, and resources are pooled or jointly secured.

Another similar continuum is set out by Himmelman (2002) who moves from networking, through to coordinating, cooperating and collaborating. A movement between these developmental stages signals higher levels of trust, greater investment of time, and more significant concessions over turf. According to Himmelman (2002), collaboration is a situation where the parties have developed a willingness to enhance each other’s capacity, where there is mutual benefit and common purpose, where risks, responsibilities and rewards are shared, where trust is high, time commitment large and turf is shared.

Once we set about defining collaboration it is hard to reconcile this with what gets called collaboration in the whole-of-government reality. In fact, it is much more likely that we see extensive use of networking, cooperation and coordination (O’Flynn 2008, 2009). Much of the current ‘talk’ about collaboration is just that – talk.

In the Australian context much of the collaboration imperative emanated from the Department of the Prime Minister and Cabinet where
a more joined-up or whole-of-government agenda emerged. The collaborative manifesto was embodied in the *Connecting Government* report released by the Management Advisory Committee (MAC) in 2004. This was followed in 2007 by the *Tackling Wicked Problems* report released by the Australian Public Service Commission (APSC). Interestingly, neither of these collaboration-rich documents defines what is meant by collaboration. This collaborative push underpinned major experiments with the uniquely Australian approach which became known as ‘whole-of-government’, formally referring to working across portfolios, but more practically concerned with working across agencies in some form of inter-organizational collaboration.

A change of government in 2007 did nothing to temper the collaborative agenda; indeed the election of the Labor government spurred a major inter-governmental agenda of ‘collaborative governance’. The extensive agenda emerging under the Council of Australian Governments (COAG) is a perfect example – from health care reform, to early childhood education, to elective surgery management, to vocational education and training, all cutting across federal government agencies and across jurisdictions (COAG 2009).

Those that study collaboration extensively warn against the adoption of collaboration as a one-size-fits-all approach: ‘Collaboration is not a panacea for tackling all organizational activities. Most of what organizations strive to achieve is, and should be, done alone’ (Huxham 1996, p. 3). Similar arguments are put forward by Bryson et al. (2006), Hardy and Phillips (1998) and Lundin (2007) who makes the point that collaboration best suits complex rather than simple tasks.

In our work on whole-of-government experiments in Australia (see endnote 1), it is not unusual to see collaboration fatigue – a situation where organizations attempt more collaborative approaches, yet realize few of the purported benefits. Partly this can be explained by a failure to actually collaborate in the pure sense (that is, Mattessich and Monsey 1992) and partly by a poor matching of task to approach generating high collaboration costs, but little collaborative advantage.

### 5.3.3 Whole-of-government as Integrating and Rebalancing Governance

Much of the 2000s reform agenda involved integrated governance (Halligan 2007b). Whereas the forms discussed above typically arise with regard to addressing specific problems, in this case the agenda relates more to addressing systemic weaknesses, and in particular the rebalancing of administrative machinery. This is multi-faceted and the dimensions involving coordination and integration are not necessarily congruent.
They range from centrally driven policy and implementation processes to attempts to make horizontal interaction a routine part of agency management. This move to integrate was common across Anglo-Saxon countries although, predictably contextual factors played a significant part in how this was applied.

In Britain coordination and integration dimensions were apparent under Blair for a decade, and ‘reconstituted Westminster’ had been recognized (Bogdanor 2005; Richards and Smith 2006). The working through of the tensions between political control (or variants of the Westminster model) and administrative autonomy (variants of new public management) had demonstrated the dynamic interplay between contradictory reforms. One analysis saw a tendency for Anglo-Saxon systems to move from a Westminster model to a new public management model, but a more recent development (termed Westminster Model 2) saw the attempts to re-impose traditional mechanisms of control onto new public management systems of delivery (Richards and Smith 2006, p. 298). These features covered in particular political authority in the centre and re-imposition of central control using direct political control as well as regulation and targets (Richards 2008).

In New Zealand, system rebalancing and renewing public management outcomes became central. Several themes emerged in the 2000s covering capability, outcomes, integration and central agency roles within a philosophy supportive of the public sector. The Minister of State Services observed that ‘the centre had been struggling for definition in the last ten years or so . . . the SSC [State Services Commission] is still facing up to the nature of its role and DPMC [Department of the Prime Minister and Cabinet] is working full-time with the coordination problems that come from a fragmented State sector’ (quoted in Boston and Eichbaum 2007, p. 152).

Having failed to implement the Schick report (1996), New Zealand confronted the limitations of its model with the Review of the Centre (MAG 2002), which examined the public management system and its responsiveness to ministers and citizens. The report reflected standard views about the model’s deficiencies (Boston et al. 1996; Scott 2001; State Services Commission 1998), concluding that the public management system provided a foundation to work from, but that significant shifts in emphasis were needed. Specific issues requiring attention were the products of fragmentation under an agency system: the need for integrating service delivery, cross-agency coordination, improvements to public service culture, and the need to augment central agency responsibilities.

As part of the reform agenda, there was rationalizing and refining of systemic elements to align them with government goals; measures to
readdress organizational fragmentation and coordination gaps; and vertical relationships were augmented by considerations about horizontal integration. The State Services Commissioner’s powers were expanded to encompass the state sector with broader responsibilities for developing capability and providing leadership. This action was designed to enhance the effectiveness of the SSC within an expanded role in the state services.

A subsequent inquiry was undertaken on the core central agencies (Department of the Prime Minister and Cabinet, State Services Commission and Treasury) and their role in managing state sector performance. Under the devolved system of public management, individual agencies were responsible for performance, but across the public sector performance was uneven and in some cases below acceptable standards. Central agencies were seen as having roles in aligning agencies and government goals, and leading on and ensuring high performance in the state sector, but their focus was insufficiently developed on a whole-of-government basis, and there was a lack of an integrated approach (Central Agencies Review 2006).

For Australia, the emergent model in the 2000s had several dimensions, which reflected several themes: implementation, coherence and whole-of-government; and performance and responsiveness to government policy. The four dimensions were designed to draw together fundamental aspects of governance: resurrection of the central agency as a major actor with more direct influence over departments; whole-of-government as the new expression of a horizontal form of coordination; central monitoring of implementation and delivery; and rationalization of the non-departmental sector. A centralizing trend within the federal system has also been apparent within specific policy sectors, which has become comprehensive (Moran 2008). In combination these provide the basis for integrated governance (Halligan 2006).

These trends shifted the focus to some extent from the vertical towards the horizontal by emphasizing cross-agency programmes and collaborative relationships as well as the individual agency. At the same time, vertical relationships receive reinforcement. The whole-of-government agenda also had a centralizing element, insofar as central agencies were driving policy directions systemically and across agencies. The result has been the tempering of devolution through strategic steering and management from the centre and a rebalancing of the positions of centre and line agencies.

There was also underlying elements of political control: improved financial information on a programme basis for ministers; strategic coordination under the Cabinet; controlling major policy agendas; organizational integration through abolition of bodies; and monitoring implementation of government policy down to the delivery level. The overall result
provided greater potential for policy and programme control and integration using the conventional machinery of government – the Cabinet, central agencies and departments – as well as new mechanisms.

5.3.3.1 Dimensions of integrated governance

The tendencies across Australia and New Zealand have been strong with regard to a spectrum of relationships, which amongst other things have included a rebalancing of centre and line agencies. The reassertion of the centre has been a significant element as central agency weaknesses were addressed by giving them greater capacity for leadership and direction.

Diminished central agencies – the Department of Finance and Deregulation and the NZ State Services Commission, and to a lesser extent, the Australian Public Service Commission – have been reconstituted with stronger roles. Prime minister departments have also been enhanced, particularly in Australia. The overriding trend for over a decade – to devolve responsibilities to agencies – remains a feature of the two systems (Australian and New Zealand), but they have been modified through horizontal management, and a more prominent role for central agencies in espousing and enforcing principles, monitoring performance and providing guidance. In terms of monitoring performance and values, a counter to the devolved environment is to seek greater public accountability through the legislative requirement of an annual report by the Australian Public Service Commissioner on the state of the public service. The Commission has extended evaluation to include surveying employees and agencies, and to scrutinizing more closely the institutionalization of values in public service organizations as part of the greater focus on evaluation and quality assurance.

Unlike the domination of New Zealand’s Treasury in the first generation of reform, the State Services Commission began to articulate perspectives on public management towards the end of the second generation (for example the roles of building expectations and promoting outcome evaluation: (SSC 1999)). It then acquired broader responsibilities from central agency strengthening (MAG 2002). Coordination and leadership appears to be operating jointly with the two central agencies of the State Services Commission and Treasury.

The State Services Commission has its new systemic focus across the state services and a wider role for the State Services Commissioner in enabling whole-of-government and central agency analysis of services. The development goals are reported as focusing on performance goals and monitoring across. There is a concern with unifying the state services ‘in essence, this is an opportunity to consider how the operation of the whole can be greater than the sum of its parts’. This legislation establishes a
framework to encourage coherence, to improve overall performance, and to strengthen integration (Prebble 2005, 2006).

5.3.4 Whole-of-government as Culture Change

A multitude of definitions exist for organizational culture (Hoogervorst et al. 2004). It has been depicted as the social glue that holds the organization together (van den Berg and Wilderom 2004); an organizational control mechanism (Ott 1989); the set of important understandings (often unstated) that members of a community share in common (Sathe 1983); and ‘the way we do things around here’ (Deal and Kennedy 1983). Most notably, it has been depicted as a multi-layered phenomenon consisting of observable and (mostly) invisible elements (Lundberg 1990).

Organizational culture is an important factor in understanding organizational behaviour as it is a powerful, latent, and often unconscious set of forces that determine individual and collective behaviour, ways of perceiving, thought patterns and values (Schein 1999). It has been claimed that culture has strong linkages with organizational performance, effectiveness, employee commitment, knowledge management and transfer; and innovation (Denison 1990; Denison and Mishra 1995; Ahmed 1998; Rashid et al. 2003; Lai and Lee 2007). Organizational culture can support or frustrate organizational goals and strategies (Hoogervorst et al. 2004; Schneider 1995). Finally, organizational culture has an important role in organizational change efforts, as it can be a massive stumbling block inhibiting efforts to change strategic direction and adapt to a changing environment (Wilkins 1984; Frost and Gillespie 1998; Ott 1989; Rashid et al. 2004).

Upper echelon leaders are believed to be the primary influence on the creation and development of organizational culture (Giberson et al. 2009). Leaders create mechanisms for cultural development and the reinforcement of norms and behaviours expressed within the boundaries of the culture. Cultural norms arise and change because of what leaders focus their attention on, how they react to crises, criteria used to allocate rewards, the behaviours they role model, whom they attract to their organizations and criteria used for personnel decisions (Bass and Avolio 1993). In addition, Hofstede and colleagues (1990) concluded that the values of founders and key leaders undoubtedly shape organizational cultures through instilling their values in shared practices throughout the organization (Hofstede et al. 1990). Employees learn from their own experience as to what the organization values for promotions and salary increases as well as what the organization punishes. Rewards and control systems reinforce behaviour that is deemed pivotal to success in the organization (Wilson 2001).
Developing a supportive culture that encourages interaction across institutional boundaries, values a diversity of views and perspectives, and innovation has been highlighted as a significant challenge for horizontal approaches (MAC 2004). The horizontal management literature emphasizes the importance of shared beliefs, common worldviews and mutual trust in the development of inter-organizational collaboration (Bakvis and Juillet 2004b), as well as the importance of overcoming cultural differences between departments for the success of such collaborative efforts (Audit Commission 2005). However, research conducted in Canada and the UK suggests that organizational culture is not seen as being conducive to extensive interdepartmental coordination (Bakvis and Juillet 2004a, 2004b). Bakvis (2002) proposed that an organizational culture that emphasizes the unique values of the department and a risk-averse departmental culture with an emphasis on minimizing errors are factors that inhibit horizontality. Consequently, it has been stated that a cultural change is required in the public sector in order to fulfil the goals of whole-of-government initiatives (Christensen and Laegreid 2007). This cultural transformation is required to shift the ‘siloed’ focus of public sector agencies to a more integrated and external focus (Barrett 2001). In addition, cultural differences between departments must also be overcome if partnerships are to succeed (Audit Commission 2005).

The importance of whole-of-government mindsets and ways of working was emphasized in the Australian Management Advisory Committee’s (MAC) Connecting Government in 2004, where it was claimed that the APS should be striving to create a ‘culture of collaboration’ that aids informal sharing of research, experience and expertise in addressing intractable problems (MAC 2004). One of the key challenges for whole-of-government was identified as being the need to develop a supportive culture that includes readiness to think and act across agency boundaries; effective teamwork; organizational flexibility; openness to innovation and creativity; the ability to capitalize on windows of opportunity, tolerate mistakes and manage risk; the capacity to build strategic alliances, collaboration and trust; adaptability to changing circumstances; persistence; encouragement of the expression of diverse views, and awareness of different cultures and appreciation of their strengths; a capacity to balance the tension between short-term and long-term goals; and effective knowledge management (MAC 2004). Moreover, one of the means through which this could be attained was through incentives and rewards that encourage such behaviours. This is particularly challenging in an environment that places emphasis on vertical relationships and reporting arrangements (MAC 2004).

Several publications have emphasized the need for a collegiate, outward
looking and consultative culture across the APS and a strong bias to collaboration, partnerships and networks (MAC 2005). Work has been conducted to try and encourage a ‘One APS’ mindset, where all APS employees identify with the APS as their employer (as opposed to their agency) and thus encourage greater collaboration and holistic thinking across the Service. A MAC publication, Senior Executive Service of the Australian Public Service: One APS and One SES, emphasized the role of the senior leadership group (SES) in the APS in fostering a supportive culture and facilitating and encouraging this mindset. This has been seen as a critical element in the ability of APS employees to adopt a broader identity, appreciate the broader context of their employment and show real commitment to genuine collaboration and joint outcomes that deliver sustainable solutions (MAC 2005).

This engagement by the leadership cadre of the APS was championed by Dr Peter Shergold, who emphasized the need for APS leaders to embark on a cultural change effort to change the underlying attitudes and values of employees, vehemently pushing for a culture that consists of greater communication, cooperation, collaboration and collegiality; as well as flexibility (Shergold 2004b, 2004c, 2007). In order for this to occur, Shergold engaged with SES from across the Service, meeting regularly at Secretaries’ and senior management forums; and emphasized the importance of good and strong leadership, clear directions from the top, empowering employees and clearly articulating and setting out expectations (Shergold 2005c). Underpinning this approach was a belief that the whole of the APS is greater than the sum of its parts and that this requires the disintegration of departmental silos; and incidences of territorialism and turf protection (Shergold 2004b, 2004c, 2005b).

Despite the effort that has gone into engaging in a cultural change effort that embraces whole-of-government ways of thinking and operating, practitioner reports indicate that a cultural change has not been effective or realized. The initiative had high-level support and endorsement, but many systems and processes in departments and agencies have not followed the rhetoric. In the State of the Service Report 2008–09, only 35 per cent of Senior Executive Service and Executive Level employees considered their agency’s performance management system adequately recognized whole-of-government work (APSC 2009). In addition, a small percentage (39 per cent) of SES employees stated they definitely saw themselves as a part of a broader APS leadership cadre; with reasons for lack of identification with the APS including agency-focused performance assessment and agency or service-wide cultural issues that promote an inward focus. In addition, over half of SES level (51 per cent) and APS level respondents (57 per cent), and almost two-thirds of Executive Level
employees (63 per cent) identified as primarily employees of their agency (APSC 2009).

Similarly, research has found that whole-of-government working is not necessarily encouraged or rewarded: there is little systemic incentive to engage in whole-of-government behaviours. There appears to be a lack of incentives for collaborative behaviour and mobility across the APS, a factor of which is critical for employees to think holistically and laterally. This is further reinforced by *State of the Service Report 2008–09* findings that a large proportion of SES (45.4 per cent), EL (68.4 per cent) and APS (87.3 per cent) level employees have only worked in one agency (APSC 2009). Since behaviour that is rewarded reflects the values of an organization (Martins and Terblanche 2003), it would be expected that, if a cultural change has occurred and whole-of-government behaviours are valued, the prevalence of incentives for collaborating, sharing information and so forth, would be entrenched in the day-to-day working of public servants.

Moreover, there is recent recognition that the APS values do not highlight some of the principles and ideals employees in a modern public service should be working toward, such as the need to work collaboratively to achieve cross-portfolio outcomes (AGRAGA 2009). Given these values are supposed to govern and underpin the day-to-day modus operandi of APS employees, this potentially has a strong influence on the consequent behaviours and willingness to engage in, and commit to, whole-of-government approaches.

5.4 DIRECTIONS FOR WHOLE-OF-GOVERNMENT

The several strands of whole-of-government have evolved over time, but their momentum has waxed and waned in different countries. Like other reform agendas, whole-of-government is subject to a cycle of interest and commitment. Take the ambitious Australian whole-of-government agenda, which operated within a broader and compatible framework of integrating governance and received sustained political and bureaucratic drive and support at the highest level. Despite these propitious conditions, the official view acknowledged some successes, but ‘the overall implementation of the Connecting Government report has been disappointing and the report does not appear to have had a fundamental impact on the approach that the APS takes to its work’ (APSC 2007b, p. 247).

Whole-of-government appears to have peaked in terms of being a concerted agenda, but horizontal approaches continue to be widely used and is salient in recent reform documents and statements (for example AGRAGA 2009).
It is appropriate to note that much of what is subsumed here under whole-of-government is an integral part of governance at the centre particularly the modes of coordination across the public sector. The mainstreaming of the newer expressions of whole-of-government is apparent across Anglophone countries. Collaboration has become the signature term for many purposes.

Increasingly the emphasis has moved to external engagement. The imperative to join public services up and to focus on citizens’ outcome preferences for delivery remains strong in government agenda. The second-generation expressions of whole-of-government are making this connection more systematically, such as the role of community engagement in integrated service delivery (Massey and Pyper 2005; Kernaghan 2009).

A range of tensions and dysfunctional by-products have arisen. Joined-up government may have greater relevance outside the centre than in a context where ‘it would have taken a significant change in high political culture for an administratively-based initiative such as “joined-up government” to have a major and lasting impact’ (Burnham and Pyper 2008, p. 87). Reforms involving functional and horizontal boundaries do not necessarily deal with the potential divisions between organizations. Horizontal solutions (the failure of inter-departmental collaboration) may not address vertical questions around relationships.

Horizontal management and whole-of-government raise significant issues in organization design and behavioural challenges. The obstacles to inculcating cultural change, however, remain substantial. The imperative of the functional principle and the rigidity of organizational boundaries still loom prominently in all countries (Howard and Phillips 2009). The overall commitment to horizontal and integrated governance remains distinctive and firm.

NOTES

1. A research project at the University of Canberra is investigating the results of a whole-of-government agenda: http://www.canberra.edu.au/arc-wholegov/
2. The coverage does not extend to public-private partnerships about which there is an extensive literature.
3. Six agencies deliver services and payments that account for over $90 billion and also include the Child Support Agency, Health Services Australia and Medicare Australia.
4. Organizational culture frequently refers to, and reflects, the dynamic interplay of various subcultures within an organization. These subcultures are formed according to groups of individuals that have frequent contact with one another and have enough common experience (Schein 1999).
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