

***NETWORKED GOVERNANCE:
THE CHALLENGES OF WORKING ACROSS LEVELS OF GOVERNMENT AND
SECTORS WHEN EXTERNALIZING STATE DEPARTMENTS OF
TRANSPORTATION***

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Abstract

Public managers are leading and participating in complex policy networks to overcome budgetary shortfalls and new service demands. The networked-governance approach is particularly evident in the field of transportation policy with the incorporation of a multi-stakeholder State Transportation Innovation Council to expedite project delivery, enhance safety, improve customer service and reduce costs. This externalization of transportation programs, services and products presents public managers with newfound challenges. However, novel solutions exist with innovative leadership and advanced technology to overcome these challenges in the networked governance of transportation partnerships.

Introduction

Sustainable public programs, services and products depend on networked governance, which “moves from vertical to horizontal approaches to decision-making and is characterized by systems of communications, knowledge, exchange and dialogue” (International Institute for Sustainable Development, 2013). Networked governance is particularly evident in the field of transportation policy with the advent of State Transportation Innovation Councils (STIC) at state Departments of Transportation (DOT). The STICs “bring together representatives from all levels of the transportation community to work together... and develop plans for implementation and adoption into current and future transportation projects” (Bergeron, 2013). Partnerships within the transportation community are strengthened and new horizontal governance structures are forged. However, these dynamic partnerships present challenges when public managers advance stakeholder engagement. The central argument of this paper is novel solutions exist with innovative leadership and advanced technology to overcome challenges in networked governance.

The Expansion of Transportation Partnerships

The contemporary development, management and evaluation of transportation programs, services and products are largely dependent on networked governance. Public managers are leading and participating in networked governance to fulfill budgetary gaps and new service demands.

Financing transportation improvements are primarily reliant on the collection and equitable distribution of a motor fuels tax. From a national perspective, “the current trajectory of the Highway Trust Fund is unsustainable... [and] the trust fund will have insufficient amounts to meet all of its obligations” (Congressional Budget Office, 2013). To fix the budgetary shortfall, joint action is essential by the executive and legislative branches of government. The failure to act collectively in the conventional law-making process will adversely impact the safety, vitality and mobility of transportation systems.

Additionally, new service demands in mobility and accountability are heightened by the general public. On one hand, the travelling public demands new and improved methods to access information. These service demands are promulgated by the advancement of mobile technology to enhance the effective and efficient ridership on transportation networks. On the other hand, the general public demands accountability of public spending. Holding transportation programs and policies accountable require new technological solutions (i.e. website) to create transparent, taxpayer-dollar tracking methods of public spending.

Public managers are financially constrained with meeting and exceeding new service demands. Therefore, state DOTs are exploring the establishment of STICs, which is a modern concept endorsed by the U.S. Department of Transportation to proliferate innovation with stakeholder engagement. This concept expands transportation partnerships, and unveils new challenges that need addressed by public managers.

The Challenges of Transportation Partnerships

New challenges prevail with expanded transportation partnerships to overcome budgetary gaps and new service demands. The engagement of non-traditional decision-makers in transportation policy transforms antiquated, vertical organizations into modern, horizontal networked governance. "The resulting shift from interacting hierarchies to networks suggests that intergovernmental management must add more intensive relational management dimensions" (Meek & Thurmaier, 2012). The introduction and incorporation of networked governance requires public managers to oversee the complex implementation of externalizing public organizations.

The externalization of public organizations presents three fundamental challenges that need addressed by public managers. One challenge is accepting buy-in from stakeholders who are now incorporated in the decision-making process of a public organization. In a well-formed network, each stakeholder holds one vote, which transforms the scope of conventional decision-making. The historical patterns of transportation decision-making - regulatory requirements notwithstanding - mirrored internal voting on the best solution to solve policy problems. Now, in the era of networked governance, public managers are working directly with stakeholders throughout the entire problem-solving process, which requires the allocation (or re-allocation) of resources.

A second challenge is the allocation (or re-allocation) of resources in an organization's business and budgetary plans to support networked governance structures and decisions. The identification of new personnel and funding streams to manage stakeholder engagement is problematic since all levels of government are experiencing cuts in complement and budget capacity. Without dedicated personnel and funding to implement the new networked-governance structures (and its decisions), the emerging network will dismantle. Therefore, new pressures are accorded to public managers in the management of an organization's business and budgetary plans while maintaining effective levels of performance and accountability.

A final challenge is the management of performance and accountability in networked-governance structures and decisions. The expansion of transportation partnerships creates new complexities when implementing shared decisions. When stakeholders are charged with developing, selecting and implementing policy solutions, public managers need to effectively monitor innovative policy development and deployment. Monitoring the effectiveness of each policy stage requires careful examination to ensure financial stewardship is upheld by all engaged stakeholders. Failure to effectively implement an innovative policy solution will adversely impact a broad, diverse customer base that relies on transportation alternatives on a daily basis.

Challenges exist in the era of networked governance. The renewed vision of a public organization transforms the roles of both public managers and stakeholders to collaboratively analyze problems and advance policy solutions. Shared problem-solving stretches the capacity of public organizations to collaborate and presents new challenges to overcome. The discovery of new challenges across the transportation community presents new opportunities to improve public service.

The Future of Transportation Partnerships

All levels of government that oversee transportation programs, services and products are facing budgetary shortfalls and new service demands. One solution is the adoption and implementation of a STIC to create novel, cost-saving policies to enhance transportation systems. However, networked-governance challenges prevail in the areas of accepting stakeholder buy-in, allocating (or re-allocating) resources as well as managing performance and accountability.

Public managers will succeed in future transportation decision-making and policy-making processes with innovative leadership and advanced technology. The foundation of innovative leadership requires a new skill set (e.g. facilitation, creative problem solving, collaborative management, etc.) to steer the decision-making of networked governance structures. Additionally, the advancement of new technological infrastructure is critical to sharing policies, decisions, data, etc., across the network, prioritizing available internal resources and monitoring the performance of implemented policies.

Transportation partnerships will transform public organizations and create new solutions to underperforming public programs, services and products. The externalization of public organizations will stretch public resources to meet the ever-growing demands of the citizenry. Public managers will overcome contemporary challenges of networked governance with innovative leadership and advanced technology to enhance sustainable programs, services and products to strengthen the safety, vitality and mobility of transportation systems.

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