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**MODELLING LOCAL GOVERNANCE.
FOCUS ON CIVIC ENTREPRENEURS
AND INSTITUTIONAL INNOVATIONS**

Abstract: This paper scrutinises four case studies from Stockholm region offering focus on the essential role of civic entrepreneurs who have managed to facilitate the collective pursuit of opportunities. The actions undertaken by the civic entrepreneurs have resulted in creation of new local partnerships and alliances and consequently have verified the roles and the rules among the interacting parts of the local game. These institutional innovations were observed on arenas composed by the civic entrepreneurs. The main ambition was to get better knowledge on prerequisites for the stimulation of an entrepreneurial profile of governance.

**1. Entrepreneurial profile of local governance
as a response to new challenges**

The pursuit of opportunities is the core of entrepreneurship, in all aspects of this notion. Creating and exploiting opportunities has also become the major challenge for the modern societies. Although the strive for competitive advantage, achieved with collaborative approach, through creation and exploitation of opportunities (and not only through finding solution for well known problems) makes an adequate perception of a modern society as representing an orientation on *creation of collective opportunities* (Kooiman 2000).

An entrepreneurial orientation is definitely not limited to the business. It can also be perceived as a „political entrepreneurship“ public entrepreneurship“ or „civic entrepreneurship“ to accentuate the point with realising that one can talk about general access to the process of creation and exploitation of opportunities, regardless of origin in sector of economy and society. However, to converse about the entrepreneurial orien-

tation in local governance means to add on an aspect of collective and collaborative pursuit of opportunities-through entrepreneurially oriented co-operation and co-ordination in multi-organisational and multi-institutional landscape. Entrepreneurship in such „interactive world“ of complex interdependencies can be seen as opportunity-oriented community approach to governance. However communities are not identical to local society, and can influence both the collaborative and competitive character of co-operation within the range of resources to be employed by the local society. Local government is considered here as still executing its mandatory democratic responsibility, appearing more as a „traditional“ administrator and provider of services for the whole local society, and at the same time able to appear in its modern role as a *facilitator*, sometimes *catalyst* or as a *mentor*.

In a multi-organisational landscape an entrepreneurial orientation of local governance entails that an complex entrepreneurial organisation has to fit collectively identified and exploited opportunities. As in a „regular“ organisation the essential features are the organisations assets; its structure and processes. In a multi-organisational process of governance, this can be described as a set of both activities (on its intentional level of interactions) and structural arrangements (on its structural level of interactions) (Kooiman 2002). In an entrepreneurial process of governance the key questions are:

- how to make a collective process working, with a constant identification and pursuit of opportunities;
- how to get the individuals and organisations appearing as entrepreneurs, standing for creative visions and creation of opportunities, willing to work together in teams, partnerships, projects;
- how to get interactions making a „multi-organisation“ fit the collectively created opportunities it aims to exploit;
- how to combine and configure resources, (being beyond singular control) in order to shape the whole multi-organisation; consequently, being capable to manage and focus on the pursuit of opportunities.

2. Civic entrepreneurs as creators of governance arenas

Local governments, as the other public sector agencies, experience increasingly turbulent, though-dynamic, hostile and complex set of environmental conditions. The more fragmented the local societies are, the more challenging a strives for competitive advantages can be observed.

The traditional „paradoxality“ of the municipal roles (an authority, a service provider, an administrator, a manager and mentor,) is still valid and can be reinforced the more entrepreneurial the authorities are supposed to be. However, the political „good will“ does not suffice to get a municipality more entrepreneurial. The traditional way of decision making and acting, as politicians, managers, administrators, providers, does not offer enough respond and reflection over new patterns for development. There is a rising need for entrepreneurial competence. It has been even coined a notion of: „public entrepreneur“. Indicating someone who is expected to differ from an ordinary manager or politician with his/her „ability to alter the existing allocation of scarce public resources in fundamental ways“ (Lewis 1980, p.233).

Ambiguity in line with the complexity does not need to be an obstacle for an entrepreneurial action. As Sadler argues in his study, a public organisation can regard multicplicity and ambiguity of goals as suiting more flexible and even more entrepreneurial actions (Sadler 2000). Accordingly, the size of an organisation is not an obstacle either. Of course the more „entrepreneurially-oriented“ municipal organisations and other public agencies are, the more appropriate organisational context is to be expected with clear advantages for fostering entrepreneurial events. Entrepreneurially inclined individuals, regardless of what kind of professional competence they represent and where they are located within the organisations, (these individuals) embark more chances to break through with innovative projects and entrepreneurial events. It does mean that the entrepreneurially oriented process of networking required not only well functioning networks or teams of social entrepreneurs and influencers, but above all some relevant arenas for entrepreneurial actions. An arena is understood here as a place where specific groups of actors interact on an issue and make choices on aspects of it. Actors from different networks participate in multiple, loosely coupled arenas which deal with specific paths of the problem. Different networks have different institutional regimes, and work under different cognitive and strategic uncertainties. (Klijn, Koppenjan 2001). Arenas can be, thus, perceived as activated parts of networks around a concrete issue or policy. Working networks make interaction, co-operation and learning between parties easier since they provide the institutional arrangements that support the activities, namely arenas expressing the states of specific contexts of acting for actors involved. Generally, the case studies presented further on stress an essential role of what they call: *civic entrepreneurs* or *influencers* in creating such networks and arenas. They make things happen and are able to link

themselves with other influencers in each of the other segments as well within each segment. They initiate new organisational arrangements to institutionalise the linkage between actors involved in the local game (business, government, universities, and local community actors). That is just what the empirical part of the study about.

The two first case studies, mentioned below try to identify and describe entrepreneurs coming both from the public, private and civil sector and observe their ability to co-operate and work for collectively identified and structured opportunities. In this sense, I choose to call all of the entrepreneurs, regardless of their professional and organisational location – as *civic entrepreneurs*. This notion covers both public, private and social entrepreneurs providing that they are undertaking common, collective action to identify and exploit opportunities for local development (change, new value). The civic entrepreneurs are not the only who cover the whole entrepreneurial process up to harvesting the ventures. But they are indispensable in an initial part of the process, while identifying the opportunities, conceptualising ways of their exploitation and mobilising other actors, to acquire resources, configure them and make an organisational fit.

3. Local governance as a platform for institutional arrangements

Penetration of the attributes of an entrepreneurial profile of governance bring us also to the question of institutional arrangements. The collective profile of pursuit of opportunities verifies the roles and the rules among the interacting parts of the local game. With other words, the entrepreneurial profile of governance stimulates organisational and institutional changes (framing and reframing) offering and stabilising new patterns for governance.

Governance can be perceived therefore as a process of institutional responses to rapid changes both in the whole society and in particular local community. Nonetheless, the main challenge is how to create power to act. In a „fragmented world“ (as often the contemporary „glocal“ society is described) the paradigmatic form of power is what enables certain interests to blend capacities to achieve purposes. The concept of „new local governance“ shifts the attention from asking: „*who gets what?*“ to more proper question, while „government goes governance“ that is: *how in condition of great complexity and uncertainty do actors blend their resources together to achieve shared purposes*“. The notion of „new governance“

(Pierre 2000) (in comparison to „old governance“) focuses on governments ability to negotiate both policy and implementation with partners in public, private and voluntary sectors (Stoker 2000) rather than on the singular concern of „governmental implementation“.

Even municipalities are areas of an institutional fragmentation, where the main actors concerned with the specific issues are spread not only among a wide variety of institutions but also across public, private and voluntary sectors (Stoker 2000). A contemporary local society is seen more and more as a „polycentric terrain“ (Rhodes 1997). In a more fragmented institutional landscape of local societies even local government as a power factor tends to be perceived as a hybrid organisation dealing with new challenges and demands expressed by more specifically differentiated stakeholders.

Accordingly, our reflections are grounded mainly on the institutional basis. The term: „institution“ covers a multitude of meanings and approaches, and we advocate for describing them as „organised patterns of socially constructed norms and rules“ (Goodin 1996, p.52) and, due to understanding the institutions as both *rules* and *roles* we distinguish two types of institutional levels, which interact closely (Edelenbos 2002):

- *the rules level*: with organisational structures, rules and methods (rules of the game);
- *the roles level*: referring to the action and interaction patterns of actors. (roles of the game).

Rules often apply to a whole network, while roles are more individually oriented and actor-specific. Role descriptions indicates what sphere of competence does or does not belong to the actor, what the actor may or may not to do, and what action should be taken in certain situations (Edelenbos 2002).

Consequently, of prevailing interest for us was to gain better understanding of the interaction patterns between the actors and the roles and rules that maintain these patterns. In this regard, the main question evoked is the concern on *institutional change* versus *institutional rigidity*. We assume that in the process of interactive governance that describes the establishing and running of a strategic alliance, the dynamics and the breadth of *institutional innovation* is of crucial significance for the overall process of implementing the vision and for the implementation of the strategic targets.

Institutional innovations accentuate the core in the entrepreneurial profile of governance. They express the complexity of actions undertaken by specific groups of actors from different organisations and networks, who meet themselves in a new constellation, in our case, in an alliance,

and create specific arena, understood here as a place where specific actors interact on an issue and make choices on aspects of it (Klijn, Kopenjan 2001). In „fragmented world“ of organisations absorbed by pursuit of opportunities, the patterns of interactions emerge in a „calegidoscopian“ way.

The two last case studies mentioned below are just about *institutional innovations* (Edelenbos 2002) undertaken while exercising the process of entrepreneurial local governance. Focus in on some multi organisational local actions ad projects where the local authorities played the major role. That what is created are interaction and arenas for further interaction showing capacity for institutionalisation of the local co-operation. The new roles and rules, emerging and stabilising the relations between actors involved are that what is of the main interest in penetrating the institutional content of the interactions. Institutional innovations occur just as provisional institutions and it is of essential value to find out and outline the forces, the premises, the context and the consequences of building up such institutions.

4. Arenas, civic entrepreneurs and partnerships as contingencies of the process of governance in Stockholm region. (Södertörn subregion)

Case study 1¹

It managers as promoters of partnership in practise. The case of „Digitalen-Södertörn“, **a new communication system in the south region of Stockholm.**

The process of partnership was observed during the preparatory stage of choosing a new common communication system, covering the whole Södertörn, and then, during the time consuming procedures of applications leading to the final contract for all involved municipalities. The chosen system was a new broad-band communication system, based on copper cable, covering the whole Södertörn. The new system, called „Digitalen“(2) has been developed by Telia, a Swedish telecommunication company.

Emphasis of this study was on the pivotal role played in this process by a group of managers representing all sectors, but interested mainly in IT, and gathered in a special unit, called the IT-board, working within a regional cross-sectoral forum called Södertörn Advisory Board (Södertörns

¹ This case is presented in Barczyk (2000).

Rådslag, SR below). They have started a project called „Digitalen-Södertörn” of which the first stage was crowned by the contracting to seven municipalities of Södertörn the broad band system „Digitalen”. The new common platform was expected to open entirely new opportunities for implementation of information society technologies (IST) on Södertörn.

One of the declared priorities in the accepted common strategy for the region was to create prerequisites for an increased competitive capacity of Södertörn in comparison to the „high-tech” innovative northern parts of the Stockholm region. A pivotal role in the process, initiated 1997, leading to implementation of „Digitalen” was played by the managers working for SR’s IT board which resulted 1998 in a contract between Telia daughter company: Telia PubliCom and the seven municipalities.

The practical explorations were concentrated on achieving a better knowledge of operations done during the works of the IT-board, since the role of senior managers, key persons acting for „Digitalen -Södertörn”, was substantial for the outcome of the project.

This group was operationally responsible for the proceedings rendering operationally adaptable a new communication system in Södertörn region. Their own motives and strategies were of main interest as well as their positioning in the arena of formal and informal relationships. Their way of anchoring own ideas and images to win the acceptance in the formal organisations was of critical value for understanding of how the patterns of partnership could change and adapt themselves to varying circumstances.

Carrying out concrete projects the group of managers working for the IT board has gained a position not obtainable for other groups which gave them the power to rearrange the priorities in SRs vision and strategy. And the priorities become revised. The decisive role of an infrastructure for IT and the attractiveness of the region for skill-workers, knowledge intensive enterprises, has been accentuated now, as well as co-operation between universities, research centres, business and IT-support to the SME was lifted. Communications system, information provision and skill enhancement were considered then as critical issues of crucial significance for long term societal and business development.

The group of IT managers while establishing the net of actions, has not only determined the set of actors and their identities during working in partnership, what is the base for *problematization* in Callon’s meaning (Callon 1986, p.204), but even has determined that what in Callon’s definition is called *obligatory passage point in the network of relationships*. In this case just the concept of common homogenous communication system become the

obligatory passage point. Criteria and conditions for the choice were constructed by the IT-board and then the choice of Digitalen has described the obligatory passage point for all parts of the process of partnership.

Apparently the IT managers wanted to be seen more as public sector entrepreneurs, innovators with a strong impact of moral standards and rhetorical impact of technology. „Informality“, „social accountability“, „opportunities“ were the key words I have heard during my interviews with members of IT board. It was clear that they have chosen, according to their job experience in or/and with the big organisations, to act flexibly, to pursuit opportunities, sometimes being in need to act as *partisans* in their own organisations (as one of my interlocutors has expressed it) And their main concern was to start action, to create new venture.

Their works were not well illustrated, the proceedings of the IT board and works in the project were not report-oriented. The informality of the conversations, negotiations and decision making has not supported any productions of routines and the established rituals integrating this group were not well documented. They were entirely concentrated on the ongoing action. They were entrepreneurially oriented.

The case of Digitalen shows that the process of partnership in growth can be amplified i in parallel, two kinds of processes are emerging. The first of them is a process of strategic networking creating framework for various ventures based on an accepted common vision, giving the regional development the real fuel. The second one is the process of venturing, initiated and implemented by a operational group consisting of representants from all sectors of economy, but possessing specific skills and ability to bind all the actors through designing their relationships due to the venture process requirements. And acting entrepreneurially.

IT managers have acted beyond the frames of professionalism, sometimes being *partisans* in their own organisations, although taking initiatives, pursuing opportunities, preferring informality in organising context, dealing beyond their formal roles. However that what seemed crucial for succeeding was their ability to deliver the unique competence and use the concept of common communication system as a obligatory passage point in Collon`s meaning. The actors were mobilised and tied by the obligatory passage and the process of partnership got a clear design.

Case study 2²

² This case is presented in Barczyk, Ström (2002).

5. Local authorities and universities in a common entrepreneurial process

The case of The Summer University of Southern Stockholm as an arena for the creation of knowledge infrastructure facilitating regional development.

This study illustrates how some new arrangements and investments could make certain depressed areas privileged in terms of the creation of a new „knowledge infrastructure“ and how the process was constructed. Focus was on the leading actors, representing public authorities and academic community, willing to act entrepreneurially, encouraged by the idea of getting new university to the less developed part of Stockholm region called Södertörn, in order to contradict the growing gap between the depressed urban area of the „south“ and the progressive „north“ of Stockholm region. The empirical inquiry was limited to the observation of a process of creation of a certain specific arena for the general purpose, namely the process of setting up a new Summer University of Southern Stockholm on Södertörn.

This study stresses the essential role of civic entrepreneurs or „influencers“ who have made things happen and were able to link themselves with other influencers. They have initiated new organisational arrangements to institutionalise the linkage between business, government, university and community. Their mode of thinking, reasoning, acting was „opportunity obsessed“, holistic in approach, offering balanced leadership. In such context have appeared possibilities to create new businesses and stimulate the renewal processes.

According to the interviewed „pioneers of this idea“, the basic concept of Summer University should be seen as connected to the issue of creating a suitable platform (arena) for further actions to set up a new (second) Stockholm university and settle it on Södertörn, the southern, less developed part of Stockholm region. All in line with the mission to develop the knowledge infrastructure there and mobilise the major decisions makers both on the local and on the central level (parliamentary and governmental level) to choose Södertörn as the optimal location of a new university. Creation of a new platform has facilitated the strive for getting new academic institutions and high-tech companies to this area, making it even more attractive for already established big business in terms of wider access to skilful workforce.

Focus of the empirical part of the study was on a certain group of actors involved and on the process of networking while adapting the con-

cept of setting up the summer university in one of the most depressed urban areas of Södertörn, called Flemingsberg. They have behaved as social entrepreneurs or „influencers“, being able to mobilise resources needed to counteract the extending gap between „North“ and „South“ of the Stockholm region. Thus the theoretical assumptions on the characteristics of the collective pursuit of opportunities as a kind of „collective entrepreneurship“ were implemented to understand better the pivotal role played by the „entrepreneurial network“, initiated by these persons.

The main concern of the study was to find out how a specific arena for further regional development was to be established due to an entrepreneurial process getting the representatives for both local and regional authorities, and the academic community together for some balanced common actions. Focus was on a group of collaborating persons, who played an essential role in the conceptualisation, initiation, implementation and co-ordination of various events and activities. Operating simultaneously in different and complex arenas they were able to redefine various intra- and inter- collaborative relationships and create a new arena; in this case- a new summer university.

The main actors of the game came from various sectors of the economy. They represented: Stockholms County Council and local authorities from the municipalities on Södertörn, with a pivotal role played by Huddinge and Botkyrka municipality. The academic world was represented by Stockholm University, Karolinska Institutet (the medical university) and later on by the new established university college on Södertörn and by the new created summer university. Even the central power was involved, mainly on the parliamentary level, but even the Ministry of Education and the National Agency for Higher Education were participating in the process.

The processes of organising and management offer always an interesting tension between „administrators“ and „entrepreneurs“, with specific requirement to find a fragile balance between the two different managerial cultures. It was of substantial value to understand, how the entrepreneurial competence and the entrepreneurial behaviours could be examined in the framework of the managerial and administrative duties of the key persons. With other words, the question was, how the „entrepreneurial network „could, simply, emerge.

The process of rise and development of the Summer University on Södertörn was observed just from the point of view accentuating inter-organisational opportunity-seeking and collective pursuit of opportunities with the pivotal role played by the observed „civic entrepreneurs and influencers. Even more, the „collective pursuit“ means that *the civic entrepre-*

neurs have to play the roles as specific „ translators, ready to „enroll“ and „mobilise“ (Callon 1986)) other relevant decisions-makers in order to reach the goals preferred by the „translators“ (Barczyk 2000)

This study shows us how an entrepreneurial process, in this case, the cross-organisational project of summer university, can support the growth of knowledge infrastructure, with the crucial role of academic activities for creation of new prerequisites for the regional development.

There were some individuals, „social entrepreneurs“, from different organisations who made possible the project of SUSS working as an one of pivotal instruments in building up a new platform for a new university, to be settled in the south part of Stockholm region, in line with the major strategy of combating the regional unbalance. The pivotal aspect of the actions undertaken there, was the ability of the „entrepreneurially oriented“ persons to work in a network and in a team. They were able to overcome the limitations of the co-operation coming from the rules, rituals and routines describing the traditional administrative culture of municipal, regional and academic organisations.

The summer university has appeared as a conducive new arena for action oriented networking and as a meeting place (a „discreet arena“) getting different actors to co-operate in a conciliatory spirit, overcoming political, institutional and prestige-based contradictions. It turned to be of substantial value to get the local politicians and the representatives for the academic institutions to work together, otherwise not used to work together, in strive for common advantages.

6. Studying institutional innovations in praxis

Case study 3³

Understanding complex systems of partnership.

The case of Strategic Alliance for Flemingsberg as a **formation of partnership in „designing future of an urban area“**.

Socio-economic problems of depressed urban areas are often complex, therefore the comprehensive nature of decline requires adequate and comprehensive solutions. The co-operation in such cases, reminds more of the process of forming of long-term, strategic alliances than that of a creation of local partnerships aimed at certain urgent social and economic issues. This study is about *Flemingsberg*, one of the most depressed

³ This case is presented in Barczyk (1999).

urban area in the whole Stockholm region, which currently has been declared to be the most expansive area in the coming years. The focus of this paper is on the pivotal significance of the first stage of the formation of a strategic alliance, namely on an intellectual process of problematisation and mobilisation of actors. This process is not only shaping the new image and identity of the area and of the alliance. It also rebuilds the arena of power, changes the contextuality of coming actions and already in the initial stage determines the set of patterns of partnership in the coming stages of the renewal work.

The intellectual process of the formation of partnership has brought a collective reflection on the vision of the future of the area in the period: 1999-2009. It encompasses a wide range of strategic targets and tasks, formulated in a way that gives all participants an opportunity to present their own contribution and transform it to a set of operational tasks and projects with clear commitments. However there are no formal obligations for anyone. It is the product itself, the strategic program, a concept of what I call „designed future for Flemingsberg“ that is in position to bound all participants to some common actions (investments, activities, projects).

The overall aim of the study and the purpose of this paper was to observe and describe the process of formation of partnership in the initial stage of mobilisation of all actors working hitherto separately. Particularly the intellectual process of elaborating the common vision and the common strategic program, was observed. The main questions posed were: what circumstances and forces were essential for the process of the formation of the strategic alliance. What factors made it possible to influence the process with a conciliatory approach based on declared trust. What kind action was undertaken to attract all the actors into a collaborative process of creating prerequisites for economic expansion and high quality of life.

An alliance called: Strategic Forum for Flemingsberg reached the stage, where the intellectual process has been crowned by accepted strategic program, a legitimate product of the new alliance. A new construction influencing process of development of Flemingsberg was set up. Even if there are no formal obligation for the partners to be bounded to the alliance a range of interdependencies, has been created.

There is not only a question of regeneration of an depressed urban area. Moreover there is not only a question of recognition that revitalisation should be based on combination of the physical and property-related strategies with those which have focus on life quality, standards for housing, living and leisure. The land- and propriety with social- oriented mix-approach has been influenced by a strong growth- orientation and by mas-

sive marketing of place. The issues aimed at growth within R&D took over the discussions, and even the big land- and property owners were keen to invest in research centres and consider more expansion for potential spin-offs from the university environment. The „creative intelligence“ accommodated by the „heavy“ partners to seek for „factors of success“ has turned to form the mainstream of efforts supporting the new alliance.

The observed process of formation of the strategic alliance and the strategic program for Flemingsberg gave opportunity to formulate some thoughts in conclusion.

Firstly, one could conclude, that it is important to deal with partners who have clear own logic of action, with concrete commitment to own objectives and knowledge of key dependencies. It claims special efforts to establish trust relation based on mutual commitments with partners representing huge organisations with only secondary interests in this particular area.

Furthermore, the complex systems of partnership can give space for a new type of role reversals. There is not only a question of implementation of public sector logic and attempts to go beyond bureaucratic behaviours in the public sector. Municipal actors are about to learn a new advanced role of being mentor for alliances in urban areas where traditional democratic procedures failed to change the negative spiral of social and economic decline.

Moreover, a contextual organisation shaping new patterns of partnership is created even if real action has not been undertaken yet. Therefore it is of pivotal significance to choose with care project leaders for the intellectual process. The process of conceptualisation is de facto a process of organising and shaping the identity of a partnership with capacity to redefine the arena of power in a way that bounds all partners to certain patterns of interactions before the particular projects are to be set up.

Case study 4⁴

7. The alliance in progress. Strategic Forum for Flemingsberg and its works: 2000-2003

Our analysis encompasses a period which started when the intellectual basis for the emerging alliance called Strategic Forum for Flemingsberg was produced (in 1999) by creating the vision for this area, called

⁴ This case is presented in Barczyk, Ström, Öhman (2004).

Vision 1999-2009. The main intention of the study was to reflect on the nature and dynamics of a process of transforming the vision into operational tasks. It was of particular interest to observe how the actors bounded first with the perceived *contextuality*, created during the works with the vision, have then linked themselves in a operational way through establishing new patterns of inter-organisational relations. This period is about to reach its end and a new strategic conference aimed to revise the vision and verify the mode of working within the alliance is just to be arranged (spring 2003).

The effort to create an alliance and make it working is a question to be considered on the local governance perspective.

In the very beginning of the alliance the influence of the experts from the consulting firms was essential, especially during the process of elaborating the common vision and the strategic program. In the beginning of 2000 the municipal leaders got back more impact on the progress of activities. At the same time the „influential actors“ from the phase of building up the alliance got less influence. Some issues as housing, social issues and the powerful expansion of the academic institutions and their infrastructure gained much more attention.

2003 can be seen as expected re-start for the alliance with much focus on the campus and Flemingsberg area as the market and commercial area attracting new actors and new service. The private actors are expected to obtain a substantial part of the development.

Since the intellectual product of the initial process was prepared and the document over the vision for Flemingsberg 1999-2009 has got its political and public appreciation, the whole process of building an alliance for local development has changed its character. The creative process of collecting and contextual design of „the clustered factors of success“ has been substituted by more operational way of acting and coordination of different interests and attempts within the selected group of actors who have declared themselves as bounded to the presented vision.

Prevailing number of actors were those who represented the public sector. But there was only one actor directly responsible for spending of the tax-payments based budget – namely the local government of the municipality of Huddinge. The other public actors were represented by specific daughter companies; County Council in Stockholm region by daughter companies as: Locum – propriety owner company, Huddinge hospital and Novum ,a research oriented company, the State – by some propriety owner companies, university college, technical university and medical university with their branches located in the campus of Flem-

ingsberg. The main private company involved in the alliance was construction company: Skanska.

The public owned companies have tended to emerge in their more „narrow“ roles, although reflecting their commercial or semi-commercial logic of acting, however meaning with their participation was to express priorities in line with the societal responsibility represented on the regional and the state level. Participating in the meetings and undertaking common actions, these actors have tended to spoke in the behalf of their „umbrella“ organisations, being at the same time in the position facilitating „sub-optimisation“ of preferences with risk foe the misinterpretation of the general priorities and the societal responsibility. Lack of direct involvement and co-ordination power of the primary actors (umbrella organisations) lifted the role of the municipal organisation and its local government to the position of the exclusively responsible representative of the general interests of the society.

Generally, in a fragmented institutional landscape, neither the actors representing all the sectors: public, private, civil nor the mechanisms of societal co-ordination can be perceived as homogenous whole. In an inter-organisational landscape of an alliance the actors represent different logic of action, prefer different modes of communication and are submitted to different mechanisms of co-ordination – due to the sector in economy they represent. Despite that, they are capable to to interpret and adapt themselves circumstantially, and act expressing role reversals and mixed behaviours. Therefore the institutional design of an alliance (with deliberate re-formulation of rules and roles) is of pivotal significance for a successful implementation of strategic program following the accepted vision. Even a local government as municipal representative is in the position to face the same aspects of the fragmentation and heterogeneity of its own organisation as other actors involved in an alliance.

Therefore the endeavours of the local government in Huddinge was aimed at reinforcing the leading role of the centre of the municipal organisation against any possible branch-oriented fragmentation of priorities due to the professional interests or preferences of the devolved units. The municipal leaders Huddinge wanted to reinforce the leading role of the local government in the works of alliance. It was assumed as necessary for undertaking more co-ordinated actions in a landscape of provisional roles or role reversals, both within own „umbrella „ organisation and in the inter-organisational area of the alliance. The chef executive of the municipal organisation took over the responsibility for steering the process of implementation of the planned tasks (targets). It might facilitate the dialog

and collaboration with other partners on the level of top managers in the central units of the respective umbrella organisations.

Doubtless, there is always a question of balancing various interests however the priorities were already accepted in the vision for Flemingsberg and expressed in the strategic program.

To create a sustainable balance of interests in a alliance requires continuous organisational experimentation in order to keep the institutional rules and roles clear in line with prospects for the strive for collaborative advantage of the collective action. One of the urgent questions to be solved in the alliance is the „size“ (number of participants) of the steering group. It is still an unsolved dilemma of work division between the leading group and the already existing and potential working units.

The question of balance can be seen even in wider perspective. Three years after the declaration of a vision and strategic program for Flemingsberg, the prerequisites for development and integration have changed, in line with changes in the local and regional trends. The operative work of the alliance was thought first to deal mostly with the monitoring and checking the projects and targets listed out in June 2000. The three years that have passed, showed that the mobilisation of resources was needed both in the area for housing and living and in connected areas of technical and social infrastructure in the campus. Even the issues of social integration have gain more attention thanks to successful proceedings in the projects of social revitalisation running in parallel but outside the projects undertaken by the alliance.

To find a new balance requires the revision, both of the structure of interests and of the methods of an operational work carried out within and between the organisational units of the alliance. Therefore the steering group has planned to carry out a conference in „re-start spirit“ (planned for may 2003) in order to get more flexibility in both „rewriting“ of the vision and the strategic program and in „re-modelling“ the whole organisation of the alliance (both the rules and the roles of the alliance).

From the municipal side it is of essential value to consolidate efforts to attract external resources and encourage partners in the alliance to make investments offering breakthrough in the technical and social infrastructure. That is the basis for the rise of the standards for living, housing, working and learning, but even the necessary ground for localisation of new enterprises and organisations, able to reinforce the chosen profile of Flemingsberg. One of the operative tasks is to reinforce the function of promotion and marketing of Flemingsberg with greater attention and involvement from the local government side in Huddinge.

The process of examining the alliance is a learning process itself. Designing the institution of the coalition as a working body both the *rules* and the *roles* are about to alter. The process of executing the strategic alliance is a process of interactive governance where the changes in the patterns of interactions are accumulated in the institutional memory of the process. Experimentation, which characterises the process of institutional design requires its fulfilment in that what was mentioned above as a process of „*habitualisation*“. If the changes are frequent and fast there is a risk to neglect the need of accumulation of this kind of competence that enriches the institutional memory of the process. During the last three years many new persons in various organisations of the coalition emerged, changing the patterns of mutual links. It makes more urgent the question of documentation and *habitualisation* of the proceedings in order to develop the institutional path of the alliance in future and secure institutional innovations through relevant re-design of *rules* and *roles*.

Ability to keep alive and effectively working strategic alliance expressing complex patterns of interactions between many different actors and ways of acting requires continuous institutional innovations. An alliance is in its nature an *institutional provisorium*, subjected to constant renewal, and the quality of its re-design depends on the standards of the art of interactive local governance. All the partners involved can influence the process of governance but the major responsibility is put on the municipal government and its possibilities to gain competence and governing involvement from other „umbrella organisation“ representing society in general.

Final remarks

The major intention was to gain better understanding of the interaction patterns between the actors and the roles and rules that maintain these patterns. We see the process of exercising the alliance and partnerships an interactive process of local governance, where the interactions occur both *in advance*, (by creating the *contextuality* in working with the vision) and *during* the process, (while the work to reach the targets accepted in the vision is carried out). In the perspective of an interactive governance observations on institutional change that would be conducive for finding solutions making the alliance proceedings more effective are possible and justified.

In this regard, the main question evoked is the concern on *institutional change* versus *institutional rigidity*. We assume that in the process of interactive governance that describes the establishing and running of a strategic alliance, the dynamics and the breadth of *institutional innovation* is of crucial significance for the overall process of implementing the vision and for the implementation of the strategic targets.

Moreover, providing that the rules for interactions may be pronounced openly, but may also remain unspoken (or un discussed) so that the *tacit knowledge* can offer the basis for the competence, it is of pivotal importance to make the record (documentation) on the interactions and their patterns in their progress in an alliance. Otherwise, many „fleeting configurations“ of a collective action may preclude the possibility of building the long-term relations and institutions, since institutions require *habitualisation* of activities.. The more a collective action is institutionalised, the more predictable it becomes and more alternatives for actions are opened. The point is, to offer to the partners the comfort to „memorise“ their habits, and reflect over rendered interactions. That in its turn may facilitate the transfer of a successful praxis to other places. For example, Flemingsberg Strategic Forum is such unique experiment in creation of an alliance for development that it should be seen as an object of „transferable documentation“.

Generally, the case studies presented above have evidenced the observation of entrepreneurial processes were the leading actors acted encouraged by new visionary ideas.

We stressed an essential role of what they call :*civic entrepreneurs* or *influencers* in creating such networks and arenas. They make things happen and are able to link themselves with other influencers in each of the other segments as well within each segment. They initiate new organisational arrangements to institutionalise the linkage between actors involved in the local game (business, government, universities, and local community actors). That is just what the empirical part of the study about. The appearing partnerships are observed through the actions undertaken by civic entrepreneurs while creating arenas and through this process stimulating institutional innovations, in its turn changing the institutional patterns for the whole process of local governance.

The penetration of the attributes of an entrepreneurial profile of governance bring us to the question of institutional arrangements. The collective profile of pursuit of opportunities verifies the roles and the rules among the interacting parts of the local game. With other words, the entrepreneurial profile of governance stimulates organisational and insti-

tutional changes (framing and reframing) offering and stabilising new patterns for governance. The new institutional patterns determine the role the process of governance plays while strengthening the attractiveness of the region and its competitive advantages.

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