

**Balancing Formal and Informal Processes in
Multisectoral Network Transition Management**

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ABSTRACT

Public networks are purported to be more organizationally flexible than hierarchically structured bureaucracies, thereby seemingly offering such benefits as more efficient use of public resources and more effective delivery of services. However, network change and transition remains under-examined in public management, especially relative to more extensive studies in the private sector. In particular, little theoretical or empirical published work focuses on whether and how network coordination approaches are related to the balance of formal and informal processes that influence network development. Researchers have identified how some types of network ties change over time (Isset and Provan 2005; Provan, Milward, and Issett 2002). However, little is known empirically about the relationship between different management approaches and network change and transition. Better understanding network change is important to researchers, policymakers and practitioners because the increased prevalence of dynamic networks in public service challenges traditional conceptions of managerial control, service delivery, and accountability. This article contributes to network management scholarship by offering an empirically-based theoretical framework that extends extant research by conceptualizing how three different sector-based network coordination strategies influence the formal and informal processes associated with network change. The analysis is based on a quasi-natural experiment of three workforce development networks operating between 1996 and 2002 in Boston.

Introduction

On the one hand, multisectoral networks of public, nonprofit, and for-profit organizations are purported to be more organizationally flexible than government bureaucracies. It is this potential for adaptability that is said to contribute to more efficient use of public resources and more effective delivery of services than a single government agency. On the other hand, because publicly-supported networks are often characterized as being coordinated more through informal processes rather than the formal procedures of a governmental hierarchy, networks present a dilemma for public managers who must balance formal requirements for accountability with the informal processes of network coordination. Despite the presumed advantages of network flexibility over bureaucratic rigidity, network change and transition remain under-examined in public management, especially relative to more extensive studies in the private sector. In particular, little empirical or theoretical published work focuses on whether and how informal or formal coordination approaches by managers are related to the transition of network activities.

Researchers have found that public network structures change over time (Provan, Milward and Isett 2002) and that both formal and informal dyadic ties persist over time in public networks (Isett and Provan 2005). However, researchers have not yet accounted for how different formal or informal management approaches explicitly relate to network change and transition. Indeed, few empirical studies specifically examine how networks may be controlled (Kenis and Provan 2006), whether there are different network governance approaches (Provan and Kenis 2007), how sector-based differences relate to network coordination (Herranz 2007), and far fewer consider the temporal dynamic of networks (Isett and Provan 2005). As a result, there is scant empirical research about whether formal or informal network management strategies have any connection to changing network behavior. While there are studies of network change in the

private sector, there is evidence that there are important differences between public and private networks (Isett and Provan 2005) and among public, nonprofit, and for-profit sector-based networks (Herranz 2007). These findings suggest that more research is needed to better understand whether different formal and informal public network coordination approaches are associated with different network change outcomes.

Better understanding the dynamics of network change is important to researchers, policymakers and practitioners because the increased prevalence of networks in public service challenges traditional bureaucratic conceptions of managerial control, service delivery, and accountability. Without such insights, public decision-makers and network managers do not have sufficient knowledge to fully consider whether networks are appropriate alternative organizing structures for meeting public policy expectations for service efficiency, effectiveness, or equity.

This article makes several contributions to network management scholarship. It provides an empirically-based theoretical argument proposing a set of formal and informal managerial processes related to multisectoral network change. In this article, a multisectoral network is defined as a set of governmental, nonprofit, and for-profit organizations that are engaged in inter-organizational activities funded by government. By this definition, a publicly-funded multisectoral network does not refer to a voluntary association of organizations with exclusively informal ties. Instead, a publicly-funded multisectoral network presumes a minimum threshold of formalization resulting from the inter-organizational distribution of government resources. It is this minimum level of formalization that provides leverage for a public manager to coordinate network behavior. At the same time, this article examines the extent that network coordination approaches emphasize lower to higher levels of formalization; as well as lower to higher levels

of informal coordination. Specifically, this study explores how different network coordination approaches balance the range of formal and informal processes, and how these related to network development. In doing so, this article focuses on the relationship between network coordination and network change, and does not analyze the specific performance outcomes of such relationships.

Specifically, this article proposes a framework for identifying the network change process in relation to a range of formal and informal network coordination strategies. This article aims to contribute to a more dynamic theoretical understanding of public networks in general, and multisectoral networks in particular, by looking at the recursive interplay of network development, on the one hand, and formal to informal sector-based network coordination approaches, on the other hand. More precisely, it investigates the relationship between sector-based network coordination approaches and the network development processes of inter-organizational negotiation, commitment, and execution. This study focuses on changes in the *process* of network interactions, rather than on changes in the structure of network ties. Emphasizing changing processes enables a view onto a set of operational mechanisms that are subject to managerial action.

This article proceeds in three parts. First, the theoretical rationale for the study is presented, providing an organizing framework that connects extant research on network change with research on network coordinating strategies. Building from this theoretical review, the second part of the article presents the study's research subjects and methodology. This section introduces three illustrative cases of sector-based networks that are analyzed—as a quasi-natural

experiment between 1996 and 2002—to provide an empirical grounding to the theoretical argument that sector-based network coordinating approaches relate to different paths of network change. These three networks are presented as highly-stylized Weberian “idealized” cases of sector-based network archetypes in order to sharpen the conceptual argument being made. In this same section, previous theoretical literature is used to derive sets of indicators for analyzing how three distinct network coordination approaches differentially balance the formal and informal processes of network change. The third part of this article provides an analysis and discussion of the case data that examines the balance of formal and informal processes among each of the network coordination approaches. This final section concludes with some consideration for the limitations of the study as well as for the study’s implications to network research and management.

Theoretical Rationale

An important feature of networks is their potential for more flexibility in allocating resources and providing services (Agranoff and McGuire 2001, 2003; Bardach 1998; Goldsmith and Eggers 2004; Kickert, Klijn, and Koppenjan 1997; Milward and Provan 2000; O’Toole 1997). However, despite increased research attention in recent years to networks, theoretical understanding of network change remains a continuing challenge for researchers. To date, research on network change remains underdeveloped (Goessling et. al., 2007; Knoblen, et. al., 2006; Isset and Provan, 2005). Van Nuenen (2007, 46) observes that “the scientific discourse concerning organizational forms in general and inter-organizational networks in particular has been dominated for a considerable period of time by static analyses.” Powell et. al. (2005, 1133-1134) note that “while some progress has been made analyzing the dynamics of dyads, little attention has been given to the evolution of entire networks.” They go on to argue (Powell et. al., 2005, 1134) that the

“linkage between network dynamics and the evolving structure of fields needs to be made in order to make progress in explaining how the behavior of actors or organizations of one kind influence the actions of organizations of another kind.”¹ That is, what is needed is more information about the connection between how networks change and what processes influence those changes.

Even as there has been little research on whether and how networks change over time, there has been even less addressing the processes of change. Most network change research has over-emphasized the structural elements of network change such as dyadic ties and network density. According to paper reviewing the literature on changes in inter-organizational network structures by Knoblen et al (2006, page 14), “the processes through which critical events trigger radical changes in network structure are largely a black box.” Missing from network research has been attention to what processes and conditions may shape the parameters and possibilities for change in network flows of information, resources, and services. Insufficient understanding of network change is especially problematic for managers. Sydow (2004, 202) suggests that

few network theories seem to be well equipped to describe and analyze the development of networks over time, i.e. network dynamics. This is highly problematic, as forming, organizing, managing, and terminating interfirm networks is a task that takes place in time (and space) and consumes many resources – including time. The lack of dynamic theories is one reason why much network research to date remains of little relevance to the practice of network management.

In their literature review on research about public network change, Saz-Carranza and Vernis (2006, 425) note that “research on inter-organizational networks, partnerships, and alliances in general, and in the public sector in particular, has overlooked process and management, dwarfed by investigations on the rationale for and formation of these networks.” Similarly, Oerlemans,

Gossing and Jansen. (2007, 4) write that “research addressing the qualitative aspects of relations in organization networks is however significantly lacking.” Kim, et. al. (2006) suggest that previous research neglects process of network change in favor of emphasizing beneficial content effects of networks. Kim, et. al. (2006, 704) argue that because theoretical arguments derive from organizational theories with an adaptation perspective, such as transaction cost economics, resource dependency theory, and neoinstitutionalism, that

scholars have paid insufficient attention to processes that constrain network transformation. Instead, they have implicitly adopted an adaptation perspective on interorganizational networks and have assumed that networks are flexible enough to be created and dissolved easily as a result of comparing returns to organizational performance with current and new partners.

Clearly, public management scholarship is in need of some attempt to examine whether and how the processes of managerial intervention influence network change. Yet most of what we know about how networks change is based on studies of private firms and network structure.

Gulati (1995), Larson (1992), and Uzzi (1995) found that repeated interactions between firms contributed to a shift from formal ties to less formalized ties. These studies established a familiarity breeds trust theory that emphasized how market-based arms-length transactions reflected in formal contracts eventually evolve into less formalized socially-embedded economic agreements due to increased trust built-up over time through many exchanges. Other studies by Gulati (1995) and Powell et. al. (1996) provided evidence that once network relations are established, experience with networking, mutual learning, and diversity of ties stimulates the formation of further networking relationships.

In contrast to network evolution in the private sector, Isett and Provan (2005) found that public/nonprofit networks evolved differently than commercial networks due to their unique operating environment. Indeed, only recently has research emerged studying changes in public and nonprofit network structures and partnership evolution (Huang and Provan 2007; Isett and Provan 2005; Provan, Isett, Milward 2004; Provan, Milward, and Isett 2002).² To date, research on the change in public and nonprofit networks has focused on changes in the mix of formal and informal organizational dyadic ties that constitute a network's structure (Isett and Provan 2005).

Isett and Provan (2005) examined dyadic ties (i.e., relationships between two organizations) among nonprofits in a mental health network formed in 1996 and how those dyadic relationships changed four years later in 2000. Their study focused on the stability in dyadic structures as the network evolves over time. Unlike the overall tendency of commercial ties to evolve towards less formalized ties, Isett and Provan (2005) found that repeated relationships in a public and nonprofit sector network did not become less formal over time. Instead, Isett and Provan (2005) found that repeated relationships in a public/nonprofit network led to multiple and stronger ties between organizations. According to Isett and Provan (2005), the evolution of a public and nonprofit sector network reflects a tendency towards organizational stability for several reasons. First, public and nonprofit missions are generally so expansive that they require such organizations to coordinate or buy additional or complementary services from other organizations. Second, governmental contracts generally require formal procedural relationships with nonprofits. Third, Isett and Provan (2005) suggest that formal contracts have fewer transaction costs in networks than in markets because networks exist to enable interactions among many organizations while markets tend to emphasize dyadic relations between firms.

Overall, Isett and Provan (2005, p 162) argue that public/nonprofit networks are more likely to also have informal ties exist side by side with formal ties than in business networks. Isett and Provan (2005) initiated an important stream of research into public/nonprofit network evolution by showing that dyadic ties in a public/nonprofit evolve differently than in a business network. However, their study did not examine the relationship between an explicit management approach and network evolution. According to Isett and Provan (2005, 163), in their study the “specific transformation process is unexamined...it is not possible to tell exactly how a relationship moves to lesser (or greater) formality or to enhanced multiplexity.” What remains under-examined is explicit research attention to what processes are associated with changing public network relationships, which is the aim of this article.

Isett and Provan’s (2005) finding that dyadic tie changes in public networks are somewhat different than dyadic tie changes in private firm networks suggests that networks may behave differently based on whether the network is in the private sector or in the public and nonprofit sector. Other recent research argues that there are sector-based differences in network behavior (Herranz 2007, Bryson et. al. 2006). Herranz (2007) finds that there are sector-based differences in the strategic orientation of a network depending on whether the network consists primarily of governmental, non-profit, or for-profit organizations. Herranz (2007) also finds that differences in strategic orientation may be found in multisectoral networks comprised of organizations from the public, nonprofit, and for-profit sectors. Multisectoral networks are especially worthwhile to study because, although they are prevalent among public networks, almost no research examines them (Herranz 2007).

Multisectoral networks remained under-examined partially due to their extra complexity. Bryson et. al. (2006) note that multisectoral collaborations become complex when members enact competing institutional logics. Bryson et. al. (2006, 52) note that the conceptual challenge of studying cross sector collaboration is blending multiple theoretical and research perspectives, but that the use of network theory tends to focus on structural variables and “tends to disregard three critical components of cross-sector collaboration: (1) an appreciation of the uniqueness and differential strengths and weaknesses of governments, nonprofit organizations, businesses, and communities: (2) ongoing process dimensions, including leadership broadly defined; and (3) the dynamic nature of collaborative development.” As suggested by Bryson et. al. (2006), what is needed is a theoretical perspective that considers the differential advantages and disadvantages of public, nonprofit, and for-profit sectors as distinct network coordination approaches that influence network development.

So far, we know that public and private sector-based differences matter in the evolution of formal and informal network ties (Isset and Provan 2005), and that there are public, nonprofit, and for-profit sector-based differences in network coordination approaches (Herranz 2007). One question that emerges is whether different sector-based network coordination processes influence the development of formal and informal network relationships. This article builds upon and extends the research of Issett and Provan (2005) and of Herranz (2007) by examining how sector-based differences in network coordination approaches influence multisectoral network change.

According to Herranz (2007) sector-based organizational behavior differences among governmental, nonprofit, and for-profit organizations are also observed in sector-based network coordinating behavior. This article’s definition of sector-based strategic orientations is rooted in

organization theory and is based upon a reformulation of Wilkins' and Ouchi's (1983) identification of three basic mechanisms of organizational control: markets (i.e., "entrepreneurial orientation"), bureaucracies (i.e., "bureaucratic orientation"), and clans (i.e., "community orientation").³ Herranz (2007) finds that networks with bureaucratic coordinating processes are characterized by high degrees of formalized procedures involving written contracts, standardized information collection and reporting, and regularized services. Likewise, networks with entrepreneurial coordinating processes are characterized by high degrees of quid-pro-quo contracts and agreements, strategic data analysis, and contingent fee-based services. Networks with community coordinating processes are characterized by high degrees of agreements and contracts based on social relationships, sense-making information, and personalized services.

Herranz (2007) finds that sector-based differences represent an informal to formal passive to active continuum of managerial behavior ranging from reactive facilitation (i.e., community strategic orientation), to contingent coordination (i.e., entrepreneurial strategic orientation), to hierarchically directive (i.e., bureaucratic strategic orientation). Herranz (2007) identifies a series of managerial trade-offs associated with each type of network coordination approach. Identifying a range of informal to formal network coordinating approaches is consistent with institutionalist perspectives on organizational fields. Gossling (2007) notes that institutionalism makes a distinction between formal and informal institutions. North (1990) makes the distinction based on formal appearance and whether they are enforced by lawful authority. Formal institutions are written down and informal ones are oral or transported in shared mental modals (Denzau and North 1994). Gossling (2007) suggests that formal institutions appear through contracts and law while informal ones appear more from culture.⁴

To some extent, the Herranz (2007) typology of a formal-to-informal continuum of sector-based networking coordinating approaches maps onto the three types of network governance hypothesized by Provan and Kenis (2007). Herranz's (2007) notion of a network coordinated by formal bureaucratic processes may be likened to Provan and Kenis' (2007) notion of network governed by a network administrative organization. Similarly, an entrepreneurial network with both formal and informal attributes may share some characteristics with a network with a lead organization. And an informal community orientated network may be like a network with shared governance. While there is some general correspondence between the two sets of network governance types, they differ in an important way. Whereas Provan and Kenis (2007) emphasize how the three network governance types differ in network structure, Herranz (2007) emphasizes how the three sector-based coordination approaches differ in network processes along a formal to informal managerial continuum. Herranz's (2007) over-arching conception of a network coordinating orientation is consistent with Van Nuenen's (2007) argument that, contrary to a rational actor model, groups of actors act in part due to shared frameworks of mental models. Van Nuenen (2007) posits that underneath a network's formal rules and resources are entrenched cognitive processes, and that this cognitive substructure is distinct from network structure. Unlike structuralist approaches focusing on describing network structure, this article adopts a relational approach focusing on the mix of formal and informal coordinating processes that are associated with the transition of network relationships and flows.⁵

Studying the processes of network transition enables a fuller examination of the dynamics of network change. That is, a process analysis provides an opportunity to examine not only whether a network has changed from time period one to time period two, but how the network has transitioned. Examining network processes provides a means to better understand the specific

dimensions of how different coordinating approaches relate to different transitional paths. This perspective is appropriate for trying to illuminate the managerial behavior and options that relate to network transition. It also helps to move beyond the linear conception of network change that characterizes much of the literature on network change. According to Saz-Carranza and Vernis (2006, 425), most studies follow a three stage linear dynamic model of emergence, evolution, and dissolution, but that “different authors expect contradictory evolutions of the relations between the actors,” leaving little consensus about how networks evolve. Missing from such studies is an accounting for the recursive and cyclical dynamics that usually characterize networked relations.

Ring and Van de Ven (1994) argue that the development processes associated with interorganizational relationships are cyclical, not sequential, and suggest a process view of how such relationships emerge, evolve, and dissolve over time. Ring and Van de Ven (1994, 97) argue that process involves a “repetitive sequence of negotiation, commitment, and execution stages, each of which is assessed in terms of efficiency and equity.” Negotiations of joint expectations concerning risk and trust occur through formal bargaining and informal sense-making. Commitments for future action occur through formal legal contracts and psychological contracts. Executions of commitments occur through both role interactions and personal interactions. Ring and Van de Ven (1994, 112) argue that interorganizational relationships are “maintained in this model not because they achieve stability, but because they maintain balance: balance between formal and informal processes.”

Following Ring and Van de Ven (1994), this article examines the extent to which different sector-based network coordinating approaches balance the formal and informal processes of

negotiation, commitment, and execution, and whether these differences are associated with network change. Based on the preceding theoretical exposition, several propositions emerge:

Proposition 1: A network coordinated with a bureaucratic strategic orientation will have—on balance—more formal than informal processes, thereby leading to slower changes of network activities and services.

Proposition 2: A network coordinated with a community strategic orientation will have—on balance—more informal than formal processes, thereby leading to a faster changes of network activities and services.

Proposition 3: A network coordinated with an entrepreneurial strategic orientation will have—on balance—mixed formal and informal processes, thereby leading to a moderately changes of network activities and services.

Research Subjects and Methodology

Boston's workforce development networks make appropriate subjects for studying the relationship between multisectoral network coordination approaches and network change for several reasons. These networks are comprised of governmental, nonprofit, and for-profit organizations involved in matching job-seeker with employers in the labor market. They began operation in 1996 as a federal demonstration program, and have continued operating under the 1998 Workforce Investment Act (WIA) which consolidated and coordinated historically fragmented federal and state programs for job training, employment services, adult education, and vocational rehabilitation.⁶ The centerpiece of the federal legislation and of regional workforce systems are One-Stop Career Centers that are centralized points of access to federal, state, and local employment programs as well as less formal access to nonprofit service providers.⁷ Several studies have identified Boston's workforce development networks as among the most well-managed networked workforce systems in the country (Heldrich Center for Workforce Development, 2002; United States Government Accountability Office, 2003).

Consequently, Boston's workforce development networks represent examples high performing networks.

Boston's workforce networks are centered on One-Stop Career Centers that serve as the primary hubs conducting and coordinating a mix of public, nonprofit, and for-profit organizations involved in local workforce development. In effect, a One-Stop Career Center provides a focal view into a constellation of intersecting sectoral networks. Reflecting this flexible multisectoral role, WIA allows One-Stops to be singularly operated by either governmental, nonprofit, or for-profit organizations, or to be collaboratively operated by any combination of such organizational types.

This multisectoral network mix is evidenced among Boston's three One-Stops. Massachusetts created a competitive environment among three One-Stops as a way to identify whether there were distinctive sector-based approaches to developing and providing varied service options. Through both a competitive bidding and operating process, the three designated One-Stops were intended to reflect different managerial approaches to establishing and innovating workforce services. This process resulted in the formation of three new organizational entities—legally constituted as nonprofits—that were created as strategic venture partnerships between different types of organizations emphasizing different sectoral approaches to providing services and coordinating networked institutional relationships.

Boston's three One-Stop Career Centers are The Work Place, Boston Career Link, and JobNet. The Work Place (TWP) was operated through a partnership between city agency in charge of economic development—Economic Development Investment Corporation (EDIC), and one of Boston's most entrepreneurial nonprofits—Jewish Vocational Services (JVS). Boston Career Link was operated by three community-based organizations: Dimock Community Health Center;

Morgan Memorial Goodwill Industries, Inc.; and Women’s Educational and Industrial Union. JobNet was operated by the Massachusetts Division of Employment and Training and New England’s largest nonprofit social services agency—Action for Boston Community Development (ABCD). Differences in organizational partnerships among Boston’s One-Stops influenced their respective managerial and strategic approaches to network management (Herranz 2007). Consequently, the three different Boston One-Stops provide a quasi-natural experiment to examine different sector-based managerial approaches to network coordination. The Work Place exhibited an entrepreneurial orientation to developing and managing its network. Boston Career Link demonstrated a community-based orientation to its network governance. JobNet displayed a hierarchical/bureaucratic orientation to its network management.

Boston’s One-Stop Career Centers provide appropriate subjects for a network management study because they are focal organizations embedded within a dense network of governmental, nonprofit, and private organizations involved in labor market and employment policies and programs. Each One-Stop Career Center functions as a key network coordinator and hub comprising sets of formalized and less-formalized relationships with dozens of government agencies, nonprofits, and for-profit service providers. Apart from basic federally required services, each One-Stop has developed distinctive approaches to service provision and management, especially regarding their choices in collaborative partners and network coordination. Figures 1, 2, and 3 illustratively depict the main networks for which each One-Stop functions as the focal hub and network (or sub-network) coordinator. Tables 2, 3, and 4 list the main organizations networked with each respective One-Stop, as well as indicate each organization’s connection to the One-Stop regarding its primary structural relationship (i.e., strong or weak tie) and resource flow (i.e., primarily funding or informational). More formalized

ties may take the form of fee-for-service contracts with providers or of shared grant funding with other organizations. In the latter situations, the One-Stop may act as the fiscal agent and project coordinator for the shared services agreement. These more formalized collaborations are depicted in the figures and tables.

Figures 1, 2, and 3 & Tables 2, 3, 4 ABOUT HERE

One-Stops are also involved in less formalized connections such as memorandums of understanding regarding service agreements or cross-referrals for services and information with dozens of public and nonprofit agencies. These activities are central to One-Stops' core functioning in providing labor matching and employment services and are too numerous to fully depict in a network diagram. However, the formalized networked relations illustrated in Figures 1, 2, and 3 provide a representative illustration of the types of connections that each One-Stops emphasizes. The One-Stops also developed a range of formal to less formal relationships with hundreds of private employers that included recurrent and one-time fee-for-service agreements, as well as consultation and information exchange. Consequently, Boston's One Stops provide a quasi-natural experiment to examine sector-based differences in network coordination.

Of course, due to the particularity of Boston's institutional and labor market context, this study's findings regarding specific network coordinating approaches may not be generalizable to other locales. Similarly, because this study uses three cases rather than a statistically representative sample, its findings can not be used to generalize to other networks or policy areas. However, because this article's analysis draws conceptually on organizational archetypes, the implications

of this investigation are relevant to theorizing about the relationship between multisectoral network coordination strategies and network change. In this respect, this article addresses the theoretical question of whether different network coordinating strategies are related to differences in network change.

To answer this question, the study examined indicators of each of the Boston Career Center network's coordinating processes and examined three dimensions of network change. Following Ring and Van de ven (1994) theory on the development of interorganizational relations, three aspects of the process of network coordination are analyzed: negotiation, commitment, and execution. As Ring and Van de ven (1994, 97) suggest, "although these stages overlap through recurrent sequences, it is useful to separate them for analytical purposes." For similar analytic reasons, Ring and Van de ven (1994) suggest distinguishing between formal and informal activity for each type of process. Examining differences in whether network ties are formal or informal is consistent with other research methods on network change (Isset and Provan 2005; Gulati 1995; Larson 1992; and Uzzi 1995). In this study, indications of formal and informal network processes are based on evidence collected from personal interviews and from annual documentation generated during six years.

In the development of interorganizational relations, the negotiation process occurs through formal bargaining or informal sensemaking among network members (Ring and Van de ven 1994). An indication of a formal bargaining process would be an instance of developing and issuing a request for proposals regarding program and service delivery. An indication of an informal bargaining process would be instances of extended discussions among network

members regarding ways to make customer referrals to others in the network. According to Ring and Van de ven (1994, 97-98), “repeated efforts at negotiations through formal bargaining and informal sensemaking processes are often necessary in order to provide participants opportunities to assess uncertainty associated with the deal, the nature of each other’s role, the other’s trustworthiness (if that is not already known), their rights and duties in the transaction being considered, and possible efficiency and equity of the transaction as it relates to all parties.” Therefore, analyzing indications of formal or informal bargaining would include identifying the relative patterns and balance of such activities over time in order to determine whether there is a tendency in a network to use either formal or informal bargaining processes.

Another type of process involved in the development of a network is commitment. Commitment refers to the agreement among network members regarding obligations and action. An indication of a formal commitment would be a codified written formal contract among two or more network participants. An indication of an informal commitment would be an agreement that is “informally understood in a psychological contract among the parties” (Ring and Van de ven, 1994, 98).

The third type of network development process is execution. Execution refers to the commitments and rules of action that are carried out. According to Ring and Van de ven (1994, 98), “initially, formally designated role behavior by the parties reduces uncertainty when they execute commitments, and it makes interactions among parties predictable. Through a series of role interactions, parties also may become more familiar with one another as persons, and they may increasingly begin to rely on interpersonal, as opposed to inter-role, relationships.” An

indication of formal execution would be instances of administering a network agreement through programs and personnel officially assigned to complete designated task. An indication of informal execution would be instances of task accomplishment based on interpersonal relationships.

In this article, formal and informal indications of each of the three network development processes are examined regarding their relationship to network coordinating approaches. Three network cases are presented—each representing a distinctive network coordination strategic orientation. Each case study provides an illustrative example examining the network development processes associated with a particular network coordinating approach. Evidence documenting the distinct network coordinating orientations of the respective networks was previously detailed in Herranz (2007).

In this study—following Herranz (2007)—an entrepreneurial network refers to a network coordination orientation that is market-focused, opportunistic, and places high normative value on quid pro quo benefits; a bureaucratic network refers to a network coordination orientation that is hierarchically-focused, rule-driven, and places a high normative value on legal authority; and a community network refers to a network coordination orientation that is collective-oriented, relational, and places a high normative value on moral authority.

This study used a multi-method approach for collecting qualitative data that were analyzed to develop three comparative cases studies (Miles and Huberman 1994; Yin 1994). Qualitative data was collected through three mechanisms. One method included semi-structured interviews—identified by “snowball sampling”—that lasted between one and two-and-one-half hours with the

directors and staff of One-Stops, partner organizations, and allied organizations. Qualitative data were collected via three waves of 50 semi-structured interviews with representatives of the career centers, public agencies, nonprofit organizations, and private sector employers during 1998, 2000, and 2002. A second method was a textual analysis of annual organizational documentation collected for six years between 1996 and 2002. The documentation was originally assembled by the Boston Workforce Investment Board (WIB) as part of each One-Stop's charter review process that includes strategic plans, program budgets, customer satisfaction surveys, employer focus groups, and annual monitoring reports by the WIB.⁸ A third method is participant observation in staff meetings of the One-Stops as well as in their sponsored career workshops, industry briefings, and job fairs. These personal observations occurred semi-annually in 1998, 2000, and 2002.

Regarding data about network coordinating strategies and network change, the study examined annual reports on activities, so it does not focus explicitly on structural change. Instead, interview and report data were analyzed to track both formal and informal indications of three network development processes: negotiation, commitment, and execution. This approach is different than that used by Isett and Provan (2005) who used social network analysis to focus on dyadic ties to track change in structural composition (formal contracts, informal connections). For this study, multiple types of information were assembled and analyzed to generate the following three case studies.

Three Cases of Network Development

Bureaucratic-oriented Network Coordination and Network Change: The JobNet Network

The JobNet network was comprised of a web of government agencies, nonprofits, and for-profit businesses that were connected through a variety of formal and informal relationships. The organizational hub of the JobNet network was JobNet, a nonprofit formed in 1996 that was operated by the Massachusetts Division of Employment and Training (DET). This state agency bureaucracy had historically administered both state and federal services including employment services and unemployment insurance. DET began operating the JobNet One-Stop Career Center in 1996 in response to an experimental state initiative to restructure regional workforce programs into a more integrated system. JobNet was created as a “one-stop” gateway to a network of government and nonprofit agencies that provided publicly supported employment and workforce services. The Career Center also functioned as a labor market intermediary—connecting job-seekers with private firms hiring workers in the Boston area.

Start-up Period: 1996 to 1998

Negotiation

During its early years of 1996 to 1998, the member organizations in the JobNet network negotiated their relationships both formally and informally. Initially, the majority of formal negotiations involved other government agencies with which DET already had experience. As a new government initiative, JobNet was involved in many meetings with collaborating agencies in order to establish a range of procedures regarding aligning client eligibility criteria, service agreements, and reporting protocols. For example, during this time period, the JobNet network was involved in supporting the implementation of welfare reform—the 1996 Personal Responsibility and Work Act that shifted the focus of welfare assistance from an income transfer entitlement to cash assistance required job search and work requirements. As a result, JobNet and its network members were involved in many formal negotiations to determine how network agencies would provide employment services and receive reimbursements.

While such efforts also involved informal discussions among representatives of the agencies involved, most of these informal negotiations primarily served the interest of developing new interagency processes as well as reconciling different procedures among the participating bureaucracies. Overall, during its first years, the JobNet network had more formal negotiations than informal ones.

Commitment

In a similar fashion to its negotiations during its early years of 1996 to 1998, the JobNet network had a variety of formal and informal commitments during this time. Formal commitments included establishing many contracts and written agreements between collaborating agencies. Particularly regarding the implementation of welfare reform, JobNet network agencies produced an extensive amount of written guidelines regarding service delivery and service reimbursements. At the same time, many of these formal contracts were facilitated by informal commitments among key staff. Because JobNet's executive director had previously been a long-time DET civil service employee, she stated that she was able to use her professional friendships to both craft formal contracts and agreements as well as to reach understandings about how to modify those agreements or work-around "red-tape" constraints. Overall, during its first years, the JobNet network had more formal commitments than informal ones.

Execution

During its first years of 1996 to 1998, the JobNet network executed its agreements both formally and informally. Formal executions included establishing client intake forms and procedures, setting up regular services such as job search workshops, and creating formal mechanisms to track and report service usage among network agencies. Also during this time, network members relied upon interpersonal and professional ties to deliver services that had not been formally

agreed upon. Overall, during its first years, the JobNet network had more formal executions than informal ones.

Later Years: 2000 to 2002

Negotiation

During 2000 to 2002, the JobNet network continued to have many relationships that were formally negotiated. By 2000 to 2002, welfare reform implementation was well established and so were the procedures and protocols used by JobNet network members as part of that change. Moreover, the JobNet network had also developed new sets of formal contracts and agreements resulting from the 2000 implementation of the 1998 Workforce Investment Act (WIA). WIA mandated that One-Stop Career Centers collaborate with 19 specific federal agencies. Consequently, the JobNet network formalized additional cooperative service agreements. During this same time period, the JobNet network also had informal negotiations. In the intervening years since its origins, the JobNet network had by now some history of repeated interactions among staff and agencies. These associations contributed to informal ways of negotiating service delivery and referrals. However, overall during this latter time period, the JobNet network continued to have more formal negotiations on balance than informal negotiations.

Commitment

During 2000 to 2002, the JobNet network continued to have more formal than informal commitments. For example, in 2000 DET decided to seek a nonprofit agency to jointly operate the One-Stop Career Center. In contrast to the other One-Stop Career Centers that were jointly operated by two or more organizations, JobNet had been solely operated by the Division of Employment Training since its inception in 1996. Rather than find an equal partner, DET issued a formal request for proposal to subcontract the co-operation of the Career Center. A large

nonprofit—Action for Boston Community Development—was eventually selected in 2001 after several rounds of formally revising the request for proposal in order to clearly establish the written conditions of the collaboration. In a similar way, DET continued to run its Career Center and its JobNet network as a subordinate initiative that was hierarchically directed. While several interorganizational service processes were agreed to via informal commitments, the JobNet network was over-balanced with formal commitments rather than informal commitments. Overall, during the 2000 to 2002 time period, the JobNet network had more formal commitments than informal ones.

Execution

During 2000 to 2002, the JobNet network continued to execute its agreements primarily through formal means. Examples of formal executions include establishing a standardized client intake information system not only for the network but also for the state’s entire Career Center system. The JobNet network also created standardized forms for employers to list their job offerings onto an employment database. Despite repeated attempts to develop more informal ties to employers or to nonprofit service providers, the JobNet network consisted of interorganizational ties and services that remained a primarily formal in their execution. Overall, during 2000 to 2002, the JobNet network had more formal executions than informal ones.

Community-oriented Network Coordination and Network Change: The Boston Career Link Network

The Boston Career Link (BCL) network was primarily comprised of a dense network of community-based nonprofit organizations connected together through longstanding social, interpersonal, and informal inter-organizational ties. The Boston Career Link One-Stop Career Center itself was jointly co-operated by three 100 year-old community organizations: Dimock

Community Health Center; Morgan Memorial Goodwill Industries, Inc.; and Women's Educational and Industrial Union. The Career Center as well as the entire BCL network was characterized by a community oriented strategic orientation.

Start-Up Years: 1996 to 1998

Negotiation

During its formative years of 1996 to 1998, the BCL network negotiated with a variety of organizations both formally and informally. Formal negotiations included deliberating how to set-up a collaboratively operated One-Stop Career Center, as well as how to arrange network partner agreements for service referrals and reimbursements. Unlike the other two One-Stop Career Center networks, the Boston Career Link Career Center started off as a collaborative enterprise that brought together three organizations and their affiliated sub-networks. Many of the organizations in these sub-networks had already had many years of familiarity with one another working on a range of service provision initiatives. Consequently, many of the negotiations were informal in nature, becoming more formal as a result of the programmatic and funding requirements of the Career Center system. Overall, during its first years, the BCL network had more informal negotiations than formal ones.

Commitment

During 1996 to 1998, the BCL network had a variety of formal and informal commitments. By and large, the majority of the commitments were informal. While there were many written contracts among network members regarding service delivery and referral activities and funding agreements, most commitments derived from shared values and missions among the organizations. For example, the executive directors of the three co-operating partners stated that they had known and worked together for many years, and so felt that they could trust their relationships to address issues that arose in the development of the service delivery network. The

directors tended to view formal written contracts—most often required by government funding agencies—as constraining “red tape” that put limits on their ability to shift resources or services quickly to respond to customer or program demands. Overall, during its first years, the BCL network’s commitments were characterized more by formal commitments than informal ones.

Execution

During 1996 to 1998, the BCL network executed its agreements more informally than formally.

There were many instances of network members formally interacting together—following up established agreements about regarding providing employment support services. However, most BCL network interviewees noted that staff in the affiliated organizations more often picked-up the phone and called people with whom they had friendships or professional familiarity. In this way, personal ties and referrals from personal connections were a common way to conduct business among members of the BCL network. Overall, during its first years, the BCL network tended to execute its agreement more from informal processes than formal ones.

Later Years: 2000 to 2002

Negotiation

During 2000 to 2002, the BCL network continued to have many relationships that were formally negotiated. However, most negotiations were conducted through deliberative processes. For example, in 2001, the BCL conducted a strategic planning process that involved many of the stakeholders in the network. This process occurred over six-month period, during which partner organizations and government agencies were consulted regarding the strategic priorities of the BCL network. This process resulted in a collaborative decision to move the central offices of the network from downtown to a distressed neighborhood in an attempt to be more fully embedded

in one of its targeted community. Overall, during this latter time period, the BCL network had more informal negotiations than formal ones.

Commitment

During 2000 to 2002, the BCL network continued to have more informal than formal commitments. During this time, formal commitments included a variety of written contracts. Many of these involved subsets of the BCL network that had received specific grants and contracts to deliver services to specialized services to targeted communities. For example, a group of 5 organizations were contractually organized to deliver a range of pre- and post-employment services to disabled adults. During these years, there were more such formal commitments than during 1996 to 1998. This reflected a tendency to operationalize many informal commitments into more formally structured and funded collaborations. Even as formal commitments increased, the BCL network continued to operate mostly through informal commitments in its network. Overall, during this latter time period, the BCL network had a mix of formal and informal commitments.

Execution

During 2000 to 2002, the BCL network continued to execute its agreements more informally than formally. However, over time, network members had increasingly formalized patterns of information sharing and service delivery. Many referrals for supportive services continued to be delivered through informal interpersonal channels. Indeed, such informal ties were a common way that network members responded to the new expectations associated with implementation of WIA. Overall, during this latter time period, the BCL network had a mix of formal executions and informal ones.

Entrepreneurial-oriented Network Coordination and Network Change:

The WorkPlace Network

The WorkPlace (TWP) network's market-orientation coordination approach was largely derived from institutional perspectives of the principal co-operators: the Economic Development Investment Corporation (EDIC)—a quasi-governmental city agency charged with supporting Boston's economic development, and Jewish Vocational Services (JVS)—and one of Boston's most entrepreneurial nonprofits. In contrast to JobNet—operated by a large state bureaucracy, and Boston Career Link—operated by a collaborative of three community-based organizations, The WorkPlace was created explicitly to function as a market focused, revenue-generating establishment.

Start-Up Years: 1996 to 1998

Negotiation

During 1996 to 1998, TWP negotiated both formally and informally with government, nonprofit, and for-profit organizations. Formal negotiations included developing welfare-to-work contracts with the state Department of Transitional Assistance related to implementation of welfare reform. Informal negotiations included discussions with a variety of business firms to assess what worker recruitment and screening services the firms were seeking and interested in paying for from TWP. Overall, during its first years, the TWP network had more formal negotiations than informal ones.

Commitment

During 1996 to 1998, the TWP network had a variety of formal and informal commitments. For TWP, generating revenue was a high priority. Consequently, it pursued fee-based contracts with government agencies (e.g., welfare-to-work services), grant funded service agreements with nonprofits, and fee-based contracts with businesses. Due to its focus on money generating projects, most of its interorganizational ties were related to developing and offering fee-based

services. In this way, the TWP network tended to have more formal commitments than informal ones. Overall, during its first years, the TWP network had a mix of formal commitments than informal ones, with formal commitments representing the larger share.

Execution

During 1996 to 1998, the TWP network executed its agreements mostly through formal fee-based contracts. Formal execution of agreement were reflected in fee-based service agreements with job-seekers for customized job search and resume preparation services. Overall, during its first years, the TWP network had more formal executions than informal ones.

Later Years: 2000 to 2002

Negotiation

During 2000 to 2002, the TWP network continued to have many relationships that were formally negotiated. In responding to the implementation of the Workforce Investment Act, the TWP network actively pursued ways to negotiate with public agencies to interpret and implement the law in ways that permitted more flexibility in developing and selling fee-based services. During this same time period, the TWP network also had increased informal negotiations with business firms as it had expanded its relationships with firms in its continual exploration of ways to offer new fee-based services. Overall, during this latter time period, the TWP network had a mix of formal and informal negotiations.

Commitment

During 2000 to 2002, the TWP network had a variety of formal and informal commitments. On the whole, most of the TWP inter-organizational commitments with nonprofits were formal and based on funded collaborations. While the TWP network continued to provide services to jobseekers and business employers based on funding requirements of the One-Stop Career

Center system, the TWP network also expanded its menu of fee-based service agreements with individual jobseekers and business firms. Overall, during this latter time period, the TWP network had more formal commitments than informal ones.

Execution

During 2000 to 2002, the TWP network executed its agreements both formally and informally.

Following its tendency to have more formal fee-based commitments, the TWP network continued to formally execute its agreements based on the terms of fee-based services. For example, TWP arranged annual job fairs for airport-related jobs. These job fairs were executed under contract with the port authority, which manages airport businesses. TWP's continued to have informal activities. According to the TWP's director, such services were provided as a way to maintain a good business relationship—with a view towards eventually having the informal business relationship transition into a fee-based relationship. Overall, during this latter time period, the TWP network had a mix of formal and informal activities, with a general tendency towards formal execution of agreements. .

Summary Analysis

The preceding case histories illustrated that each bureaucratic, community, and entrepreneurial network coordination approach was associated with a corresponding difference in the formal and informal balance of network change processes of negotiation, commitment, and execution during the study period of 1996-1998 and 2000-2002 (see table 5).

In the bureaucratically coordinated JobNet network, negotiation processes remained—on balance—more formal than informal during the two time periods. On balance, the JobNet network's commitments also remained were predominantly formal rather than informal.

Similarly, organizations in the JobNet network tended to execute agreements more formally than informally. Overall, the balance of the JobNet network’s processes were formal rather than informal.

In the community-oriented coordinated BCL Network, negotiations were minimally formal, and more often characterized by informal processes. While commitments included a range of formal contracts, agreements about network relationships and services tended to be less formal.

Likewise, executions of agreements were more often informally arranged than formalized as written procedures. On balance, the BCL network’s processes were minimally formal and mostly informal.

In contrast to the JobNet network’s overall balance of formal over informal processes, and to the BCL network’s overall balance of informal over formal processes, the TWP network’s processes had more balance between formal and informal processes. While the TWP network’s negotiations were both formal and informal, it had a slight tendency to pursue negotiations more formally. The network’s commitments were predominantly formal rather than informal due to the nature of its pursuit of fee-based agreements. At the same time, the TWP network had a sizable number of informal commitments. Likewise, the TWP network tended to execute its agreements more formally due to the contracts, though these occurred as much to maintain business relationships as to meet procedural expectations. Overall, the TWP network had a mixed balance of negotiation, commitment, and execution processes.

Table 5. Network Coordination Strategies and the Balance of Network Change Processes

Network Coordination Strategies	Dimensions of Network Change:		
	<i>Negotiation</i>	<i>Commitments</i>	<i>Execution</i>

<i>Bureaucratic</i>	Formal	Formal	Formal
<i>Entrepreneurial</i>	Formal/Informal	Formal/Informal	Formal/Informal
<i>Community</i>	Informal	Informal	Informal

Discussion and Implications for Research and Policy

This article extends prior research (Herranz 2007) on sector-based differences in network coordination to examine how such differences related to the formal and informal processes of network development. This study integrates and builds upon Ring and Van de Ven’s (1994) argument that network development hinges as much on inter-organizational processes as on the managerial issues of network formation—that ongoing repeated process of negotiation of mutual expectations, commitments for future action, and executions of commitments. According to Ring and Van de Ven (1994), these cyclical phases can best be understood through identifying the formal and informal processes of sensemaking, committing, and enacting.

Following Herranz (2007) and Ring and Van de Ven(1994), this study provides an empirically-based theoretical argument proposing a set of formal and informal managerial processes related to multisectoral network change. In this article, a multisectoral network is defined as a set of governmental, nonprofit, and for-profit organizations that are engaged in inter-organizational activities funded by government. A publicly-funded multisectoral network presumes a minimum threshold of formalization resulting from the inter-organizational distribution of government resources. It is this minimum level of formalization that provides leverage for a public manager to coordinate network behavior. This study examined how network coordination approaches emphasize lower to higher levels of formalization; as well as lower to higher levels of informal coordination. Three distinct network coordination approaches were found to differentially

balance the formal and informal processes of negotiation, commitment, and execution associated with network development.

These network change process trends are consistent with the findings of Isset and Provan (2005) that formal ties continue even though informal relationships build over time. However, this article argues that there is variability in the emphasis or proportion of formal versus informal relationships depending upon which sector-based network coordination strategy was prevalent.

The bureaucratically coordinated network had the least overall change, expanding formal and remaining challenged in its development of informal ties. The community coordinated network had the most overall change in negotiation, continuing informal but also indicating more formal negotiation, commitment, and execution over time. The entrepreneurially coordinated network had a moderate level of change, mixing its proportion of formal and informal negotiations, continuing with formal commitments but adding more informal agreements, and having slightly more formal execution of agreements.

This article proposed a framework for identifying the network change process in relation to a range of formal and informal network coordination strategies. This conceptual argument aims to contribute to a more dynamic theoretical understanding of multisectoral networks by looking at the recursive interplay of network development, on the one hand, and formal to informal sector-based network coordination approaches, on the other hand. Of course, there are limitations to this study. This study examined multisectoral networks which are distinguished from voluntary association of organizations with exclusively informal ties. As such, its findings may not necessarily apply to

networks where government agencies have no formal connection (e.g., legal authority, resource agreements, written agreements) to other organizations in a collaboration. While this article contributes to public management scholarship by focusing on changes in the *process* of network interactions, it does not explicitly examine changes in the structure of network ties. Emphasizing changing processes enables a view onto a set of operational mechanisms that are subject to managerial action, but does not fully account for how such processes related to network structure. This study emphasizes network change as endogenous processes, and does not include how exogenous conditions interact with coordination processes or development processes. Also, this study does not analyze the specific performance outcomes of network coordination approaches or of network development processes. These areas are subjects for further study.

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Figure 1: Jobnet Network Entities and Relations (sample set)

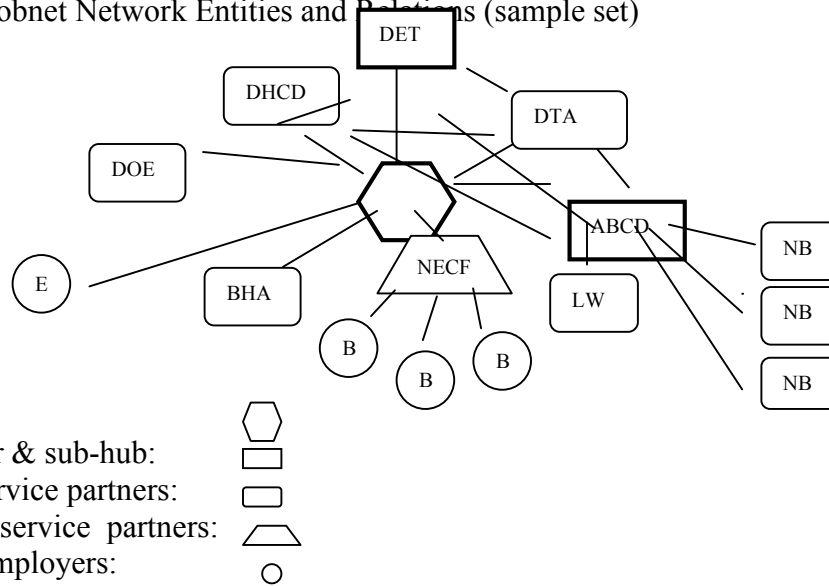


Table 2: JobNet Network Entities & Relation Types

Code	Organization Name	Structural Relation	Resource Relation
JN	JobNet	focal hub	
DET	MA Dept. of Employment & Training	primary tie (operating partner); sub hub	funding and information;
ABCD	Action for Boston Community Development	primary tie (operation partner); sub-hub	sub-contractor
DTA	MA Dept. Transitional Assistance	strong tie; contract funds source	contract funder
DHCD	MA Dept. of Housing and Community Development	strong tie; contract funds source	contract funder
DOE	MA Dept. of Education	strong tie; contract funds source	contract funder
BHA	Boston Housing Authority	strong tie; contract funds source	contract funder & service partner
NB	Neighborhood Branch (ABCD)	weak tie partner	sub-sub-contractor
LW	Learning Works (ABCD)	weak tie partner	sub-sub-contractor
NECF	New England College of Finance	strong tie partner	co-funded; referral; info
B	Bank (10 total)	strong tie partner	referral; information
E	Employers (hundreds)	strong & weak ties	referral; information

Figure 2: Boston Career Link Network Entities and Relations (sample set)

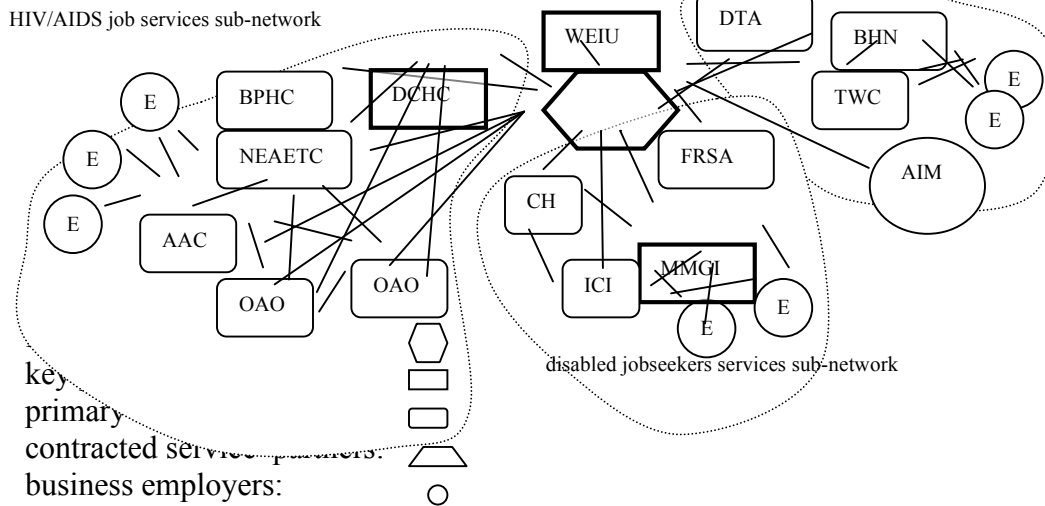


Table 3: JobNet Network Entities & Relation Types

Code	Organization Name	Structural Relation	Resource Relation
BCL	Boston Career Link	focal hub	
WEIU	Women's Educational and Industrial Union	primary tie (operating partner); sub-hub	information; grants partner
DCHC	Dimock Community Health Center	primary tie (operation partner); sub-hub	information; grants partner
MMGI	Morgan Memorial Goodwill Industries	primary tie (operation partner); sub-hub	information; grants partner
DTA	MA Dept. Transitional Assistance	strong tie; contract fund source	contract funder
BPHC	Boston Public Health Commission	strong tie; contract fund source	contract funder
NEAETC	New England Aids Education & Training Consortium	strong tie partner	co-funded; referral; info
AAC	Aids Action Committee	strong tie partner	co-funded; referral; info
OAO	Other Aids Organizations	strong tie partner	co-funded; referral; info
ICI	Institute for Community Inclusion	strong tie partner	co-funded; referral; info
CH	Children's Hospital	strong tie partner	co-funded; referral; info
FRSA	Federal Rehabilitation Services Administration	strong tie; contract fund source	contract funder
BHN	Behavioral Health Network	strong tie partner	co-funded; referral; info
TWC	Transitions To Work Collaborative	strong tie partner	co-funded; referral; info
AIM	Associated Industries of MA	weak ties	job referrals
E	Employers	strong & weak ties	job referrals

Figure 3: The Work Place Network Entities and Relations (sample set)

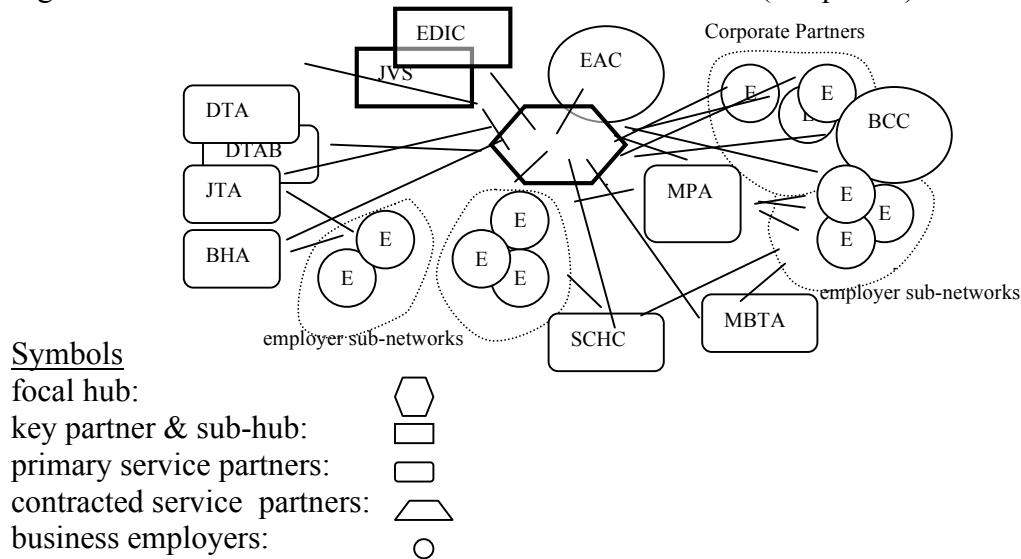


Table 4: The Work Place Network Entities & Relation Types

Code	Organization Name	Structural Relation	Resource Type
TWP	The Work Place	focal hub	
EDIC	Economic Development Investment Corporation	primary tie (operating partner)	managerial; information
JVS	Jewish Vocational Services	primary tie (operating partner)	managerial; information
EAC	Employer Advisory Council	advisory	informational
BCC	Boston Chamber of Commerce	weak tie; associational	informational; referral
DTA	MA Dept. Transitional Assistance	strong tie; contract fund source	contract funder
DTAB	DTA/TWP branch office	service location	contracted
MPA	MA Port Authority	strong tie; contract fund source	contract funder
MBTA	Metro Boston Transit Authority	strong tie; contract fund source	contract funder
SCHC	Suffolk County House of Corrections	strong tie; contract fund source	contract funder
JTA	Job Training Alliance	strong tie; contract fund source	contract funder
E	employers	strong & weak ties	fees; referrals

Endnotes

¹ Powell et. al. (2005) examined how the network structure of a biotech organizational field changed over time, and found no single rule explaining changes in degree distribution, multiplexity, or power law attachments.

² Isset and Provan (2005) suggest that one main reason for the paucity of network evolution research is that large amounts of data are required over a long period of time. The data collection and methodological challenges inherent in tracking network evolution have, until recently, produced few empirical findings upon which to build theory. These data challenges along with the relatively nascent state of public network management theory overall have contributed to the underdevelopment of theory on network change.

³ The notion of “strategic orientation” is consistent with research suggesting that there are patterns of organizational behavior, expression and common understanding (Louis 1985) that may also be interpreted as ideology (Van Maanen and Barley 1985) or strategy (Weick 1985). These patterns may be interpreted as cognitive schemas that are derived from surface level indicators (e.g. language and behavioral norms, espoused values) and structural level indicators (e.g., decision-making process, internal coordination, formalization) (Martin 1992). Moreover, the different types of strategic orientation may be considered as *metaphors* (Morgan 1998) for the dominant form of control in some organizations. Identifying the main form of coordination is necessary in order to comprehend organizational performance in these organizations (Wilkins and Ouch, 1983).

⁴ At the same time that institutions provide a normative framework informing actors of appropriate behavior in a situation, actors have influence on changes in the institution (North 1990; Lawrence, Hardy, and Philips 2002) “even in cases where there is a significant similarity in the formal institutions of two organizations, the informal institutions can be very different. Informal institutions are often connected to culture (Nelson and Sampat 2001).

⁵ Another example of a structuralist approach is the study by Huang and Provan (2006) who argue that the structure of network relationships is explained by the nature of resources. They suggest that patterns of interactions appear to be dependent on whether controlled by a network administrative organization or network members; the more tangible the resources, the more centralized; the less tangible the resources (i.e., knowledge based), the more decentralized.

⁶ Under WIA, four separate federal agencies—the Departments of Labor, Health and Human Services (HHS), Education, and Housing and Urban Development (HUD)—fund 17 categories of programs that are mandated to provide services through the One-Stop system. In addition, other local, state, and federal programs and funding streams concerning employment training and services are encouraged to also coordinate with One-Stop Career Centers.

⁷ Boston’s One-Stops primarily function as labor market intermediaries that help connect jobseekers with employers by offering universal core basic services, targeted customized services, and by serving as gateways to networks of public and nonprofit providers of occupational, educational, and social services. One-Stops provide universal access to all jobseekers and employers. Most jobseeker customers receive a core set of job-search services such as access to free internet computers (e.g., online job search and email accounts) and fax machines, as well as access to occupational employment trends (e.g., trade journals and government reports), computerized job listings (e.g., local and national databases), and informational workshops on such topics as job-search strategies and resume preparation. Many jobseekers are also eligible for intensive services such as career counseling, resume assistance, and job interview coaching. Jobseekers may also be referred to a variety of public and nonprofit agencies for other supportive and social services, through which eligibility is set separately. Depending on whether a jobseeker meets income and other eligibility criteria, a One-Stop may also provide additional pre- and post-employment supportive services by itself or through partner

organizations. For a limited number of eligible jobseekers, One-Stops also provide vouchers to pay for job training by a member of its network of approved nonprofit or for-profit providers. Some One-Stops also arrange industry-specific employer panels or multi-industry job fairs to facilitate information exchange and networking introductions between job-seekers and employers. One-Stops also provide a range of services to business employers such as postings to local and national jobs databases, information on labor market trends, consultation on finding workers with particular skills, and direct referrals and job brokering with jobseeker customers.

⁸ Workforce Investment Boards (WIB) are mandated by the 1998 Workforce Investment Act (WIA) to provide policy oversight to regional implementation of WIA by One-Stop Career Centers. Boston's WIB developed an annual review and biennial charter review process that included extensive information collection and analysis of documentation such as budgets, strategic plans, WIB monitoring reports, procedural flow charts, inter-agency memos, demographics, and job placement data.