

CHAPTER ONE: INTRODUCTION

1.1 Introduction

The last thirty years of regional development policy in Australia is marked by fluctuations in content and priority as regional politics and regional economies have responded to changing imperatives, both local and global. Regional policy is anchored in ‘neo-liberal ideology’, with both state and federal governments apparently preferring a ‘hands off’ approach to issues within the regions (Maude, 2004 p.5). Alongside policy adjustments has been the evolution of an ‘institutional framework’ to deliver regional development policy into practice (Beer & Maude, 1996 p.73). This framework, or institutional architecture, involves a range of private sector individuals, state and federal government funded agencies and local government.

What has evolved to deliver regional development is what has been described metaphorically by Goodwin and Painter (1996) as a palimpsest¹, reflecting the shifting patterns of participation and responsibility in regional governance. The literature describes this shift from government to governance as indicative of neo-liberalism, inspired by government policy to step back from direct service provision and create regions that are more self reliant (Cheshire, 2006; Everingham, Cheshire, & Lawrence, 2006; Pritchard, 2005; Rainnie & Grobbelaar, 2005). The notion of governance provides recognition that those with influence over the ‘regions’ are a range of actors, not necessarily elected, but rather individuals, ministerially appointed boards and committees, private sector consortiums and voluntary groups finding agency individually or in partnerships (Brush, 2003; Eversole & Martin, 2005; Goodwin & Painter, 1996; Little, 2001; Shortall, 2002; Tickell & Peck, 1996).

This research focuses on one specific and defining arena within this institutional architecture of regional governance; the ministerially appointed boards which govern the state government funded regional development agencies in New South Wales (NSW) and Western Australia (WA). These agencies are known as the NSW Regional Development Boards and the WA Regional Development Commissions. By way of distinguishing the

¹ *Palimpsest* is defined in The Macquarie Dictionary (3rd edition) ‘as a parchment or the like from which writing has been partially or completely erased to make room for another text’. In this way what was once written, but which has since been erased, is still visible in the more recently written manuscript.

characteristics of these regional development agencies from other organisations that undertake similar activities, Halkier and Dansom (cited Hughes, 1998 p.616) provide the following description. A regional development agency is:

‘a regionally based, publicly financed institution outside the mainstream of central and local government administration designed to promote economic development’.

The boards of these agencies are designed at the ministerial level, consideration being given to gender diversity and representations across community, local government, and business sectors. However there are complexities and contradictions to be understood beneath this surface in the practice of regional development governance and in particular with the ‘complex subjectivities of actors’ in these governance roles (Valler, 2000 p.425).

The existing literature from regional studies, rural sociology and organisational studies describes the aspects of these agencies within the broader conduct of regional governance. However literature on the operation and governance of these agencies from the perspective of the board members is only beginning (see Edwards, Nicoll, & Seth-Purdie, 2003; Fulop & Brennan, 2000; Grant & Rainnie, 2005). The unique contribution of this research is to reveal the way in which the board members of state government funded regional development agencies themselves make sense of, and consequently actively discharge their duties in, their role in regional development governance.

1.2 Rationale for the study

In 1996 Andrew Beer and Alaric Maude reported their findings of a major study of regional development agencies throughout Australia. Through extensive interviews and surveys of regional development practitioners employed within local and state government funded agencies, government officials and representatives of peak organisations, Beer and Maude (1996) compared the effectiveness of state frameworks in economic development agencies across Australia. Australia’s regional development landscape of different agencies and actors and three levels of government has resulted in what is described as a ‘crowded and chaotic institutional landscape’ (Beer, Maude, & Pritchard, 2003 p.170). In reflecting the perspectives of practitioners in the field, Beer and Maude (1996) revealed the nebulousness of regional economic development in practice and the difficulty in claiming outcomes as a result of agency efforts. While their research identified differences and similarities between regional development agencies in

Australia at a point in time, a follow-up study in 2001 compared the strengths and weaknesses of the different institutional arrangements in Australia with the practice of these agencies internationally (Maude & Beer, 2004). One of the testing questions raised in this more recent work is the extent to which the success of the agency depends on the leadership of the board members. Beer, Maude et al (2003 p.158) identified in their research that the board members of these regional development agencies were regarded by the paid staff of these agencies in a 'significant number of cases' as an impediment to greater effectiveness. While Beer and Maude (2004) did not interview board members, practitioners commented that one of the limiting factors of the regional development agency's success was the board itself.

This research focuses solely on the board members of state government funded regional development agencies in NSW and WA. Further, this research is funded as an Australia Research Council Linkage project to examine the impact of gender diversity on regional development boards in WA and NSW¹. The variation between the two state based frameworks provides the opportunity to consider the impact of structural differences on the way in which board members describe their board experience. It is notable that government administration of these boards delivers a higher degree of gender diversity than other regional and corporate boards (Alison Sheridan, Pini, & Conway, 2006). The regional development governance literature internationally points to the predominance of masculinities within regional development decision making (Brandth & Haugen, 2005; Little & Jones, 2000; Pini, 2006; Shortall, 2002; Tickell & Peck, 1996). While the ongoing Australia Research Council research project team continue to reveal the gendered aspects of these boards, my research examines the way in which the men and women who accept these board positions interpret their role in regional development governance and make decisions accordingly.

In WA, there are four government ministers responsible for the Commissions based on geographical location acting for the WA Department of Local Government and Regional Development. In NSW, the minister for the Department of State and Regional Development appoints board members to the regional development agencies. In WA, criteria for membership reflects equal representation of three sectors recognised as having an interest in regional development, these being equal representation by local

¹ The NSW Department of State and Regional Development, NSW Office for Women and the WA Department of Local Government and Regional Development expressed interest in understanding issues regarding boardroom membership.

government, community and representation chosen by the minister responsible for regional development, known as ministerial representatives. In NSW the selection criteria are broadly described by capabilities and expertise (these are described in Chapter Three). If, as the literature purports, these agencies are part of an increasingly important regional governance trend then it is important to understand how those expected to enact regional development governance make sense of their role.

Board members in different types of boardroom situations are notoriously difficult for researchers to access. In the context of regional governance, Ward and Jones (1999) confirm that the new 'elites', those actors within this new governance, are understudied for various reasons, including their own power and resistance to enquiry. Ward and Jones (1999 p.301) in their analysis of the transformation of governance at the local level in England note that the 'new lay elite...who make up the membership of a panoply of appointed boards... are the new magistracy', implying that they are beyond reproach. Valler, Wood et al (2000 p.411) also describe the substitution of legitimate elected positions in governance towards this new 'popular elitism'. The acclaimed shift from government to governance implies a shift in power for decision making (Goodwin & Painter, 1996). However the extent to which there has been a shift of power into this institutional architecture with more inclusive practices resulting is questioned in the literature (MacLeod, 1999; Shortall, 2004; Brenner, 2002).

The field of regional development is subject to many meanings. The literature reflects on economic, social, environmental and political imperatives to deliver regional development. It is previously unknown how board members create meaning for regional development. The literature suggests that knowledge is a socially embedded process (Nahapiet, 2005; Morgan, 1997; Granovetter, 1985; Woolcock, 1988) with particular significance for regional development and building prosperity in the regions (Morgan 1997). However it emerges in this research that board members struggle to understand their role in regional development governance as reflected in this sample of quotes from board members within this research².

//I don't really know what regional development is//

//Our great difficulty is developing projects which would lead to regional development//

² This marking "//" represents a quote from a board member, where there are a series of these markings it signifies a different board member speaking about the same or a different issue.

//It is very, very difficult to get a regional focus//

//A cynical exercise is how I would describe the whole [regional development governance] thing//

As an example of two state government funded regional development frameworks with ministerially appointed boards, charged with the role of enacting regional development governance in Australia, it is timely to hear from board members about how they interpret their governance role.

1.3 Statement of the research question

The governance of regional development agencies is considered by regional development practitioners to be a major impediment to the effectiveness of these agencies. The men and women who accept board positions of regional development agencies have not been studied in this context and it is not known how board members experience their participation in these arenas of regional development governance. Without previous research in this particular area, the issues identified by practitioners, as in Beer and Maude's research in 1996 and 2004, are the most salient markers for describing regional development governance.

The **research question** for this thesis is:

How do board members of regional development agencies interpret and perform their governance role and what does this then reveal about the nature of regional development governance?

This question will be explored through the following three lines of enquiry.

1. Meaning of Regional Development:

The regional development literature shows there are multiple and often conflicting discourses acting upon the work of regional development board members. As the foundation stone, this line of enquiry will pursue the ways in which board members give meaning to the term 'regional development' and the role of the agency in this task.

2. Regional or External Governance:

The second line of enquiry focuses on how board members make sense of the role of the board in regional development governance within the region,

described in the literature as regional governance. The extent to which board members see power and legitimacy invested in their regional development board to make decisions about regional development; and the extent to which regional development boards are inclusive in their membership and activities will be explored here.

3. Internal Governance:

The third line of enquiry focuses on how board members describe the internal functioning of the board. The extent to which board members see the board as having clarity of purpose, an understanding of the skills and experience of other board members, chairing, diversity, trust and decision making and communication skills will be explored here.

1.4 Scope and focus of the research

On the surface, those selected and appointed to governance roles within this public sector domain of regional development governance bring considerable human and social capital which they expect to apply to this governance role. The value of this research lies in bringing together the narratives of board members with their interpretation of their role and the disparate literature to reveal the nature of regional development governance.

In this research board members are located in geographically dispersed sites. in two different states operating under different legislation and political imperatives. Three boards were selected in each state, NSW and WA and all board members of these selected boards were invited to participate. This research is based on semi structured interviews with fifty-three board members (twenty-one women and thirty-two men). The narratives of the board members take the research into a deeper understanding of the complexity of these governance roles. Using grounded theory, the nature of regional development governance emerges through board member's descriptions of the overall board experience.

The decision to describe the contradictory findings as creative tensions rather than rationalise the research findings into some other order outlines a theoretical progression for improved board work in regional development agencies. My preference in this research is to seek the 'told' reality of organisational life which transposes the coexistence

of imperfections and competing positions. This approach delivers a more nuanced understanding of these governance roles. Rather than present a resolution to these paradoxes, the outcome of this thesis will be to identify the consequences of these paradoxes for regional development governance.

1.5 Outline of the thesis

This thesis is divided into three sections. Chapters One to Four build the foundations of the literature, context and research design upon which the research is based. Chapters Five and Six contain the data analysis. Chapter Seven is the discussion chapter which draws together the findings and literature into three creative tensions. This thesis is concluded in Chapter Eight.

Chapter One - Introduction

The introductory chapter explains the background to the research, arising from an observation that, although regional development governance is sanctioned by government, there is little known about how people who accept appointment onto the boards of these entities make sense of their role. This chapter includes the research question and the three main lines of enquiry pursued in the research.

Chapter Two - Literature Review

This chapter presents the different disciplinary literatures relevant to the research question. In this chapter the disparate parts of the literature are woven together. There are three components to this chapter, the first examines the discourses surrounding regional development 'The Meaning of Regional Development'; the next component, 'Governing the Region's Development', examines the regional governance literature; the final component 'Governing the Agency' considers the relevant corporate governance literature pertaining to public sector boards. These three components are represented diagrammatically as a metaphorical quilt.

Chapter Three – The Regional Development Context

Chapter Three builds the broader context for each of the state based regional development agencies under investigation; the NSW Regional Development Boards and the WA Regional Development Commissions. This chapter provides an overview of the state policy frameworks within which these agencies operate.

Chapter Four – Research Design

This chapter describes the research design. This is qualitative research using grounded theory to explore the narratives of fifty-three board members. This chapter details the methodology and articulates the steps taken to establish contact with participants, the interview process and the gathering of contextual information. A qualitative software package NVivo7 is used to assist in the management of data for analysis.

Chapter Five – Data Analysis – Board Members Making Sense of Regional Development

This chapter is the first part of the data analysis and examines the meanings that board members give to regional development. An entire chapter is devoted to the meaning of regional development as this is fundamental knowledge for the work of the board. In this chapter the warp and the weft of the metaphorical quilt is constructed to portray what board members describe regional development to be (the content of regional development) and the way in which they describe it occurring (the process of regional development).

Chapter Six – Data Analysis – Board Members Making Sense of External and Internal Regional Governance

This is the second part of the data analysis and is devoted to both external and internal governance of the regional development agencies. External governance represents the broader context of regional governance where issues of power and legitimacy proffered by superordinates of government and those from within the region to the regional development agency are central. In this chapter, board members reflect on this external governance as providing the capacity of the agency to deliver regional development outcomes in their region. Internal governance draws together the reflections of board members on the internal functioning of their board.

Chapter Seven – Discussion – Stitching Up Regional Development Governance

This chapter metaphorically stitches together the rich descriptions within the narratives of the board members, the data analysis and the literature from Chapter Two to portray the complex and contradictory experience of being a regional development board member. This chapter uses the metaphorical quilt to represent three creative tensions, or tensile forces, ‘Knowing and Learning’; ‘Power to act, politicisation and patronage’ and ‘Different-ness and Likeminded-ness’, acting upon regional development governance.

Chapter Eight - Conclusion

The final chapter draws together the interpretations of the data to present the substantive findings of the research to answer the research question. The consequences of these paradoxes for regional development governance are described and suggestions made for the practice of regional development governance, together with recommendations for further research.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

While there has been considerable research into the operation of corporate boards (Ingley & van der Walt, 2003; Johnson, 2004; Nicholson & Kiel, 2004a; Pye & Pettigrew, 2005), there has been little research into government funded and ministerially appointed boards which oversee regional development. In 1996 Andrew Beer and Alaric Maude from Flinders University in South Australia reported groundbreaking and extensive research into the effectiveness of agencies responsible for regional economic development. The corporate governance of these agencies was considered by practitioners to be a major impediment to agency effectiveness. This literature review will demonstrate the competing influences on the governance of these agencies. This literature suggests that board members will have difficulty making sense of their role in regional development, regional governance and corporate governance, and ultimately in regional development governance.

I will piece together the relevant and yet seemingly disparate literatures using a metaphor of a hand stitched quilt to depict the ways in which the component parts can be brought together. There are parts that need to be woven in, there are parts that need to be unravelled and there are layers within the component parts. The quilt metaphor brings 'aesthetic perception' to the literature (Alvesson & Skoldberg, 2000), an attempt to visually and descriptively unfold the questions surrounding the enactment of regional development governance. This literature review draws on literature within a number of disciplinary areas such as regional studies, political science, rural sociology, organisational studies and corporate governance. Through this literature review the component parts of a metaphorical quilt emerge. These components are identified in the following diagram.

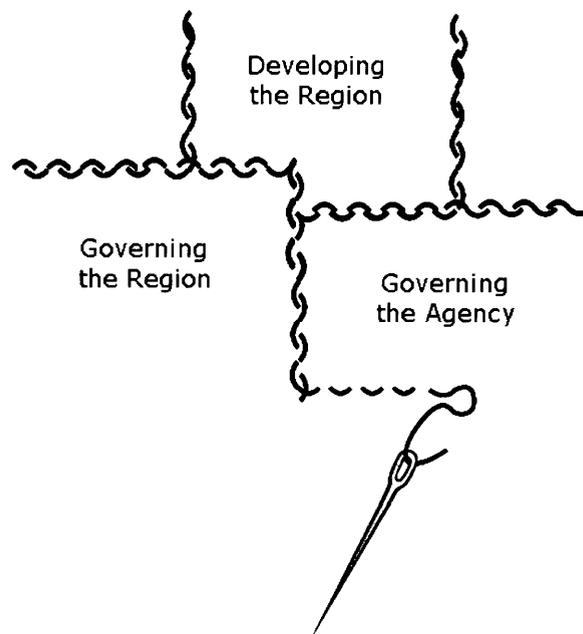


Diagram 2.1: Diagrammatical representation of the stitching together of the component parts of the metaphorical quilt

The regional development literature is the starting point for this literature review as it provides the essential content area for the operation of regional development agencies. In this first section of the literature review I argue that there are many discourses operating to influence the way in which governments and communities entertain regional development. In the same way that regional boundaries are created by those external to the regions, it seems that regional priorities are also being established by those not necessarily belonging to a region. It is evident from the literature that there are conflicting views in how regional development should be promulgated. The literature on New Regionalism demonstrates how this international trend elevates the region as the unit at which economic competition in global markets will occur. In this realm of New Regionalism, those involved in governance are expected to hold the keys to their region's prosperity. What is evident in the literature is that New Regionalism and regional development theory expect those in governance positions to align with government directives. The first line of enquiry for the purpose of this research pursues the following questions: what do board members mean by regional development, how is an understanding of regional development established within the boardroom; how do board members make sense of the regional location and how can the agency make a difference in the region's development?

The second section of the literature review focuses on the role of the regional development agency in the governance of the region, described in the literature as regional governance. The literatures within political science, rural sociology, and regional studies emphasise that the 'rescaling of state power has created a multifarious landscape of institutional forms' (Cheshire & Lawrence, 2005 p.36). In stitching together these disparate literatures it is evident that questions about the practice of regional governance have been overshadowed by interest in the structures or mechanisms of regional governance. International literature on the practice of regional governance points to the shifting of power into these newer networked forms of governance. Academic critique suggests that as agencies become subsumed into the regional governance framework, questions of legitimacy, power and inclusion become paramount. In view of this literature, the second major line of inquiry for this research pursues the legitimacy perceived by board members to be bestowed by the region on the agency; the extent to which board members consider power to be invested in the agency to make decisions about regional development; and finally, the extent to which the regional development agency is inclusive in membership and in its practices within the boardroom.

The final section of literature to be woven into this metaphorical quilt is that of corporate governance. These regional agencies are governed by boards appointed by government ministers responsible for regional development. More recently research has identified that many of the same issues that besiege private sector boards also besiege public sector boards (Edwards & Clough, 2005). Researchers, unsettled by suboptimal board performance, identify that performance rests on the way in which human, social, cultural and structural capital are combined in the boardroom. While it is difficult to gain access to boardrooms to observe boardroom behaviours and practices, researchers have pieced together the soft and hard issues of corporate governance. Clarity of purpose, understanding the skills and experience of other board members, good chairing, the contribution of networks and knowledge, diversity, trust and good communication skills are all seen to be building blocks for good boardroom outcomes. Thus the final component of inquiry is the way in which board members of agencies report the internal functioning of the board.

The value of this research lies in bringing together disparate literatures to reveal how governance structures described in the literature are converted into the practice of 'good'

regional development governance as seen in regional development agencies in NSW and WA. Furthermore, this research supports a deeper review of the experience of boardroom members. This review will reveal a number of layers beneath what is immediately apparent, from the perspective of board members' understanding about regional development, the difference that the agency can make in terms of a region's development; the legitimacy, power and inclusiveness of and within the agency, and finally the internal board operations of the regional development agencies. While this research will make visible the collective way in which board members experience regional development governance, it will reveal what is within the gaze of the board members themselves and simultaneously reveal what is being silenced.

2.2 *Developing the region*

Regional policy is the chosen starting point for the quilt because of its fragmented and 'slippery' nature (Eversole, 2003b p.72). It is built on theory, practice and politics which appear to be in constant tension, struggling to interconnect the heterogeneous human, social, natural, institutional and economic forms of capital required to maintain a vibrancy of human activities in areas outside of metropolitan areas. The language used to describe regional policy exemplifies this slipperiness. In the literature it is sometimes framed as simply 'regional development policy', 'regional economic development', at other times it is broadened to include notions of 'social, economic and environmental' development or 'sustainable' economic development. The word 'development' itself an historically laden phrase, a euphemism for 'progress' and outsider driven advancement; an outcome of economic rationalism (Eversole, 2003b; Pritchard & McManus, 2000). For many Indigenous communities in Australia, 'development' has historical baggage associated with the dispossession of land and colonisation of culture (Tonts, 2005).

When an attempt is made to translate theory into policy, the capacity of government to integrate the economic with the social and other aspects of development is described by Edgar (2001 p.100) as a policy 'blind spot'. Regional policy has drawn criticism from some academics as being designed primarily for political consumption (Beer, Clower, Haughton, & Maude, 2005; Lovering, 1999; Pritchard & McManus, 2000; Tonts & Haslam McKenzie, 2005), prone to that which is fashionable. Amin (1999 p.365) argues that over the last forty years regional policy in advanced economies with either a Keynesian or a neo-liberal approach has largely resulted in the same regional

development initiatives which are 'firm centred, standardized, incentive based and state-driven'. The result being that government driven policies are applied with a degree of uniformity despite the regional characteristics at hand (Amin, 1999).

It seems that this indeed has been the case in Australia with regional policy. Beer (2000 p.171) describes a number of identifiable cycles within regional policy. These range from the Fordist era of growth pole theory whereby industries are grouped with the intended benefit of being a catalyst for growth, to the post Fordist orientation whose goal is building entrepreneurship and engagement with global markets, despite variations within regional circumstances. In discussing discourse and rurality, Lockie (2000 p.15) notes that 'words, symbols and meaning are linked to power and knowledge' and that although these are rarely illuminated because of the selected interests that they serve, the discourses should not be considered immutable. It is therefore important to identify those discourses underpinning the way in which regional development policy is currently being enacted in Australia.

This section 'Developing the Region' begins with a broad overview of the history of regional policy at the federal level which provides the broader context for these state based agencies. This is followed by an examination of the construction of the 'region' as an entity and the emergence of 'New Regionalism'. The second selected area is to describe the discourses currently giving meaning to regional development by policy makers, academics and practitioners. These discourses point to the complex policy and practice context within which the board members of regional development agencies are expected to enact development activities.

2.2.1 An overview of the government's role in regional development in Australia

To make sense of the question of what is regional development, given that what once existed has been now been overwritten, some unravelling of regional development in Australia over the last three decades is required. Government intervention in regional economic policy has historically centred on agriculture for its prospects to present significant opportunity for national wealth. Up until the 1970s, under the influence of Keynesian economic management, federal governments undertook infrastructure development, provision of services in regional centres, regulation of the financial markets on the basis that 'wealth redistribution, regional economic balance and social equity'

mattered in order to secure a future for Australia (Haslam McKenzie, 2003). Under a Whitlam Labor Government in the early 1970s a super-ministry titled the Department of Urban and Regional Development was established with a 'range of plans and policies to address social disadvantage and spatial population imbalances' (Rainnie & Grant, 2005 p.7), with state and local governments as partners in regional development.

However these plans were short-lived with a change of government, but also because of an under-estimation of the resistance to nationally inspired regional development by both the public service and state governments. By 1975, with a Liberal National Party Coalition government installed in Canberra these regional and urban programs were discontinued. From the 1980s onwards, under both Labor and Coalition federal governments' neoliberalism has guided government policy and action. Philosophically, consecutive governments have justified a 'hands-off' approach to the regions, preferring to see 'market forces, deregulation and the removal of protection' as the 'best mechanisms for promoting sustainable economic growth and prosperity' (Tonts, 2005 p.194). For agriculture 'this hands off' policy framework has meant 'price support mechanisms, import restrictions and other tax and financial concessions were reduced' with the aim of building industry efficiency (Tonts, 2005 p.195). Alongside the ensuing technological and business development in agriculture, with the call to 'get big or get out', came a decline in the need for labour, and 'out migration led to a reduction in spending in rural communities, a contraction of local economies, fewer employment opportunities and further depopulation' (Tonts, 2005 p.196). These changes have had a devastating effect on regional communities, with the decline of social and human capital impacting on local leadership and the social networks required to sustain smaller communities (Sorenson & Epps, 1996).

The outcome of federal policy regime and economic recession during the early 1990s resulted in uneven development across the regions; some regions have grown, and others have not. This uneven distribution of wealth and prosperity continues to be the cause of much consternation (Beer, Maude, & Pritchard, 2003). The Hawke and Keating Labor Governments of the early 1990s appointed a number of working parties and consultants to review the state of the regions (for example McKinsey's Report in 1994 titled 'Lead Local Compete Global: Unlocking the Growth Potential of Australia's Regions'). Funding programs began to appear, the first being the establishment of Area Consultative Committees to work in regional areas (sixty-one created nationwide) to advise the federal

Department of Employment, Education and Training on employment and training programs. These entities were to be advisory with representatives from business and community working within the confines of labour market policy. A second initiative, the Regional Development Program provided \$150 million over four years for regions to assist local economies entering global markets (Beer, 2000). Nearly 50% of this funding program was allocated to infrastructure which could attribute competitiveness to a regional location, and the remaining component was designed to support Regional Development Organisations across Australia. These independently incorporated organisations were to seek funding from the federal Regional Development Program and other state government programs and the private sector with the expressed aim of building regional economic growth.

These Regional Development Organisations engaged in a broad range of activities, such as developing regional strategy, environmental issues, infrastructure, place marketing, and business needs. Fundamentally these were new organisations constructed to undertake place based development with a view to this development adding to the national output. Fulop and Brennan (2000; Fulop & Wiggers de Vries, 1997) undertook a review of these organisations in NSW and found that one of the outstanding successes described by board members was the work to develop a regional strategy and vision. However these organisations were de-funded in 1996 by the incoming Howard Coalition government, on the basis 'that regional economic development was the preserve of state and local governments and that there was no need for Commonwealth involvement' (Beer, 2000 p.177).

Renewed interest in the late 1990s by the federal government in regional development policy has been directly linked to Pauline Hanson's One Nation Party as a political influence (Beer, Maude, & Pritchard, 2003; Tonts & Haslam McKenzie, 2005). In the Queensland state elections in 1998, the One Nation Party had tapped into raging discontent in the regional locations. Nine out of the eleven One Nation Members of Parliament came from regional areas and threatened a number of traditional National Party strongholds (Lockie, 2000). It was this event that saw the federal government re-enter the regional sphere albeit not in a hands-on way (Beer, Maude, & Pritchard, 2003; Haslam McKenzie & Tonts, 2005; Rainnie & Grobbelaar, 2005; Tonts & Haslam McKenzie, 2005). Wanna and Withers (2000) describe this renewal of interest in regional development at this time as 'palliative'; entertained for political consumption rather than

for substantive outcomes. Beer, Maude et al (2003) identify the complexity of the issues at hand; vast differences between regions, some resource and human capital rich, others not, others with resources but lacking the intellectual, human capital or social capital combined with a 'hands off' approach to regional development policy at a state and federal level.

Reflecting this political momentum of 1999, the then Deputy Prime Minister and Minister for Transport and Regional Services, Mr. John Anderson made a speech to the National Press Club titled "One Nation or Two". Mr. Anderson said

'The sense of alienation, of being left behind, of no longer being recognised and respected for the contribution to the nation being made, is deep and palpable in much of rural and regional Australia today' (Anderson, 1999).

In this speech Mr. Anderson referred to population decline, contracting of jobs due to technological change, bank closures, poorer standards of health, high incidences of depression and suicide experienced in regional and rural Australia. In full acknowledgement of the desperation facing regional areas Mr. Anderson summarised the federal government's policy towards regional development.

'Governments cannot impose opportunity on communities, but we can provide our innovative, hard working and strongly independent country citizens with the tools they need..... We can't choose a district or town and declare that it will be developed, but we can help deliver the infrastructure, educational opportunities, health services and communication capabilities that will give people the best shot at finding their own best way forward' (Anderson, 1999).

The mood of the electorate had been felt but reinterpreted into the Coalition's position as a reassertion of the neoliberalist position. In this way, the government saw that it 'could best contribute to regional development through a prosperous national economy' (Beer, 2000 p.178). In 2001, the Coalition Government established a regional programs funding package managed out of the federal Department of Transport and Regional Services, known currently as the Regional Partnerships Program with a larger budget than was previously operated by the Labor Government initiated Regional Development Organisations. These new entities, revived from the earlier Area Consultative Committees continue to be governed by ministerially appointed boards and make recommendations to the federal Department of Transport and Regional Services for

approval of funding within a region. A major constraint on the Area Consultative Committees identified by Beer, Clower et al (2005) is that these agencies operate within a weak national policy on regional development.

The paradox that has resulted is that the act of regional development in Australia has been exposed to what Beer, Clower et al (2005 p.54) call 'ideological pressures for less intervention in regional economies and local demands for more assistance for regions'. While state governments contribute to the prosperity of the regions through their investment in infrastructure and services such as education and health, the states have also initiated their own regional development programs and frameworks. These programs display 'deep rooted tensions' where favour for regional development has fluctuated (Beer, Maude, & Pritchard, 2003 p.26). This is the challenge and complexity of how to build people based and place based regional development (Stimson, Baum, & O'Connor, 2003). When Collits (2004b p.95) refers to the 'usual line-up of critics insisting more should be done' in the regions with regional policy, it is a reminder that regional policy in Australia rests on contested ground.

2.2.2 The construction of the 'region'

The word 'region' has entered our vernacular as if it is a known definable entity that has a meaning upon which there is widespread agreement. On the contrary McGrath-Champ (2005 p.201) notes that while the meaning of 'region' remains elusive, this should not be seen as a failing. Rather the challenge lies in the complexity of describing a 'region' by its own cultural, economic, political and geographical characteristics. Lockie (2000 p.16) in reflecting on the discursive aspect of the region and rurality also recognises that meaning is not 'innate or fixed'. As a spatial categorisation a 'region' can be physically drawn for a number of purposes as the following discussion will show. It is this diversity of meaning of a region which requires close analysis, as multiple identities exist within the drawn geographical boundaries. In effect, these multiple meanings form some of the layers within the quilt and add to the complexity of the stitching process.

Historically the construction of the region is demonstration of inherent political, economical and social tensions. Since the 1820s successive federal governments waxed and waned about the appropriate spatial strategy for economic development outside of the metropolitan cities (Brown & Collits, 2004). From the 1850s onwards the term 'region' related to the development of state boundaries with these boundaries continuing to be

contested in various arenas. However between 1944 and 1947 under a federal Labor Government, John Curtin as Prime Minister led the States in discussions about regional policy and regional planning on the basis of post war security. The state governments agreed to the establishment of 97 regions being defined across the country in order to map population density and economic activity (Rainnie & Grant, 2005). However the incoming Liberal Country Party Coalition government in 1949 did not share this preference for regional planning and abandoned federal and state collaboration on regional development, and reconsidered regional boundaries.

At the local government level, the construction of the 'regions' has also been highly contested. Despite the political activities of the pastoral elite in NSW, wary of the diminution of their control and access to land, state governments, empowered by their organisational capacity to provide infrastructure and economic development, a main roads department and capacity to roll out other infrastructure, have maintained control over their local government counterparts (Brown & Collits, 2004).

Australia's history is therefore marked by a pattern of regionalisation, and a process of political and spatial construction generally imposed on the regions. Beer, Maude et al (2003 p.41) provide a useful typology for classifying regions according to what they have in common. Regions have been categorised by as homogenous (similar in some characteristic for example, climatic or economic), functional (where people within the region create linkages that may be industry based, or recreational for example), administrative (for example, defined by state boundaries or local government areas) or in combination (Beer, Maude, & Pritchard, 2003). Administrative regions have predominated, resulting in numerous misalignments, overlaps, duplications, confusion and conflict as jurisdictions do not match up and co-operation at the regional level has been reported to be sacrificed by those drawing boundaries (Beer & Maude, 1996; Beer, Maude, & Pritchard, 2003).

For government funded regional development activities, the 'region' is a fixed geographical space, occurring within the broader national boundary and state boundaries and is used for demarcation purposes. Examples of regions in Australia are Goldfields-Esperance or the Kimberley in WA; the Riverina or the Mid North Coast in NSW. In this research the regions established in WA for the nine Regional Development Commissions use the same regional boundaries used by other state government departments, including

the Department for Planning. Within these regions are numerous local government boundaries.³ These larger regions are neither homogenous nor functional; rather they are large planning or administrative regions. The various Commissions manage the diversity of the region by having numerous offices located within across the region. In NSW, the regions are also administratively constructed however, there is little matching of the Regional Development Boards regions to other jurisdictions.

Within these administrative boundaries people make sense of their own 'space' (Agnew, 1999). Agnew (2000 p.107), from his work in the United States, recognises that regions cannot be bounded spaces, but rather are 'complex mixes of representational projection and material functional inter-relationships'. Personal identities are intimately linked to the physical landscape as panoramas of regional cultural identity. Expressions of identity emanate from class, race and gendered experiences, as central elements of the human experience (Monk, 1999). There are, within these landscapes different expressions of masculinities and femininities which are entangled with opportunity for economic development (Campbell & Bell, 2000). Dempsey's (1992) longitudinal study of a small rural community in Victoria in the 1980s concluded that the regional location is the bedrock for gender inequalities. Community leadership and membership of organisations bears witness to entrenched inequities. This finding has been supported by researchers in other regional locations stating that the lack of weak ties⁴ in regional areas results in strong pressure to conform to implicit, traditional gender roles (Allen, 2002; Crago, Sturme, & Monson, 1996; Dempsey, 1992; Little & Austin, 1996; Teather, 1998).

The discursive aspects of the 'region' and portrayal of a regional renaissance is built upon a number of forces, from policy makers who see regional governance as outmoding existing spatial arrangement to urban dwellers' desires for regional amenities (Everingham, Cheshire, & Lawrence, 2006). Cheshire (2006) describes a major shift occurring in regional locations which were once considered as sites of primary production to becoming sites of consumption by urban dwellers. Meanwhile regions have carried the brunt of major economic and social adjustments, declining terms of trade, increasing inequality and depopulation (Tonts, 2005). Constrained by national and international economies, not all regions are equally endowed (Sorenson & Epps, 1996); some regions

³ By way of example, the Wheatbelt region in WA contains 44 local governments.

⁴ 'Weak ties' is a term used by Granovetter (1985) to describe the strength of association between people. Weak ties are required to bridge interaction between disparate social groups; strong ties result from repeated interaction and lead to strong mechanisms that enable efficient communication.

are described as rustbelts with uncertain futures (Beer, Maude et al 2003). Alston (1999 p.15) describes living in a regional location as a 'recognised health hazard', the imbalance in health, education and income resulting from living in regional locations, a serious disadvantage. Regions are in fact diverse and varied and 'spread across a number of broad biophysical zones and associated bands of population density' (Argent & Rolley, 2000 p.141).

The elevation of the region as a unit of analysis has highlighted regional problems such as unemployment, incidence of health issues, income levels etc (Beer, Maude, & Pritchard, 2003). The labelling of regions as Less Favoured Regions to distinguish those regions struggling from those that are experiencing prosperity can be seen in the European literature (Amin, 1999; Lovering, 1999; MacKinnon, Cumbers, & Chapman, 2002). In Australia, Stimson, Baum et al (2003) have reflected social and economic performance across regions, displaying the variations that have resulted in prosperity between and within regions.

The construction of the region as a unitary whole is problematic. For board members of a regional development agency, the task of defining their region is likely to be equally problematic. Boundaries are artificially constructed, and rarely match across government portfolios. Expectation that 'the region' itself can be the source of its own revival, and able to deal with problems without too much attention from the national government or the national economy creates a policy vacuum (Beer, Maude, & Pritchard, 2003). The underlying assumption is that there is a community of common interests, able to envisage a salvation strategy, divorced from outside interests. However regions are made up of people with often competing economic and social interests (Beer, Maude, & Pritchard, 2003). A multiplicity of personal identities, often at odds; some people living in the region and working out of the region; enterprises making their money in the region but not sharing a sense of place in the region; or population shifts in search of cheaper housing. Finding common ground and garnering support for common interests across a diverse region seems to be the challenge that regional development agencies are required to work with. It is likely that board members will work hard to make sense of their region and the influences upon it both nationally and internationally as regions are expected to compete with each other on a global stage and New Regionalism gains ascendancy in public policy.

2.2.3 New Regionalism

New Regionalism is being heralded as the new driving force for regional development activities. The 'carbon dating' of New Regionalism by McGrath-Champ (2005 p.202) to 1992 within the European context and in Australia circa 2000 is a reminder of the 'newness' of New Regionalism. Rainnie and Grant (2005 p.9) are quick to identify that there is no clear and accepted meaning of New Regionalism, rather that the term is elastic and even potentially chaotic (Lynn, 2005). Within the Australian context the Australian Local Government Association State of the Regions Report (2001, cited Rainnie & Grobbelaar, 2005) identified five elements of the New Regionalism paradigm from their perspective. In broad terms these include:

- a transition to a knowledge economy where this is not already based on high technology industries and in which all regions, industries, organisations, households and individuals must participate;
- clusters, where successful regions form or strengthen clusters or dense networks of firms, research or educational institutions and regional agencies to reproduce an innovative milieu;
- global firms embedded in regional networks where they gain access to the tacit knowledge found therein;
- the state at the local and national level playing an important role in promoting business and community networks as well as developing new visions;
- a need to address the disparities between core and peripheral regions through proactive strategies that enable regions to attain their knowledge based potential.

From this list it appears that New Regionalism is nestled between the dual processes of globalisation and localisation, 'the central state obviously remains the key locus of policy formulation' and yet there is 'local dimension to policy debate and design' (Borelli & Kendall, 2004 p.205; Martin, 2001). However it is this juncture which is most perplexing from a theoretical and a practical point of view. It is useful to turn to the experiences of New Regionalism outside of Australia to reflect on the emergence of this paradigm.

The New Regionalism literature situated in Europe reveals some common characteristics (McGrath-Champ, 2005). The first of these is the linkage made between globalisation and New Regionalism. Globalisation has drawn attention to the region as the focus for economic activity while New Regionalism proclaims to hold the key to declining

regions; building on the strengths of government designated regions. Part of this paradigm is the belief that the regions actually hold the agency for their own future, a political device with neo-liberalist foundations (O'Neill, 2005). New Regionalism requires a reorientation of workers, their skills, knowledge and capabilities to underpin the success of a region; these are the new knowledge workers, who actively build alliances and become the new regional decision makers (McGrath-Champ, 2005).

Rainnie and Grant (2005) identify that it is New Regionalism's foundation in new institutionalism, economic sociology and evolutionary political economy, which advocates the instituted nature of economy and draws on the social embedded-ness of the economy. Granovetter's (1985) social embedded-ness of the knowledge economy has found agency in this regional revival, whereby attention is given to the social dimensions of trust and reciprocity within the region. In New Regionalism this has been taken to mean that there are un-traded interdependencies, gains to be harvested from high levels of trust and co-operation between regional actors and indeed between enterprises. Preference is for tacit knowledge, described by Rainnie and Grant (2005 p.11) as 'person embodied, context dependant, spatially sticky and accessible only through direct physical interaction'. In this type of exchange, physical proximity matters, and a regional focus is ideal, as collaboration and trust take time. It is logical that this mantra encompasses regional competitiveness as the mobilisation of local resources to enhance 'competitiveness, trust and innovation' (Rainnie & Grant, 2005 p.10). The replacement of regulation with networks linking the public sphere and private interests has resulted in a network paradigm (Morgan, 2005). In combination, innovation and endogenous growth, the network paradigm and institutional thickness (described as the range of interconnected individuals, networks, partnerships, agencies and associations that create a high level of connectivity or 'thickness') create New Regionalism.

The debates amongst academics on the appropriateness of New Regionalism reveal strong sentiments of critique and defence. The construction of the region serves the New Regionalism focus in this era of globalisation (Amin, 1999; Hudson, 2005; Lovering, 1999; MacKinnon, Cumbers, & Chapman, 2002). The belief that the region is the 'crucible' of economic development has resulted in a discourse which sees the region being the focus of economic policy (Lovering 1999 p.380). Despite this being a persuasive and attractive story it is seen by a number of academics to narrowly support certain interests and fail to embrace concern for overall regional economic welfare

(MacKinnon, Cumbers, & Chapman, 2002). New Regionalism has become the vehicle to describe ways forward for regional economic development and the policy formulations that underpin development. Here emphasis is given to development *in* the region and the importance of foreign investment to make this happen rather than development *of* the region, a distinction that Lovering (1999) sees as critical. Concern is also raised by Amin (1999 p.375), that 'consensus' 'across the political spectrum' is 'that national and regional competitiveness is the only pathway to prosperity'. For Less Favoured Regions this is particularly challenging when uneven development has increased during this time. Amin (1999) recognises that for these Less Favoured Regions to move forward there needs to be a high degree of connectivity outside of the region and that the New Regionalism paradigm does not account for this in the government's role. Furthermore, Amin (1999 p.375) concludes that 'no amount of imaginative region building will be able to sustain a spiral of endogenous economic growth in the absence of a conducive macro-economic framework'. This is an aspect of regional development that is largely overlooked (Morgan, 2005).

By way of an example Lovering (1999 p.381) questions whether inward investment into Wales has had such a 'transformative influence on the regional economy'. In calculating job creation in Wales since the 1980s Lovering notes that jobs emanating from government funded activities accounted for 50 000 new jobs in Wales, twice that of foreign direct investment and twenty-two times the number the jobs created in the renaissance of manufacturing firms (Lovering, 1999 p.382). What Lovering seeks to trace here is that the New Regionalism's mantra has been widely proclaimed as the way forward for regional development but is not well verified. Martin (2001) and others (Lovering, 2001; MacKinnon, Cumbers, & Chapman, 2002) also identify the lack of empirical enquiry into the regional solutions of New Regionalism.

Morgan (2005) has actively refuted these claims, despite welcoming academic debate about New Regionalism. Morgan (2005 p.28) concedes that the failings in New Regionalism are 'the tendency to ignore or downplay the role of the national state, the public sector and the macroeconomic dimension'; little research attention paid to the financial industry, service industry and public sector; an overemphasis on the manufacturing sector; an over simplification of the workings of a region; and finally 'the tendency to collapse levels of abstraction into simple narratives to render them digestible for politicians and policy makers'. Despite articulating these criticisms, at the heart of

this approach is an attraction to Schumpeter's view of innovation being the 'premier source of competitive advantage' (Morgan, 1997). While Morgan does not claim that innovation will totally transform Less Favoured Regions or cure social exclusion, he argues that conventional economic growth is equally failing to address these issues and continues to cite the capacity for innovation and entrepreneurship in the network paradigm of New Regionalism to enhance regional economies. In conclusion the argument here goes that while formal decision making power for a region may reside with the 'upper echelons of the polity', the 'power to transform' a region requires the 'co-operation of the lower echelons' (Morgan, 2005 p.45). This assertion requires closer analysis.

In the European context, discussion has also centred on the devolution of power from the national to the sub national level to ensure regions have sufficient power to decide, and resources to match their decision making authority continues. The impact of devolution on regional outcomes of prosperity or poverty is widely debated (Hudson, 2005; Keating & Loughlin, 1997; Lovering, 1999; MacKinnon, Cumbers, & Chapman, 2002). The relational approach of New Regionalism raises the issue of 'power to represent a region... and speak on its behalf as it performs as a political subject in policy debates' (Hudson, 2005 p.620). The emphasis on networks and partnerships as indicative of New Regionalism has not accounted for the fact that 'networks are constructed within the context of existing networks or social relations characterised by sharp power asymmetries' (Hudson 2005 p.620). This issue has also concerned Amin (1999 p.372) who asks how regions can 'break the grip of hegemonic interests' and MacKinnon, Cumbers et al (2002) who identify that New Regionalism avoids the confronting issues of race, gender and class resulting in serious problems of social exclusion within the regions.

Within Australian regional policy there are clearly themes that are common to the New Regionalism emerging out of the European context. Regional development policy in Australia urges the regions to realise their own regional futures by what has become seen as the capacity to 'bootstrap' their own future. As in Europe, the 'concepts of the 'learning regions' and 'clusters' in particular have attained hegemonic status within contemporary regional development discourses' (MacKinnon, Cumbers, & Chapman, 2002 p.294). It is therefore widely purported that regional development success lies

simply within the region itself. However the mechanisms for making this happen are focused on economic efficiencies and to a lesser extent social strategies (Hudson, 2007).

For Amin (1999 p.370) endogenous regional growth can only be built within the combined 'economic, institutional and social base' of the region. These three elements could be regarded as the trifecta of New Regionalism. According to Amin (1999) regional development must pay attention to the supply base within regions, the skills, education, communication, ideas and innovation of the people. The institutional base within regions also requires attention; these being the regional development agencies, business networks and organisations, advocacy groups and political representation. The third is what Amin (1999 p.370) calls relational aspects of New Regionalism, where attention must be paid to the way in which businesses inter-relate, the mind set of business activity, how resources are shared, and decisions made with the expressed aim of building the region. It is evident that within regional development policy in Australia these three aspects of regional development have received only cursory attention in an ad hoc way.

Of particular relevance from the European literature to this research is the way in which institutional frameworks enact regional development policy. Amin (1999 p.373) considers that a region where governance has been held by elite coalitions (described by Amin as institutionally thin or institutionally sclerotic) has been a source of economic failure in that region 'by acting as a block on innovation and the wider distribution of resources and opportunity'. Amin (1999) urges those being governed in this way to ask questions about the decision making processes in acknowledgement that this can be a point at which institutional renewal is blocked. In contrast it is 'informational transparency, consultative and inclusive decision-making, and strategy-building on the basis of reflexive monitoring of goals' (Amin 1999 p.373) that is the contemporary requirement for good regional development governance.

In the United Kingdom and Europe, New Regionalism has resulted in the proliferation of regional entities, local authorities, quasi government entities, and partnerships whereby there are now hundreds of these governing groups (Lovering 1999). This New Regionalism paradigm purports that the nation state is no longer the appropriate location 'for the formulation and co-ordination of economic policy', rather the nation state has been 'hollowed out' or 'forced to devolve much of its power' to other entities above and

below it (Rainnie and Grant 2005 p.11). Regional development agencies in Australia represent an example of one of these governing groups in the regional locations. While the literature refers to these agencies as a part of the institutional framework there is little critique of the power of these agencies to make decisions for the region (Keating & Loughlin, 1997). The next section of this literature review will trace four discursive meanings of regional development that surround the governance of regional development agencies.

2.2.4 Discursive meanings of regional development in Australia

It appears that academics, policy makers, regional development practitioners and community representatives alike are struggling to define what is valued in the *goal* of regional development and what is considered to be part of the process (Shortall & Shucksmith, 2001 p.130). Regional development literature and policy documentation is replete with rhetoric and competing notions of 'what is regional development'; quick to identify the solutions to regional problems and the advancement of regions without detailed consideration of the needs of the individual regions. The issues that appear under the banner of regional development are significant. In the United Kingdom literature, 'integrated regional development' theoretically wrestles with the economic, environmental and social elements of the community and appropriate governance arrangements (Shortall & Shucksmith, 2001). However within the Australian context the meaning of regional development and its governance is not clearly articulated. At the federal level regional development policy and service delivery has been described as 'ambivalent' (Gerritsen, 2000 p.133), 'experimental' (Gleeson and Carmichael cited in Rainnie and Grant 2005 p.5) and palliative (Wanna & Withers, 2000). Sorenson (1998) says that federal regional programs present opportunities for 'pork barrelling' in marginal electoral seats rather than delivering long term perspectives on the needs of a region⁵.

At the state government level, the states and territories have each approached regional development by establishing state based agencies. The NSW government has pursued a 'balanced' regional development agenda (Collits, 2004a) with regional offices and Regional Development Boards part of the strategy to keep balance between development

⁵ The federal funding program for Area Consultative Committees known as the Regional Partnerships Program (allocating \$409.7million in 2003-2007) has been the subject of a critical report by the Australian National Audit Office released in November 2007. The Auditor-General identified the lack of transparency; poor accountability and cost-effectiveness; and political decision making as impeding the conduct of this funding program.

in the large metropolitan areas and the regions. In WA, state government regional development activities are conducted through the Regional Development Commissions under policy directions for 'sustainable regional development' (Department of Local Government and Regional Development, 2003). While these two policy frameworks will be discussed in detail in Chapter Three, it is suggested in this section that a number of regional development discourses impact on regional development practices more generally. These discourses emanate from the neoliberalist positioning of the current and previous governments, and are titled in this literature review in the following way; 'Self help regional development'; 'Templating regional solutions'; 'The privileging of economic interests at the regional level'; and finally 'Government 'steering not rowing''. These have become the public narratives around regional development, woven interlocution, which this literature makes more apparent.

In selecting these discourses, I am mindful that Jessop (1997) calls us to remember that all narratives are selective, combining arguments in certain and purposeful ways. It is useful to look past what is said to also consider what has been quietened, even 'suppressed in official discourse' to make visible 'attempts to hegemonise public and private discourse in the interests of specific accumulation strategies or political projects' (Jessop, 1997 p.32). In this way it is important to look for whose interests are being appealed to by these dominating discourses and to question the relevance of these 'narratives to class, gender and race' and 'implications for economic and social exclusion' (Jessop, 1997 p.32). Shortall (2004 p.116) found that for those involved in rural development programs in Northern Ireland there was 'a great deal of confusion about the purposes of rural development initiatives'. The combined sense of uncertainty about rural development activities, and the limited critique of the outcomes (such as who benefits from those jobs that are created and whether there is a redistributive function in the activities) led Shortall (2004 p.116) to conclude that 'the short term nature of programmes militates against any coherent economic development strategy'. The international comparison of local and regional economic development agencies by Beer, Haughton et al (2003) suggests that there is variation between nations in terms of the dominant discourses. Pike et al (2007 p.1263) suggest that simplistic terms used in regional development suppress questioning of 'dominant conceptions' and constrain the type of policy consideration required for regions to build quality of life. This section will reflect the dominant discourses perpetuated in the Australian context as an important background to the way in which board members make sense of their role.

(i) Self help regional development

The current political climate in Australia constructs the region as a 'biophysical and demographic unit whose development is more broadly conceived and dependent largely on its own initiative – an example of its own innovation' (Brown & Collits, 2004 p.8). This is the era of self-help regional development (Herbert-Cheshire & Higgins, 2004). The entrepreneurial approach to regional development practice celebrates communities that find their own solutions, rely on initiative and cooperation between businesses and community with low to moderate forms of external government assistance (Brown & Collits, 2004). This discourse expects that regional development agencies can make a 'direct difference in the ability of local and regional businesses to network, innovate, invest and expand' (Brown & Collits, 2004 p.8). For governments, theoretically at least, the role is to recognise and act in support of regionally chosen 'sustainable paths' to regional development (Brown & Collits, 2004 p.8).

Jessop (1997) sees that the current narratives around the entrepreneurial city or region have been constructed to make sense of the political and economic changes affecting regions and nations. This narrative has deliberately positioned the infusion of entrepreneurial spirit to be the key ingredient to deal with 'past failures and future possibilities' (Jessop, 1997 p.30), as the solution for endogenous or locally derived economic development. Self help strategies depend on market forces to find the source of competitive advantage. This entrepreneurial discourse has a parallel discourse which promotes the naturalness of the global economy as the site for economic activities (Jessop, 1997). While it used to be natural for economic activity to be performed at the national level, it is currently considered natural that the global economy is the site for economic engagement. New Regionalism promotes the region as the unit of competition on this global stage. In turn, competition between regions has also become part of the naturalness of regional development (Morgan, 2007).

Over the last decade, governments worldwide have shown keen interest in social capital as a key building block for regional development policy. Social capital has become part of the narrative of self-help, trust, reciprocity, and altruism contained within the individuals within communities, so that government intervention is largely excused (Tonts, 2005). As Tonts (2005 p.204) says 'the message to rural communities is that their future well-being rests largely in their own hands'. At the policy level an example of this can be seen in Chapter Three, where WA's Regional Development Strategy openly states

that economic development rests on the enactment of social capital. The WA government has matched this policy with funding for community economic and social planning workshops. For Cheshire (2006 p.11) this is evidence of the transference of 'governmental thinking about self help' into 'governmental technologies'. At the same time fiscal restraint has been exercised in other regional development activities. The re-emergence of regional policy in Western Australia during the 2000s is attributable to voiced disquiet about the rising social and economic inequities and withdrawal of services, despite some adjustments Haslam McKenzie and Tonts (2005) describe regional development policy as still imbued with notions of self-help and managing within existing budget allocations.

Herbert-Cheshire and Higgins (2004 p.291) identify that enmeshed in this discourse of self-help and social capital is what they call 'the production of rural communities as sites of risk'. With government portraying globalisation and its effects as inevitable, the locus of responsibility becomes the community itself. 'The risks of agricultural restructuring, unemployment and community decline that are associated with globalisation come to be seen as an unfortunate, but largely inescapable' fact of life in a regional location (Herbert-Cheshire & Higgins, 2004 p.292). It is therefore incongruous to see that the 'same trends that are seen to threaten the viability of many rural towns and regions in Australia should equally be regarded as bringing them new opportunities' (Herbert-Cheshire & Higgins, 2004 p.292). The question becomes one of how well placed the regions are to mobilise into this global economy and to adopt the kind of entrepreneurial, self help approach, where they are able to exploit the strengths of their own backyard? This is a major discourse for current governments in Australia with very little analysis of the challenges for regional prosperity past community capacity building and leadership development which pardons direct government involvement.

This trend towards communities as sites of risk is entwined with community members becoming the appropriate 'managers of their risk' (Herbert-Cheshire & Higgins, 2004 p.292). People in these communities are seen to be responsible for their level of 'at risk-ness'. Communities that are seen to embrace the opportunities of change with positive attitude and optimism rather than express disillusionment and negativity will be better placed in the current political climate. This has resulted in a burgeoning consultancy field selling their capacity to evaluate the sustainability of rural and regional communities. There are now sustainability checklists conducted by experts as a 'technical means of

problematizing rural communities and rendering visible their pathologies' (Herbert-Cheshire & Higgins, 2004 p.292). Communities that are not able to mobilise for their economic recovery, identify their competitive advantage, move with optimism, generate a revival and wealth are deemed unable and lacking and are less likely to attract government funding for regional development projects.

Despite this overly simplistic rhetoric, academic and consultant interest has sought to make sense of why some communities 'pull themselves up by their bootstraps' when others fail (SGS Economic & Florida, 2000; Houghton & Strong, 2004; Kenyon, 2005; Plowman, Ashkanasy, Gardner, & Letts, 2003; SGS Economics and Planning, 2002; Sorenson & Epps, 1996). Kenyon's work has tapped the desire of communities to take on the fight against decline and find their own solutions (Kenyon, 2005) to express their own bottom-up, or insider out approach. It seems that throughout Australia there are communities responding to the challenges of change and engaging strategies to either harness existing business or promote inherent regional qualities to halt a sense of rural decline (Beer, Maude, & Pritchard, 2003). However what is often understated in this work is the complexity of combined human and social capital to arrest the decline of rural communities as well as the access to natural and physical resources, political willpower and ultimately the national economy. The discourse of self-help regional development maintains the route to adjustment as being defined by positive attitude and changed thinking rather than government assistance.

(ii) Templating regional solutions

On the regional development policy front Beer, Clower et al (2005) describe what they see as the internationalisation of regional policy development. New Regionalism is part of this trend. There is an attempt within the regional development literature to promote the replication of successful growth strategies such as the Silicon Valley in California; or the Cambridge Phenomenon in England (Beer, Haughton, & Maude, 2003). The quest for best practice examples of economic development results in these examples being offered as 'quick fix' solutions to regions, and a preference for endogenous growth theory (Amin, 1999). This has been accompanied by a number of high profile academics, business gurus and consultants seeking to offer solutions to economic decline (Lovering, 1999). The work of Michael Porter theorising competitive advantage among firms and relating this to regional competitiveness and Richard Florida's work on creative industries

exemplify this. While regional development policy and practice has been described as experimental, 'there has also been a tendency towards conformity around a narrow range of government-sanctioned institutional forms and policy tools' (Beer, Haughton, & Maude, 2003 p.22). The process of funding enables government to have even greater control on the types of programs enacted at the local level. According to Beer, Haughton et al (2003) neoliberalism has set the course for this period of experimentation to continue, with programs, institutional arrangements and private sector partners.

The discourse around regional solutions is a prescriptive approach, focused on best practice from internationally sourced examples, promoting 'one-size-fits-all' regional projects (Pike, Rodriguez-Pose, & Tomaney, 2007 p.1264). In contrast to this portrayal of regional development, O'Neill (2005 p.59) reminds us that when it comes to things regional all things are 'contingent' and that we should not expect common solutions to regional problems. O'Neill (2005 p.59) concludes that 'imported, templated solutions to regional development problems however informative will rarely be successful'. However, this is not how the narrative of regional development is presented. As can be seen in the next discourse on the privileging of economic interests at the regional level, solutions emanate from the world of economics. Just as growth pole theory spread internationally in the 1960s, so too has clustering spread throughout the West in the 1990s, sympathetic to neoliberalist ideology. Clustering emphasises private enterprise rising in strength to match market forces (Beer, Haughton, & Maude, 2003 p.26). While endogenous development is now considered preferable as a regional solution, the approach of attracting industry into declining regions (or smokestack chasing) still prevails in some regions (Beer, Maude, & Pritchard, 2003).

The discourse that regional solutions can be replicated emphasises that in knowledge intensive innovation and flexibility, the networked region builds its competitiveness above neighbouring regions. There is some academic disquiet with this new orthodoxy for regional policy calling for more empirical work to understand how regions actually behave compared to assumptions based on policy positions (Lovering, 2001; Lovering, 2001; MacLeod, 1999; MacKinnon, 2002). Lovering (2001 p.350) builds the case that under the banner of 'New Regionalism is an attempt to spatialise an influential set of normative business discourses...its core concerns are globalization and business, not regional development in any coherent, comprehensive sense'. Lovering (2001) questions the foundation of theory behind these claims and the acceptance of the dichotomisation of

regions as high growth or low growth. For a region to pursue a different path is unlikely as the orthodoxy promotes a typology of a 'successful regional economy' (Lovering, 2001 p.350). Furthermore this argument promotes the concepts of regional competitiveness and success as having 'no independently verifiable substance' in which context 'meanings are likely to be filled-out in practice by the most powerful regional actors' (Lovering, 2001 p.350).

Innovation emanating from place is seen to predict a region's economic destiny, imagining that those regions that can make use of innovation will thrive while those that fail to will in turn fail (Blake & Hanson, 2005). However research by Blake and Hanson (2005 p.682) note how this 'contemporary concept of innovation has been constructed to refer to certain kinds of economic activity (largely those associated with certain kinds of technology) and to exclude other sorts of economic activity'. In particular Blake and Hanson (2005) found that many of the men and women entrepreneurs in their research regarded their businesses as innovative in that they filled a gap in the marketplace and were economically viable. However they argue that these business operations are excluded because they do not fit what is categorised as innovative. Innovation it seems is linked to an export orientation and the use of new technology rather than, for example, human services. This research is a reminder that notions of innovation are socially constructed 'overly economic, overlooking ...the linkages between economic and social processes' (Blake & Hanson, 2005 p.684). While the privileging of economic interests is the next discourse to be highlighted, it is a reminder here how the discourses are interwoven and deeply entrenched in policy and practice. That innovation is not considered contextually (and rather universally) and that innovation privileges certain industries, businesses and individuals above others is an important consideration in the construction of what is regional development.

There are a growing number of researchers critiquing the naturalness of regions operating on the global stage and export oriented innovation as the source of economic success, with more attention being redirected to how the balance sits between globally oriented and locally oriented business activities (Beer, Clower, Haughton, & Maude, 2005; Haslam McKenzie & Tonts, 2005; MacKinnon, Cumbers, & Chapman, 2002; Tonts, 2005). It may be as Lovering (2001 p.351) notes that economic dynamism at the local level is more likely to emanate from the consumer service industries and the '24 hour economy', local production for local markets. Rather than privilege one over the other, it

seems that the best possible regional option is to value each for its contribution. Lovering (2001) claims that empirical work to support the assertions behind this discourse are absent. An example is made in his research of Wales as one of the most globalised regions in the United Kingdom. Analysts have focused on the inward investment strategy in labour market terms, but it is the case that only one worker in every sixty workers is employed in these firms compared to the twenty workers in every sixty workers located in locally oriented sectors (Lovering, 1999). Hudson (2007 p.1150) calls for consideration of the way in which 'capital constantly "see-saws" between regions in search of enhanced profits'. This brings into question the extent to which the regional solution can be prescribed.

While the arena of endogenous growth theory as described here offers regional development practice that is observable, less visible is the mixture of attributes in regional locations that combine to create an innovative milieu. One of the key issues missing in this race to replicate solutions according to Amin (1999 p.369) is 'institutional thickness' being the 'character of local social, cultural and institutional arrangements'. Amin (1999 p.371) argues that 'very few regions have attempted to develop unique industrial strategies based on deep assessment of local and institutional and cultural specificities'. Furthermore, when regional development governance is in the hands of an elite few, the scope for change is limited. This does not fit with the formularisation of regional development in the current policy environment when the need is to broaden the actor network involved in identifying different alternatives (Amin, 1999). For example, Amin (1999 p.372) sees scope for those who have not traditionally been involved in decision making within the region to be involved in order 'to break the grip of hegemonic interests which gain from preserving the past'. This could bring a broader range of competencies and different ways of seeing both internal and external possibilities for the region.

However from their extensive research of regional development practitioners and governance Beer, Haughton et al (2003) note that practitioners of regional development agencies know that legitimacy comes with 'playing the game'. Beer, Haughton et al (2003 p.30) note that 'such niceties of economic theory tend to be irrelevant for the communities and regions that host these agencies' rather the community 'perceives [the regional development agency] as important conduits for securing government grants'. In this vein, if government policy promotes place marketing, clustering and business networks as the strategies to stimulate regional development, then the agencies will in

turn pursue these strategies in order to secure the funding, even if the strategies are not seen to be relevant to the region.

(iii) Privileging of economic interests at the regional level

The subordination of social policy to economic policy may be regarded as one of the hallmarks of this period of neoliberalist regional development (Beer, Clower et al 2005). Preference has been given to global competitiveness of the firm within a region above the economic welfare of the population. Likewise, preference has been given to business leaders to drive a distinct agenda as they have moved to the inner circle for consultation (Agnew, 2000; Amin, 1999). As the experiment has continued with these regional development policies, the trickle down effect has not delivered prosperity to the broader community (MacKinnon, Cumbers, & Chapman, 2002) and 'the intractability of many area-based problems (have) remained unsolved by economic-led solutions' (Beer, Clower et al 2005 p.50). While prosperity at the national level may be mapped as increasing, at the level of the region and indeed the household, the last 30 years is marked by increasing levels of inequality (Beer, Maude and Pritchard 2003). Regional development is rarely seen to be an activity which will have a redistribution effect on economic opportunities within the region. According to Lovering (2001), it is this ignorance of the connection between production and distribution that warrants further consideration. Where there has been movement, it has been to theorise the intersection of 'how social, economic and environmental problems intersect' (Beer, Clower et al 2005 p.50). One might think that this may lead to inter-departmental co-operation as well local-state-federal co-operation, however this is largely undemonstrated.

In considering then how this approach impacts on the operation of regional development agencies, Beer, Haughton and Maude (2003) reported on investigations into the operation of these agencies throughout Australia. More broadly they found that these agencies were constrained by the absence of a strong national regional development policy. Specifically, their research showed the privileging of economic and employment goals over social goals. The predominant activity of regional development agencies is in place based marketing; followed by facilitated business networking; thirdly, strategic planning for the region and finally community capacity building, specifically through physical infrastructure (Beer, Clower et al 2005 p.54). This is unsurprising as there has been resistance at the policy development level to marry the complexity of considering a region

in both social and economic terms and critiquing the sorts of regional development that add prosperity to the region more broadly (Amin, 1999; Hudson, 2007; Lovering, 2001).

It is argued by Markusen (1999 p.873) that academic researchers have also emphasised the relevance of economic issues above other 'normative goals loosely considered progressive: equity; democracy; human rights; environmentally benign development'. In a major case study of Silicon Valley and the virtues of industrial clustering, Markusen (1999 p.878) claims that this uncritical promulgation of clustering for example results in a false impression that a region's economic prosperity is 'endogenously driven'. Rather this research shows that the sorts of networks existing in these types of regions are dominated by large firms. Furthermore, these firms have lower rates of unionism, promote 'hectic and non-community work lives, chiefly white male hierarchies, and relatively reactionary organisational positions on issues such as universal health care, social security, privatization of education, devolution and funding for community development and other social programmes' (Markusen, 1999 p.880). The privileging of economic interests appears to be a strategy 'because it is more difficult to see clearly what a progressive spatial strategy might be under capitalism' (Markusen, 1999 p.880). For Pike et al (2007 p.1263) progressive regional development policy would be underpinned by 'critiques of capitalism and a belief in the need to challenge the social injustice of uneven development and spatial disparities'.

Part of the new regional orthodoxy continues to divert resources to the favoured position of large scale capital. 'De-linking' the local economy from the global market to achieve a more socially inclusive economic development is discouraged in order to extend the reach of globalism, rather than to critique it (Lovering, 2001 p.351). Likewise those Less Favoured Regions which have high levels of structural unemployment and disengagement are expected to manage their own risk (Amin, 1999; Herbert-Cheshire & Higgins, 2004). In 2003 Beer, Maude et al (2003) devoted a chapter of their book 'Developing Australia's Regions' to the exclusion of Indigenous people from regional development policy and practice. The invisibility of Indigenous issues in the regional development literature is conspicuous, an issue taken up by Beer, Maude et al (2003) in their work.

While economic considerations have been seen to be advantaged over social and environmental considerations, social capital has been held up as the glue for regional economies (Tonts, 2005). Granovetter's (1985) seminal contribution has been to argue

that all economic action is inherently enmeshed in social relations of one configuration or another. Woolcock (1988 p.182) draws a number of indicators for economic development failure such as the presence of 'widespread class, sex and ethnic inequalities; endemic poverty; where the dominant and the subordinate groups do not share common outcomes etc'. Shortall (2004) concludes that social goals are rarely valued in regional development as an end point; rather they are used as a way of getting to economic development as the ultimate goal. Hudson (2007 p.1157) calls for exposure about 'who counts in the economy?' to highlight the practice of social goals being considered as the 'politics of despair'; gaining traction only when other regional development interventions are seen to have failed.

(iv) Government 'steering not rowing'

This aspect of the metaphorical quilt is alive to a number of powerful influences. Beer (2000) uses regulation theory to position Australia's federal government response to regional development. 'Regulation theory suggests governments will proceed – often in a chaotic manner- through a series of broad policy frameworks as they attempt to create the conditions that best support economic growth (Beer, 2000 p.171). This is evidenced by three trends in the Australian context; the acceptance by government of neo-liberalist thinking; a change in the way in which regions are governed and what has been titled the 'Third Way', and an approach to social welfare driven by mutual obligation and community empowerment (Beer, 2000 p.172). At the federal level this points to policy development during the 1980s and 1990s which reacted to changing economic imperatives, maybe even 'crises', within the domestic and international economies. For regional development initiatives it has resulted in a searching for ways to bring about regional development.

The European trend apparent here with a move away from government responsibility to 'more porous forms of governance' will be discussed in the following section on governing the region (Beer, Clower, Haughton, & Maude, 2005 p.50; Beer, Haughton, & Maude, 2003; Jessop, 1997)). However in Australia it is easy to overstate the extent to which there has been a shifting of decision making power to the regions with the hollowing out of government responsibilities. Beer, Clower et al (2005) see that government has been reluctant to devolve decision making responsibility to the region. Raco (2000) questions whether the partnerships that have been politically constructed have decision making power. Rather, those partnerships are often devolved decision

making for trivial aspects of policy implementation with the disguise of legitimacy, as the government having consulted, to offer a false legitimacy. In this way policy can be constructed elsewhere, namely centralised policy departments. Beer, Clower et al (2005) call this the 'steer not row' approach, with government setting the regulatory and policy framework but stepping back from direct service provision. This is particularly the case for regional development agencies, with state and federal governments distributing money to selected entities. Despite the proliferation of agencies specialising in component parts of the regional jigsaw, such as the labour market, and small business development, the government has maintained control by deciding which agencies and activities to support.

Indeed, this has also been a process mirrored internationally; regional development agencies in the United Kingdom have been equally moved to arms length arrangements, with government keen to distance itself from the practice of regional development. However as is seen here in Australia, agencies in the United Kingdom 'encounter a high degree of control' some of it formalised through the budget and legislated policy through Acts and Objects, but also practiced in a manner more informal, as exercised through the appointment of board members (Hughes, 1998 p.618). Hughes (1998) notes that despite the discourse of regional governance for the last twenty years in the United Kingdom, regional development agencies have been even more tightly controlled in terms of the projects that they engage in. This is considered highly problematic by Hughes (1998) who sees it reducing the prospects for innovation and good leadership by the boards of these agencies.

The extensive research into the operation of regional development agencies conducted by Beer, Haughton and Maude (2003) showed that throughout Australia these agencies most commonly pursued economic and employment growth objectives, with the role played by these agencies being largely facilitative, linking businesses, providing information and encouraging networks. Among the issues identified as constraining the operation of these entities was the centralised priority setting, and the micro-management by government keen to maintain control and power over the use of funding. This hands-off and yet on approach by government means that there is not a delegated lead agency in the area of regional planning. With the theme of competition between agencies and levels of government a recurrent one in the literature (Beer, Haughton, & Maude, 2003; Beer & Maude, 1996), local and government politics is seen as a major inhibitor to a sense of planning and co-operation at the local level. From their research Beer, Haughton et al

(2003) conclude that practitioners were all too aware that this competition at the local level, the struggle for legitimacy and the absence of a strategic plan for the region means that their efforts to improve regional outcomes are significantly limited.

While the boards of the regional development agencies in WA and NSW are the focus of this study, each state government has its own departmental structure for the promulgation of its regional development policy. At the local government level there are numerous practitioners operating alongside Business Enterprise Centres, business incubators and federally funded Area Consultative Committees. Beer, Clower et al (2005 p.56) state that 'the (meta) governance of regional development appears to be failing Australian regions'. The advantage of plurality of the agencies is lost to the competition for scarce resources. The regional development landscape in Australia has numerous institutions and agencies carrying out development within specified localities, without the support of government to ensure co-ordination of activities.

Academic literature identifies that as government has stepped back from service provision in the regions, it has talked up the importance of social capital within the regions, reluctant to acknowledge that the very withdrawal of government services threatens the social capital stock of these communities. Community members experience the sense of being abandoned by government and feel threatened by uncertainty of further reduction of resources (Cavaye, Blackwood, Lawrence et al, 2002). 'If we accept that social capital is a necessary component of community success and that it consists of productive networks, values, levels of trust, shared vision of purpose, and commitment to action, how will social capital develop in a situation where government policies appear to be eroding its foundations?'(Cavaye, Blackwood, Lawrence et al, 2002 p.22). An example of this is seen in the research by Argent and Rolley (2000) into the impact of bank closures on small regional communities. Argent and Rolley (2000) found that the placements of services in regional locations have not been decisions based on self-determination. Rather the culture of decline is such that as more services leave the community, the community becomes depleted of human capital and the community itself becomes less able to resist decline. As government policy is enacted at the regional level and in this case the example of financial deregulation which commenced in the 1980s policy shows, negative results on the community can include a reduction in regional human and social capital as well as the resulting financial exclusion for some regional members (Argent & Rolley, 2000).

These issues become long term and entrenched challenges for the regions themselves, the public administrators and the broader society, at the same time that short-termism of government funded regional development activities is rife. Shortall and Shucksmith (2001) identify short-termism as a major impediment to enduring regional development activities, pointing to Northern Ireland as an example of the importance of longer term intervention being required to build community capacity. Shortall and Shucksmith (2001 p.130) argue that regional development programmes should be committed to the longer term in order to address the deep-seated issues of regional development and social inclusion.

Finally, the previous section described the privileging of economic interests in regional development; however this discourse is also entangled with how government policy positions private sector partners. The fiscal tightening of public spending has redirected these monies for use to leverage private sector development. This can be seen in the Australian context where public monies are redirected through the federally funded Area Consultative Committees to support private sector development in the regions (Beer, Maude, & Pritchard, 2003). On the other hand partnerships represent a degree of 'institutional thickness' where interlocking networks enable a region to access needed resources for development (Amin, 1999). Beer, Haughton et al (2003) observe in their research of regional development agencies that as partnerships with the private sector become standard practice, the very 'look' of regional development agencies has changed. An example of this being the business like attire becoming the trademark of these agencies, staff dress like they mean business and 'adopt the practices of the dominant group in order to gain a voice' (Beer, Haughton, & Maude, 2003 p.27). Beer, Haughton et al (2003) refer to this as 'business speak' with regional development agencies producing glossy brochures and publications that are appealing to the business image.

Developing the region in summary

In summary it would seem that governments have an expressed purpose for boards of regional development agencies. Some say that these constructed arenas are a political strategy (Epps, 1999; Maude & Beer, 2004; Sorenson, 1998), enacting some form of regional governance (Herbert-Cheshire & Higgins, 2004; Rainnie & Grobbelaar, 2005), amidst a range of meanings of regional development (economic, social and environmental

development), in regional communities often defined by people living outside of a region (Sallard & Davies, 2006; Stimson, 2006). Regions are inherently diverse with ranging capabilities and opportunities in terms of development. While bottom-up development implies that participation in the regions' development is desirable and possible (Eversole, 2003a; Eversole & Martin, 2005), Australian and international evidence shows that participation in regional development is dominated by vested interests and large scale capital (Amin, 1999; Beer, Maude, & Pritchard, 2003; Grant & Rainnie, 2005; MacKinnon, 2002) with little room for those groups considered subaltern.

From a policy perspective Beer, Maude et al (2003 p.8) claim that the prospect for more substantial regional development policies in Australia appear 'slim' and additional funding to support development even slimmer compared to other developed economies. Governments have moved away from direct involvement in regional development to a system of funding arms length regional development agencies (Beer, Maude, & Pritchard, 2003). The literature demonstrates how New Regionalism has elevated the region as the unit for economic competition. Those involved in the governance of regional development agencies are expected to work within the region to identify the region's prosperity. While government promulgates policy platforms it is expected that successful regional development agencies will also align priorities to those of the government. This component of the literature review shows that there are multiple perspectives on the meaning of regional development and how a regional development agency can make a difference for its region when the agenda of these agencies is firmly controlled.

2.3 Governing the region's development

Internationally, New Regionalism has aroused debate about appropriate governance mechanisms. As described in the earlier section of this literature review, in current regional policy, the regional location now defines economic activity by its scope for innovation, knowledge creation, and networks upon which to design a regional future (Bentley & Gibney, 2000; Grant & Rainnie, 2005). This new learning economy is 'intangible', the ingredients being community capacity, social capital, tacit knowledge, creativity, self reliance all bound together in proximity (Grant & Rainnie, 2005 p.166). It is this paradigm shift from exogenous to endogenous development, relational and network based options that has necessitated a re-think of the 'old fashioned', 'governance structures with more inclusive bottom-up approaches' to governance (Grant & Rainnie,

2005 p.166). This section of the literature review will briefly examine literature on regional governance before considering the governance of regional development in an Australian non-metropolitan context in closer detail. In this section of the literature I will question whether regional development agencies in Australia have been elevated to a regional governance role? While the literature has focused on the structural issues of regional governance in this section, legitimacy, decision making power and inclusion are important considerations.

Metaphors feature widely in descriptions of regional governance, such as 'tapestry' made up of a diversity of intersecting institutions (Brown and Collits 2005); a 'mosaic' of regional economies (Goodwin & Painter, 1996); a 'web' of association (Smyth, Reddel, & Jones, 2005); an 'art' marked by 'institutional thickness' to describe the associational practices of governance (Amin, 1999). The inherent stitching of this literature as a quilt also implies that there are parts of this regional context which are not already 'joined up' as the notion of regional governance might suggest. Goodwin and Painter (1996 p.637) liken the range of actors and agencies involved in governance, government and non-government to a 'palimpsest', in effect it is like a manuscript that is being continually overwritten and yet what was written before is still visible. In describing decision making in the region, Goodwin and Painter (1996 p.637) acknowledge that even their metaphor fails 'to capture the dynamic character to the relationships between specialities of different social processes and institutions'.

Amin's (1999) description of the layers of interaction and association as 'institutional thickness' refers to the range of players operating within a geographical boundary, the Chamber of Commerce, networking groups, partnerships, local government, and regional development agencies which seek to represent the region outside and act on the inside. The 'thickness' comes from the range of interactions, the interconnectedness and social exchanges that stimulate enterprise and interactivity to create more enterprise within a region (Beer & Maude, 2005). However this institutional thickness has not been applauded by all. Macleod and Goodwin (1999) while acknowledging that institutional thickness is essential to endogenous development believe that it is also important to expose *who* the people are who are involved and *who's* interests are being served. Beer, Maude et al (2003) propose that in Australia these aspects of 'institutional thickness' have been largely ignored and undervalued as being able to deliver inclusive decision making in the regions.

The 'art' of governance comes with the balancing of subsidiarity (the location of decision making power at the place where it is most effective) with equity considerations (ensuring fair and equitable representation and access to services) (Symth, 2005; Morgan, 2005; Amin, 1999). Regional governance proposes that there is an appropriate regional scale for regional prosperity based on participation (citing the examples of the Italian industrial districts and Baden-Wurttemberg), notable for its capacity to deliver a more inclusive regime (Newman, 2000). Yet research in the United States by Keil (cited Brenner, 2002 p.17) describes 'the real political cleavage [of regional governance] remains one between those who favour democratization, social justice and ecological integrity and those who hope instead to protect the market economy (and the privileges and unequal freedoms associated with it) from what they regard as inappropriate efforts to impose social controls'. This suggests that regional governance may be the instrument used by neoliberal political forces to maintain privilege of market ideology in local economic development and legitimise regional inequities. On the other hand, it opens an opportunity for more participation and more regulation of exogenous interventions (Brenner, 2002).

Academics have raised concern that the emerging governance arrangements lack the legitimacy of democratically elected and accountable decision makers (Amin, 1999; Beer, Maude, & Pritchard, 2003; Goodwin, 1998; Grant & Rainnie, 2005; Jessop, 1997; Lovering, 2001; MacKinnon, 2002; Morgan, 2005). The capacity to shift blame has become more endemic and responsibilities blurred and partnerships with the private sector even more difficult to locate and hold accountable (Tickell & Peck, 1996). Governance rests on the capacity for a number of actors and entities to co-operate on shared goals, it is interactive and when the interaction fails to deliver on the investment of time and resources, the scope for resentment and disenchantment is high. Self governing networks are notorious for representing their own interests, and become problematic when these interests are at odds with public interest or those typically excluded from these networks (Goodwin, 1998). As with the 'steering not rowing' discourse identified in the previous section, governance implies that the role of government is to identify stakeholders and facilitate their actions, despite the fact that there is no guarantee of success here (Jessop, 1997). In terms of regional development, an overarching concern is the extent to which these forms of regional governance are capable of sustaining

'economic development or social cohesion in the medium term' (Goodwin & Painter, 1996 p.646).

At a global level, the governance process has been described by Stoker (cited Goodwin, 1998 p.7) as 'managing a nobody-in-charge world' whereby the meaning of governance is changing as well as the 'tools' of governance. Likewise, regional governance over the last decade has been described as a 'crisis-induced search for a "new institutional fix" rather than a coherent basis for socioeconomic regeneration' (Brenner, 2002 p.18). The complexity in this new regime is the management of the range of actors and organisations, the need for co-ordination and the interdependence implied in partnerships are major issues, with overarching concern being for the 'distribution of political power' (Goodwin, 1998 p.8). This work suggests that the scalar geographies of governance are indicative of underlying socio-political struggles and the way in which power geometries are played out in a regional location (Brenner, 2002).

Within the Australian context the acclaimed shift from government to governance is tentatively described by academics, but less apparent in the narratives of regional development practitioners or community members. The shift in thinking and location of decision making in communities is not easily demonstrated. In the next section I explore this issue of representation in regional governance and how power geometries are enacted.

2.3.1 Participation in regional governance

According to Goodwin (1998) governance has been largely neglected within the rural studies literature. Goodwin (1998 p.10) points to an 'increasingly noticeable silence ..concerning the ways in which rural areas are governed'. In this research the regional context is an essential component to be made more visible. The element of particular interest in this research is in understanding the impact of regional power geometries on representation in the boardrooms of agencies. This aspect of regional studies attempts to make visible the people involved in governance with particular focus on the interests that they represent and how these interests are enacted in their governance roles.

Goodwin (1998 p.10) draws on urban regime theory to suggest that the 'members of any regime will usually have an institutional base with a particular domain of power and a

particular social constituency to serve'. However it is moving beyond simply identifying these groupings or networks to understanding how 'elite networks are used for recruitment, patronage and the exercise of influence' that is most informative (Woods, 2005 p.57). It may not be that traditional landed elites of regional areas are those with the power to act in this newer regime; rather that another set of actors has emerged who have a more compelling capacity to act and achieve goals. Moreover given that the regional location is bound by a cultural history that locks it into paternalistic patterns of operating, then consideration of the gendered nature of representation will be an important consideration in regional governance (Campbell & Bell, 2000; Dempsey, 1992; Grant & Rainnie, 2005; Little & Jones, 2000; Pini, 2005; Pini, 2006).

In this regard this literature review has more to say about participation in regional governance from the perspective of class and gender. Less is said about the participation of young people, Indigenous people, economically disadvantaged and ethnic minorities specifically because there has been very little work on the exclusion of these other groups within regional development or even recognition of those who are marginalised in a regional context. Theoretically at least, new regional governance brings a renewed capacity to act and that 'blending ...political power with emergent economic and cultural forces' is indeed noteworthy for research for the potential to more inclusiveness (Goodwin, 1998 p.10). However the literature does not support these high hopes. Tickell and Peck (1996), Bock (2004), Pini (2006), Liepins (1998). Little and Jones (2000) each describe the way in which, despite institutional changes, there has been entrenched resistance to changing 'who' holds the power to make decisions at the regional level. For regional development, this line of inquiry provides insights into how some regional economies 'remain wedded to an agricultural economy, while others move towards tourism, leisure and consumption, and others become commuter spaces serving a metropolitan area' (Goodwin, 1998 p.11). It seems that the character and fortunes of local areas are increasingly being affected by the institutionalising of interests, particularly in the form of partnerships (Goodwin & Painter, 1996).

Beneath the surface of the associations, partnerships and networks are multiple dynamics of interactions within the governance framework. The research of Woolcock and Narayan (2000) and Granovetter (1985) describe the social interactional dynamics of economic development. Building on general interest in notions of social capital these researchers confer that it is in and through social relations that economic outcomes

become mediated. Woolcock (1998) argues that it is essential to understand the intricacies of social interaction (historically and at the micro and macro levels) in a region in order to comprehend the scope for development. Social capital research shows that notions of social capital, trust, reciprocity and sense of belonging can be deployed either for destructive or developmental purposes, conferring costs and benefits on communities which may change over time. It is theoretically reasonable that researchers and policy administrators and makers alike seek to 'create, nurture, and sustain the types and combinations of social relationships conducive to building dynamic participatory societies' (Woolcock, 1988 p.187).

The rise of the learning region in academic circles has reinforced the importance of social connectedness to development, particularly in the form of institutional thickness (Morgan, 1997). Networking provides opportunity for social co-ordination, sectoral governance and inter-organisational communication; it is the foundation stone for the learning region. Networking is commonly part of the repertoire of the way that regional development agencies work worldwide (Beer, Haughton, & Maude, 2003; Beer & Maude, 2002; Bentley & Gibney, 2000). In regional policy literature these notions can occur without reflection on issues of power, exclusion or inclusion. However the gendered nature of networks within management and corporate boards has been the source of considerable research (Ibarra, 1992; Pini, 2005; Pini, Brown, & Ryan, 2004; Powell & Graves, 2003; Sheridan, 2002; Still, 2006).

For women, networking operates both indirectly and directly as an exclusionary practice as networks are inherently gendered (Rees, 2000). It is still not unusual to find in Australia organisations that are male only or recently altered still maintaining an informal masculinised culture (Grant & Rainnie, 2005). An example of this is shown in Pini's (2006) research in a town fictionally called Villa in Queensland, where she examined the local Town Enterprise Committee established by the local council. In this instance, eighteen men were appointed to this committee and one woman. This committee was appointed, not elected and is notable as 'Anglo-Saxon, non-Indigenous, middle-class and heterosexual' men (Pini, 2006 p.402). In this research Pini (2006) demonstrates how the world of regional development in Villa is imbued with notions of masculinity, aggressiveness, decisiveness, rationality, action and vision. Pini (2006 p.403) concludes that this may not be an arena which actively excludes women and others; it simply does,

because it appears 'natural and legitimate' for men of business in the town to be 'money managers' and 'economic developers'.

The exclusionary nature of networking has also been seen to have an impact on the types of businesses that attract government assistance and considered to be worthy of the attention of regional development agencies. European-based researcher Rees (2000) sees that the businesses that women operate or are employed within are largely invisible to regional development agencies. In the distribution of government funding, preference for funding has been to manufacturing and export oriented industries, businesses more likely to be operated by men. This has been confirmed by the research conducted by Blake and Hanson (2005) who found that regional development practitioners classified male operated and export oriented businesses as more innovative and worthy of additional financial support. Empirical research by Bock (2004) into the reconstruction policies in the East of the Netherlands shows that access to power and political networks was indeed gendered. The result was that projects favoured by men were more likely to be funded than those supported by women.

Likewise Tickell and Peck's (1996) research in the city of Manchester, renowned by the 1990s for its 'political sea-change' with its local government celebrating privatism and partnerships with the business community, provides a rich picture of the operation of vested interests. This research shows that 'there is a need...to go beneath the issue of patterns of representation to consider the discursive and institutional channels' to see how power is being exercised in local governance (Tickell & Peck, 1996 p.596). While women may be gaining in representation on a number of local quangos and elected local councils, this research shows that where women are located they 'are consistently marginalised by the male (business/political) elite' or simply located where there is little power to influence decision making (Tickell & Peck, 1996 p.597). In particular they found that local economic development was gendered as men's domain, and that in those economic development entities where women were represented their voices were marginalised as 'different', or 'soft' issue based.

Tickell and Peck (1996 p.597) argue that in complex ways this governing elite is gendered, bound together by a common masculinity – 'lubricated by business relationships, personal friendships and other informal links'. Women's presence provides some legitimisation of the entity as it was seen to have representation of the 'other',

without having the main agenda derailed. With power positioned in the capacity to form alliances or associations, the 'capillary force' of power within the local community remains highly masculinised (Tickell & Peck, 1996 p.601). The contradiction in part is the selectivity of these business elite in choosing their involvements, preferring to operate outside of formal governance structures and rather exerting their power through philanthropy, networks and alliances. It is important then to examine the 'unstable expression' of power in the membership and actions of the networks and alliances' (Tickell & Peck, 1996 p.601). What was made more visible in this Manchester research is that local governance made for more connectedness between the business elites and politicians, creating 'shorthand between people' (Tickell & Peck, 1996 p.608). Fundamentally, desire was expressed for a sense of likeminded-ness, a comfort with the way in which decisions are made, common knowledge which could emanate from shared interests in sport, business, physicality; this is indeed a homo-social environment (Kanter, 1977).

In researching the role of gender in three regional development agencies in the Gippsland in Australia, Grant and Rainnie (2005) found that the industry representation of the chair and board of directors of these agencies matched the industries that were allocated funds by the agencies. Preference was given to agriculture and manufacturing businesses; industries where large numbers of women were located such as retail, community services, health and education were not successful in receiving grants (Grant & Rainnie, 2005 p.174). This case study reports a high level of politicisation of funding programs. Interviewees perceived that regional programs and the attached funding were designed for political consumption as opposed to community or economic requirements. It was also identified by interviewees that agency board members operated in different ways. 'Male board members and executive staff in particular saw their role as participation in the political sphere and the exercise of power, in stark contrast to the female board members who repeatedly referred to concerns about jobs for their children and regional well-being' (Grant & Rainnie, 2005 p.177).

In Australia as in Europe and the United States, rural studies researchers have reported the gender power differential in agriculture, with particular emphasis on decision making in farm based businesses and in the public arena (Alston, 1995; Brandth & Haugen, 2005; Bryant, 2003; Liepins, 1998; Mackenzie, 1994; Pini, 2005; Shortall, 2002). Little's (2001) research into the Rural Challenge Initiative (1994-1998) in the United Kingdom provides

an extensive examination of the power geometries and regional partnerships as a result of the rolled back state involvement. What this research shows is that as the state has withdrawn from its role as a service provider (particularly in the social welfare arena) to one of co-ordinator of the participants of the process of governance, as described in the 'steer not row' approach, government has overestimated the capacity of the private sector to fill the void and deliver a more inclusive regime. In adopting the vocabulary of partnership, the state encourages the private sector to move into taking a role in shaping local policy and the broader population to accept self help and self sufficiency and take responsibility for themselves (Little, 2001). Little (2001) questions whether this new opportunity to be a partner in regional governance actually represents empowerment for the local people. In contrast an analysis of the power geometry shows 'continued domination of local elites and the abilities of particular sections of the rural community to mobilize support around particular interests' which is highly masculinist (Little, 2001 p.100; Little & Jones, 2000).

Shortall and Shucksmith (1998 p.74) also report that those who seek involvement in regional development activities tend to be those 'existing power holders'; becoming in effect more powerful. Evidence of the LEADER project in Scotland shows, that attempts to become more inclusive were thwarted by those 'local notables' who neither took on board the system of governance nor critiqued their own use of power (Shortall & Shucksmith, 1998 p.74). This often resulted in lost opportunities for empowerment of the people and a narrower than desirable involvement in the regional development process. These partnerships occurring between private sector, community and governance entities are also open to questions of their legitimacy (Shortall & Shucksmith, 2001). Again, experience from the European Union points to the complex range of legitimacy issues, when legitimate, elected authorities such as local government are bypassed by 'other', non elected quasi-autonomic entities. Shortall and Shucksmith (1998 p.125) identify that 'the power and effectiveness of new structures are weakened if there is not a clear channel linking them to government'. Accountability and legitimacy require clearly articulated relationships between entities and government whereby the role of each party is transparent and formalised. Moreover this research points to the need to review the role of the state in maintaining a system which enables powerful elite interests to control regional development.

Regional elites are unstudied for obvious reasons; they are powerful and able to resist the intrusion of the inquiry (Ward & Jones, 1999). However when inquiry does eventuate it is most informative when researchers move beyond what is readily perceivable. Woods' (2005) research in Somerset in the United Kingdom in the 1990s provides an analysis of the changing patterns of power and elite networking in rural areas. Woods (2005) describes the pastoral myth as the symbolic importance of the land and agriculture to maintaining the power of landed elites in rural areas. This dominant discourse of rurality is being challenged by immigration of population into rural areas. Woods (2005 p.11) sees that what the old and the new share is a 'desire to symbolically differentiate the countryside from urban areas'. In this shared discourse there has been a desire to gloss over the inherent political, social, environmental and economic challenges in rural locations and continue to promote the 'rural idyll' (Little & Austin, 1996).

Woods' (2005) effort to unearth the power differentials considers class and power with brief consideration of gender. Decision making in the rural scene is a masculinist construct, 'not one woman is included among the nearly 150 local leaders listed in the four Somerset volumes' (Woods, 2005 p.28). Over the last decade the middle class immigrants have gained influence in rural politics through their capacity to network, access information and articulate their needs. The areas most commonly linked to political patronage were found in various non-elected board such as health authorities, local development and institutions involved in local governance. Patronage meant that those in positions of decision making selected other people they knew for appointment 'members of their own social and professional networks were the most obvious candidates'; such is the process of associational power (Woods, 2005 p.60). Associational power is very difficult to trace, it flows out of the recruitment process and patronage is embedded within the elite networks and ranges from the overt, obvious forms of influence to one of being informed by a certain viewpoint or position. It seems that elite networks are constructed through social interaction in particular places, inferring that these arenas have a spatiality which creates elite spaces for lobbying and informal decision making. For example, the spatiality may be town based, region based, country-wide, business based. These networks form a gate keeping function, ensuring that the networks maintain 'similar ideological outlooks and similar ideas about the character of the locality, thus creating an impression of consensus' (Woods, 2005 p.83).

In Australia as in the United Kingdom, women have achieved better representation at the local government level than at the state and federal levels. In 2000, 30% of elected councillors of local government in Australia were women (Pini, 2005). This higher level of representation can be explained in the context of local government whereby it is seen to be of a lower status than state or federal government with more 'social welfarist' objectives, an arena in which then women would traditionally be perceived to have more to contribute (Tickell & Peck, 1996). It would seem that women are rarely trusted with the finance, audit and economic development portfolios; rather this is seen to be 'men's work' (Connell, 2005; Tickell & Peck, 1996). Women's interests are framed as being located in social issues which are seen to be peripheral to the significant issues of business and economic development. This may not be a case of active rejection, rather the dominance of the discourse of business and entrepreneurship marginalising women such as the fraternal networks and coalitions sustaining male only spaces, leadership positions, 'fathers of the towns', and clear delineations of the town agenda on social and economic lines (Pini, 2004; Pini, 2005; Dempsey, 1992; Connell, 2005; Herbert-Cheshire, 2004).

This literature points to the clubbiness of regional governance– the binding of like-minded-ness amongst business men. The masculinities that surround regional governance are not 'like a well stocked supermarket'; rather they are linked hierarchically in terms of power, race and class (Tickell & Peck, 1996). Cloke and Hoggart (cited Little, 2002) have identified the capacity of social class to influence and change the rural scene. This has been apparent in the Rural Challenge Initiative in the United Kingdom where one's social class predicts involvement in the planning process and kinds of partnerships created for economic regeneration (Little, 2002). Connell (cited Hatton, 1999 p.213) describes class not as 'abstract categories but real-life groupings, which, like heavily-travelled roads are constantly under construction: getting organized, divided, broken down, remade'. This dimension is important because as long as it remains unspoken and invisible, it may well be the force behind the enhancement or the exclusion of certain members of the community, both men and women.

While New Regionalism promised a more democratic and inclusive approach to regional development – the 'language regarding the necessity of tackling social exclusion is vague and unconvincing' (Rainnie & Grant, 2005 p.18). The outcome seems to be a 'policy default[s] to a business dominated approach that puts questions of social and environmental concerns into the too hard basket' (Rainnie & Grant, 2005 p.18). This

literature supports inquiry into critically examining who are the people who seek and accept nomination into regional development governance? It is important to look beyond the numbers of representatives to consider their expression of power in these roles and whose interests they believe they are serving.

2.3.2 Regional development governance in Australia

Within the Australian context regional governance implies a diverse, intersecting, and disparate range of entities, such as local governments, voluntary Regional Organisations of Councils⁶, state and federal funded agencies spanning economic development, natural resource management, health, cross portfolio quasi-government agencies such as Aboriginal and Torres Strait Islander councils, Area Consultative Committees and even politicians at all three levels of government. The institutional architecture varies between the states and territories. The framework influences how the agencies operate, the resources which can be accessed and the decision making power contained within. In this research, the aspect of the institutional architecture of interest is the regional development governance provided by government funded agencies described here as regional development agencies. The context within which regional development agencies in NSW and WA operate will be described in Chapter Three. These agencies are either separately incorporated entities (NSW) or statutory authorities (WA), with the entities administered by a state government based department and legislative framework. The appointment process for the board is directly attributable to the minister of the relevant department (NSW) and regional area (WA).

In 1995 and 1996 Beer and Maude (1996 p.6) undertook a national survey of the Chief Executive Officers or Project Officers employed within regional development agencies in order to understand the institutional framework or structure for regional development and the implications of the framework for local action. While the federal government policy has ebbed and flowed with regards to its direct involvement in regional development, funding programs have resulted in a high degree of duplication and funding chasing by state based agencies. In Beer and Maude's (1996) research, practitioners identified the funding arrangements as a major hurdle to achieving regional development objectives. Funding was described as being inadequate and unreliable, with a short term focus in the funding of projects. The non-financial factors impacting on the effectiveness of agencies

⁶ In some areas of NSW, local governments have nominated to form Regional Organising Councils (ROCs) for the purpose of sharing resources and co-ordinating activities in preference to formal amalgamation.

indicate the 'political environment in which agencies function, the problems of dealing with complex layers of government and competition from similar agencies' (Beer, Maude, & Pritchard, 2003 p.157). The 'politics of parochialism' was considered to be a significant stumbling block, exemplified by the difficulty in generating community support due to a lack of legitimacy, with the nomination and appointment process onto boards considered undemocratic. Beer, Maude et al (2003) found that the boards of management were identified to be a major impediment to effectiveness of these agencies. Regional development boards and commissions were seen to be quasi independent agencies, with a private sector focus which was useful for connecting with some businesses. However, this did not guarantee 'community acceptance or leadership' (Beer, Maude, & Pritchard, 2003 p.158). Brown and Collits (2004) support Beer, Maude et al (2003) in their proposition that it is the policy and administrative framework which makes the task of these regional development agencies unworkable.

Lessons learnt from regional development activities evaluated by Cavaye, Blackwood et al (2002) in the central highlands regions of Queensland point to the importance of the government's role in providing appropriate financial, technical, informational resources to communities, in order to progress regional development. This concurs with the findings of Maude and Beer (2004) who advocate that regional development agencies need to be resourced so that they can become effective catalysts for long term economic development. According to Cavaye, Blackwood et al (2002 p.28) 'discretionary funding could be employed to stimulate growth of new industry initiatives, improve training, support local industry networks and clusters and support regional development boards in planning and management'. Likewise research undertaken by Haughton and Counsell (2004) points to the importance of regional planning in order to achieve regional development, an integrative concept, to bring together the economic, social and environmental issues within a region. This integration requires that those in decision making roles work across policy areas and across regions to enable engagement in 'multiple and conflicting ways' (Haughton & Counsell, 2004 p.143). Commonly acknowledged by these researchers is that in contrast to a planned, well resourced approach to regional development, regional development agencies are driven by competing concerns to secure funding in order to be seen as legitimate and active by the community.

There have been two major government funded studies seeking change to the governance arrangements for regional development. Most recently Dr John Keniry chaired the Regional Business Development Analysis panel (2001-2003), and sought a major restructuring of the regional development agencies. The final report described Australia's federal system as antiquated compared to possibilities demonstrated globally (Brown & Collits, 2004). Criticisms pointed to the low impact of local government (ruling out the Australian Local Governments' Association request for consideration of tax based enterprise zones), with state government too large to be effective resulting in poor regional planning and failed co-ordination across the three layers of government characterized by 'inadequacy, duplication and wastage' (Brown & Collits, 2004 p.13). This report recommended that regional development should be overseen by one regionally based, single business focused and business driven entity. The federal government has made no formal response to this report.

The second major review was conducted at the same time by the Commonwealth House of Representatives Standing Committee on Economics, Finance and Public Administration into Local Government and Cost-Shifting. This Committee recognised that the role of local government in regional development is significant and rather than diminishing its role into a new entity, reliance on local government for regional development should be strengthened (Brown & Collits, 2004). As an affirmation of the legitimacy of local government, the Committee pointed to the tendency of state governments to resist, withhold or claw back any moves to devolve public resources and power to the regions as the greatest detractor from coordinated regional development at the local level. In combination what these two reports do is to highlight the weaknesses of the current institutional architecture or framework to deliver on regional development.

Behind both of these reviews of the institutional framework is the question of legitimacy of the entities. This is a finding replicated in research by Shortall and Shucksmith (1998) which calls into question the legitimacy of partnerships in particular, where these partnerships operate above the legitimacy bestowed on democratically elected representatives. When regional development agencies were established in the United Kingdom in the late 1990s the question of the sufficiency of power and resources to be an 'effective counterweight' was a critical issue (Mawson, 2000 p.26). The legitimacy of these agencies to be able to engage key stakeholders and deliver on accountability underpins the capacity of regional development agencies to achieve a joined-up approach

to a region's development. Bentley and Gibney (2000 p.222) in their evaluation of regional development agencies also in the United Kingdom identify that 'political tribalism and the competitive positioning of organisations' has overly influenced the early agendas of regional development agencies. There are many lessons for Australia. It is important for regional development agencies to have resource credibility and control over funding priorities, as well as integration and co-operation on an institutional basis. Brown and Collits (2004 p.16) suggest that underpinning criticism of the legitimacy of these entities in Australia is the need to consider the development of trust between decision makers and the community in order to build legitimacy of the institutional framework.

In conclusion, Rainnie and Grant (2005 p.16) question whether this 'thin institutional framework is capable of developing and supporting the institutions of inclusivity and associationalism that New Regionalism demands'. In effect the forces acting on regional development agencies are contradictory. Expected to operate within a neoliberal discourse of self-help and self-sufficiency and yet in partnership with the private sector, they must meet requirements for inclusion and gender diversity which partly contradict this foundational discourse. At the same time regional development agencies must be mindful of electoral power and implications of their undertakings for social regulation (Maloutas & Pantelidou Malouta, 2004).

Governing the region's development in summary

The literature on regional governance implies that there has been a shift of power and decision making into the institutional framework that mostly existed prior to the onset of New Regionalism. The institutional framework, according to the literature is bolstered by private public partnerships and a range of other entities and actors joining together to achieve location based prosperity. However it is questionable whether the structural elements of regional governance are able to deliver legitimacy, decision making power and inclusion. When it comes to the governance of regional development it seems that Beer and Maude's research highlights a number of governance deficiencies. The capacity of these entities to act and the legitimacy with which they can do so, weigh heavily on effective regional development practices (Brown & Collits, 2005). This component of the literature shows that there are discrepancies between how regional governance is being portrayed and how it is occurring within the region.

2.4 Governing the agency

This final component of the metaphorical quilt takes another application of governance, in this instance governance of the regional development agency within the board room, called here internal governance. The preceding section of this literature review has sought to build an interpretation of the context of the external governance of the agencies. In describing the dynamic and complete set of possible contextual factors, Pye and Pettigrew (2005 p.332) claim that 'this contextual fabric that creates the backdrop to any board is clearly full of colour, texture and is densely interwoven and reflects very differently on the choices made by directors and boards in their doing of corporate directing and any subsequent judgements of effectiveness'.

The literatures drawn upon here are organisational studies and corporate governance to examine how the agency and organisation is managed, 'directed and controlled' in order to achieve 'legal compliance and prevent improper and unlawful behaviour' (Edwards & Clough, 2005 p.1). Corporate governance is a concept originating from the private sector 'traditionally focused on the corporate-shareholder relationship' (Edwards & Clough, 2005 p.2). However rather than prescribed arrangements, corporate governance delegates and limits power of those people who decide the vision, strategy and direction of an entity. It is expected that this group of people will consider the environment in which the entity operates and it's inherent risks to determine the entity's long-term success. Increasingly the term corporate governance is being used to describe the conduct of relationships throughout an organisation, from employees, to suppliers and consumers. In this sense, it is often used to describe both the structures and the processes that hold the organisation on track to achieve its intended purpose, as well as the need to conform to legal requirements and corporate governance standards. For board members, the role means monitoring performance, determining strategy, monitoring enactment, perusing the environment and boundaries of the organisation for potential risks to organisational performance.

The Australian Auditor-General (cited Edwards & Clough, 2005 p.2) defines corporate governance as encompassing 'how an organisation is managed, it's corporate and other structures, its culture, its policies and strategies, and the ways in which it deals with its various stakeholders'. In both the private sector and the public sector, central to the task

of governance is the conduct of relationships; relationships between board members, between the board members and the executive, and relationships with stakeholders and community.

A key characteristic of governance for both private and public sector boards is a separation between those who govern the organisation and those who manage the organisation. In a study examining the application of corporate governance principles to the public sector boards, Edwards and Clough (2005) report that common to both private sector and public sector governance is concern for ambiguity in relationships between governance structures, processes and performance. An Issues Paper released by Edwards and Clough in June 2005, suggests that while it is important to acknowledge the distinctive nature of public sector boards, many of the critical issues besieging both sectors are the same. Principles of governance applicable to both sectors, include 'accountability; transparency; integrity; leadership – 'setting the tone' for the organisation; a focus on performance as well as conformance; and a recognition of shareholder/stakeholder rights' (Edwards & Clough, 2005 p.15).

The differences between private and public sector boards are demonstrated in the way that public sector boards often serve multiple objectives; members are appointed by a minister; the minister in effect being a 'shareholder'; and the complexity of accountability with a number of stakeholders e.g. parliament, the community (Edwards & Clough, 2005 p.15). Public sector boards suffer significant deficiencies such as ambiguity in roles and responsibilities of the key players in decision making processes; conflict of interests emanating from a conflict of roles; limits on the independence of the boards; deficient appointment processes and variable skill diversity (Edwards & Clough, 2005 p.16). Edwards and Clough (2005 p.27) suggest that if public sector boards are to be taken seriously then there needs to be improved appointment processes so that people with the right skills and experiences can be 'found around the table'.

This appointment process is the focus of more recent research by Edwards (2006 p.1) who identifies the lack of will by the Australian federal government to 'make the current processes more transparent, rigorous and independent'. The appointment process matters, as the retention of experienced and skilled board members is linked to organisational performance (Leblanc & Gillies, 2004) and public cynicism with the cronyism of the appointment process de-legitimises decision making (Edwards 2006). In the United

Kingdom Commissioners for Public Appointments (cited Edwards 2006), the appointment process is outlined as an orderly and transparent process of preparation for vacancies, the identification, assessment, selection and appointment of suitable candidates; and finally an audit and evaluation of performance. In 1994 John Major, then British Prime Minister moved to establish the Nolan Committee following claims of cronyism and political bias in public appointments. The Nolan Committee paid particular attention to the board appointments of quangos, those public sector funded, non departmental entities where boards are appointed by the relevant minister. The Nolan Committee recommendations reaffirmed that responsibility for appointment should remain with the minister of the funding Department, but that appointments should be merit based and reflect the skills required on the board. Moreover the Commissioner for Public Appointments was established shortly after the Nolan Report. The Commissioner oversees the appointment process using a panel (with a view to imposing some independence). In 2003 the House of Commons Public Administration Select Committee identified 'that more public confidence was required in the integrity of the system and that there was a need to eradicate any element of patronage...it also commented on a lack of diversity in public sector boards, especially the lack of women and members of minority groups'(Edwards, 2006 p.7). In 2005 the Office of the Commissioner created a Code of Practice for England and Wales instituting seven principles for the appointment process, amongst these is a requirement to deliver on equal opportunities.

In 2003 the Audit Commission in the United Kingdom found a number of themes to emerge from a study of six cases of public sector failure. The failures reflect both the importance of the skill base and experience of the board members, how they build relationships and behave in the boardroom as much as the structural procedures of boardroom conduct. In summary, these failures revealed poor quality leadership; poor decision making; dysfunctional behaviours; lack of clarity around roles and responsibilities resulting in poor accountability; substandard systems and processes for performance management; a closed culture and inadequate risk management strategies (Edwards 2005). While this new system in United Kingdom has encountered political and cultural impediments, it raises expectations for a more transparent process. In Australia, the appointment process does not fit mandatory procedural requirements at either the federal or state level. While there are general guidelines provided, this is not a formalised process and 'there is no real transparency about how people are selected for board positions' (Edwards, 2006 p.15).

Nicholson and Kiel (2004) specify the ingredients of boardroom performance dynamically as how a boardroom combines its human capital (skills, abilities and experiences) with the social capital (aspects of trust, communication, connectedness) and with the structural capital (board procedures such as agenda setting, minute taking, decision making, performance targets). Nicholson and Kiel (2004 p.442) call their model the 'intellectual capital model' of boardroom performance and propose that the boardroom outcomes are a result of a dynamic, transformational process where human, social and structural capitals work in unison. Despite limited access to boardrooms researchers have focused on the 'black box' of the boardroom (Forbes & Milliken, 1999; Ingley & van der Walt, 2003; Johnson, 2004; van der Walt, Ingley, & Diack, 2002). Research in this area sometimes called 'soft' governance, illuminates the interplay between governance structures, behaviours and processes. These interactional dynamics will be considered in the following section.

Research within private sector boards points to deficiencies in each of these human, social and structural aspects of boardroom activity (Cairns, 2003; Hillman & Dalziel, 2003; Ingley & van der Walt, 2003; Johnson, 2004; Nicholson & Kiel, 2004; Westphal, 1999). Within the private sector, preference has been given to structural and regulatory compliance mirrored by government actions following large scale corporate misadventures (Uhrig, 2003). The HIH Royal Commission in 2003 (cited Edwards & Clough, 2005 p.12) concluded that the '...identification of the background, skills and expertise of the people who walk into the board room is a good start, but it is what they do when they get there that is critical' to organisational performance.

The past two decades of academic inquiry in private sector boardrooms has sought to understand the linkages between aspects of the board and organisational performance. This line of inquiry has pursued different paths, the monitoring role path and the resource dependency role path. Agency theorists promote the monitoring function, known as the control role which would see board members exercise their independence and monitor managers on behalf of the shareholders, as the most important role. From a fiduciary and legal perspective this role is justified as ensuring managers act in the best interests of the shareholders. Research has focused on the significance of the independence of the board members from those within the organisation and secondly highlighting the importance of board member compensation in the hope that this would instil incentive into their actions (Hillman & Dalziel, 2003). The implication being that the independence of board

members will enable them to monitor those responsible for organisational performance. However Hillman and Dalziel (2003 p.385) report, that a meta-analysis of studies examining the connection between board dependence and firm performance 'showed no significant statistical relationship'. Likewise the hypothesis stating that board member equity will be positively correlated to firm performance, also failed to be statistically supported (Hillman and Dalziel 2003).

The other path of academic inquiry has been to unveil the way in which board members resource the organisation. Hillman and Dalziel (2003 p.385) note the appointment of individuals to a board comes with an expectation that the individual will resource the board with the benefit of their skill and experience for the advancement of the organisation. Resource dependence theory asserts that board members will add four elements to organisational performance: advice, legitimacy, be a conduit for communication between outside and inside the organisation and finally deliver 'preferential access to commitments or support from important elements outside the firm' (Hillman & Dalziel, 2003 p.386). This resource dependency theory is more relevant to regional development agencies, where board membership could be expected to create linkages for the agency to assist in the conduct of their activities. Carpenter and Westphal (2001) found that positive linkages also exist between the relational ties of the board members and organisational performance. Furthermore interlocking directorships can play an important role in communicating information between organisations and in enabling the dissemination of innovation (Hillman & Dalziel, 2003). It is this relational capital that is deemed assistive to the organisation when it requires financial capital, 'influence with political bodies or other important stakeholder groups' (Hillman & Dalziel, 2003 p.388).

Hillman and Dalziel (2003) in their analysis of corporate governance propose that the best solution is to seek a combination of these two functions – an integration of the monitoring role with resource dependency role, as a way of linking board capital to organisational performance. It is further proposed by Hillman and Dalziel (2003) that this will become the site of further research for a range of longitudinal studies that trace the idiosyncratic nature of organisations and monitor them over time. Likewise Pettigrew (cited Ingley & van der Walt, 2003) calls for research to focus on the actual behaviour of boards to supplement the knowledge of what the boards look like with evidence of what the boards actually do. Edwards and Clough (2005 p.26) argue that focus needs to be given to what is

happening inside the boardroom – the ‘interrelationships and behaviours, and the policies and procedures that support effective behaviours’. It is suggested by Edwards and Clough (2004) that these ‘soft’ aspects of governance, albeit embryonic in analysis, hold the key to achieving high levels of board performance. These research developments move closer to inciting analysis of the interactional dynamics of boards both within the private sector and the public sector.

2.4.1 Boardroom Interaction

Leblanc and Gillies (2004 p.10) argue that the work around board member interaction is missing from research, and predict that ‘this may well be the most important factor in determining the effectiveness of the governance of an enterprise’. Leblanc and Gillies (2004) go as far as to argue that the uncovering of how boards work will unveil the keys to effectiveness, believing that this is the unrealised revolution for governance. Ironically, what is being phrased as ‘soft’ is in fact a ‘hard’ or challenging area to influence. Leblanc and Gillies (2004) suggest that it may come down to the chemistry between board members, to their capacity to persuade others, whether they work individually or collectively, with dissent or consent. From a research perspective this is a point of overlap with organisational studies in order to understand the assumptions about what makes good team work and group work successful. From the boardroom perspective there is scant research into how boards actually make decisions and how board members interact interpersonally.

Edwards and Clough (2005) list the interactional dynamics that are associated with better performing boards. It is important to establish ‘clarity in roles, responsibilities and relationships between CEO and chair: directors and management: directors and shareholders/stakeholders’; a constructive chair and Chief Executive Officer interface; teamwork for the board; ‘culture, trust and open dissent; right skills, competencies and characteristics, including ‘industry/business knowledge’; a good induction process and ongoing access to training; leadership skills of chair; information flows and regular evaluation of board performance’(Edwards & Clough, 2005 p.12). This is echoed by Sonnenfeld (2002) in a recent study into what makes boards great, where he found the capacity of the board to harness the talent, skill and networks of the board members rates as a significant priority.

So while having structures and processes in place helps to uphold governance standards, research points to the behavioural dynamics of the board, which will make or break performance. This is reinforced by Kocourek (cited Edwards & Clough, 2005 p.12) noting his universal conclusion from working with private sector boards in the United States, Europe, Australia and Asia 'governance begins at home – inside the boardroom, among the directors...it is embedded in how, when and why they gather, interact and work with one another and with management...in other words the 'soft' stuff'. A recent study commissioned by the Australian Institute of Company Directors and conducted by Cairns (2003) concluded with a list of eight early warning signs of bad board behaviours. These being a dominant chair or CEO; hurried decisions based on inadequate data; serial restructurings and resignations of key executives; the cover up; interfering with the flow of information; communications which are on the defensive; significant variance between forecasted and final accounts and finally where no one accepts responsibility.

It is seen to be notoriously difficult for researchers to negotiate access to boardroom situations. Access to the boardroom to observe and describe the behaviour patterns has been restricted by board members under claims of preserving confidentiality or assumed to be restricted by academics. One academic who has been able to negotiate access to the inner sanctum of the boardroom is Johnson (2004) undertaking in-depth case study research in a family business board. The questions guiding access to the boardroom related to 'how company directors with their own unique views of a particular decision, choose to behave in the boardroom, and eventually come to some form of collective agreement during a process of debating, negotiating and agreeing about a key strategic issue' (Johnson, 2004 p.40). This study revealed that board members became locked into routinised ways of behaving that strongly influenced the sorts of contributions made by other board members – boardroom behaviour drove what and how board members contributed (Johnson, 2004).

Governing the agency in summary

Governing the agency is a transformational process that is the final component to be stitched into the metaphorical quilt. It involves taking stock of the complexities of the environment or context; understanding the role of the board; and combining the human and social capitals of the board with the structural capital (Nicholson & Kiel, 2004). Governance literature confirms that the same issues besiege both private and public sector

boards. The importance of clarity in the role of the board, understanding individual member's skills and expertise, good chairing, use of networks and knowledge are all considered to be important building blocks for board performance. It opens the door for consideration to be given to the skill and experience of the board members, their social networks and connectedness and the structural characteristics of the work of the board. The internal functioning of the boardroom is an important component of regional development governance.

2.5 Conclusion

This literature review makes a contribution to understanding the way in which regional development agencies are governed. It is now ten years since the operation of regional development agencies and the question of governance was described by Beer and Maude (1996). This literature review builds an important picture of the influences now operating on the governance of these agencies. The contribution of this research is in understanding how the people appointed to these boards make sense of their governance role within the broader structure of regional development, regional governance and corporate governance. This literature review concludes with three lines of enquiry as depicted in the following diagram.

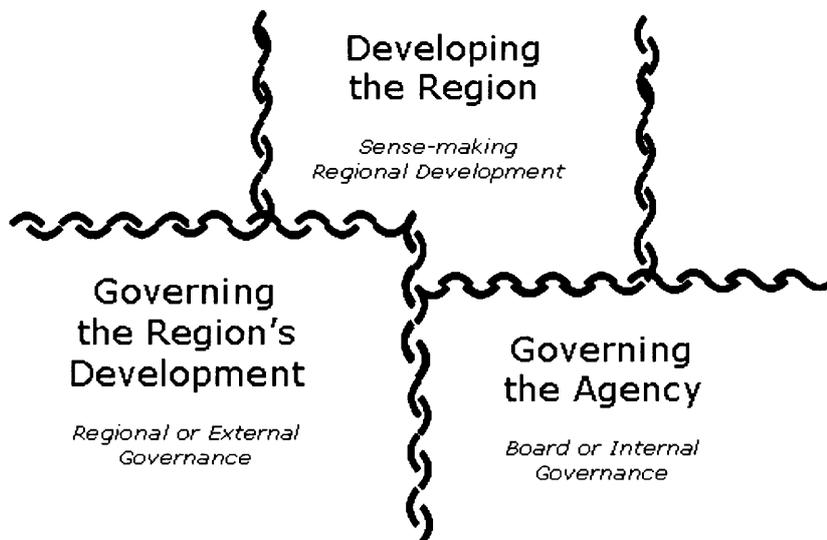


Diagram 2.2: Three lines of enquiry in this research

The first line of inquiry centres on the meaning given to regional development by board members. In this section I have argued that there are many discourses operating to influence the way in which governments, academics and regional communities portray regional development. Regions are largely constructed for regional development policy purposes by those outside of the region. Likewise priorities established by government can be discordant to those needs perceived by regional members. This literature review shows that there are multiple meanings of regional development. The question is how do regional development board members describe regional development and how these agencies make a difference in a region's development?

The second major line of inquiry arising from this literature review centres on regional governance. While international trends in the practice of regional governance point to the shifting of power into these newer networked forms of governance it remains unclear how this is occurring in the Australian context. Academic critique suggests that as these entities, such as the regional development agencies, become subsumed into the regional governance framework, questions of legitimacy, power and inclusion become more relevant. In view of this literature the second line of inquiry for this research pursues the following issues: how do board members perceive the legitimacy of the regional development agencies within the region? To what extent is power invested in the regional development agencies to make decisions about regional development and finally, how inclusive are the practices of the regional development agencies within the boardroom?

The final component of literature centres on corporate governance. Within the boardroom the work of the board is considered as a transformational process. The ways in which the human, social and structural capital of the boardroom combines to deliver governance is of particular interest in this research. Clarity of purpose, understanding the skills and experience of other board members, good chairing, the contribution of networks and knowledge, diversity, trust and good communication skills are all seen to be building blocks for good boardroom outcomes. This final component of inquiry, selected for investigation from this literature review, is the way in which board members of regional development agencies report the internal functioning of their board?

The contribution of this research is in bringing together disparate literatures to reveal how governance structures and processes described in the literature are converted into the

practice of regional development governance as seen in regional development agencies. This research will show the multiple ways in which board members see their role in regional development governance. In the next chapter, the policy and administrative context within which these board members operate will be discussed.

CHAPTER THREE: THE REGIONAL DEVELOPMENT AGENCY CONTEXT

3.1 Introduction

In Chapter Two the federal regional development policy context was described as part of an historical overview of regional development policy in Australia. At the federal level there has been adherence to neo-liberal principles, with the withdrawal of government intervention to maintain 'socio-spatial equity, decentralised industrial development, and heavy investment in non-metropolitan infrastructure and services' (Tonts & Haslam McKenzie, 2005 p.183). At a policy level, despite changing political parties, the federal government's stance remains that 'regional problems will be mainly solved by focusing on national economic growth' (Beer, Clower, Haughton, & Maude, 2005 p.53). Where regional distress has surfaced onto the national agenda it has been supplanted by promotion of private sector investment to 'leverage' outcomes in the regions rather than direct investment into infrastructure and services at the local level.

Beer, Clower et al (2005 p.56) refer to this national policy framework as the 'current phase of experimentation' within which the regional development agencies of NSW and WA operate. Characteristic of this era is a plethora of organisations, arising from the three tiers of government in Australia, competing for funds, legitimacy and power at their regional locations. One of the contradictions identified by Beer, Clower et al (2005) is the pressure on these agencies to be *seen* to be adding value to the region without sufficient resources to bring about the change required in the regions.

The aim of this chapter is to provide a picture of the institutional framework for regional development agencies in NSW and WA. In this chapter the legislation, policy and administration of these agencies, the NSW Regional Development Boards and WA Regional Development Commissions is described.

3.2 Institutional framework for regional development in Australia

Australia lives with a layered system of government, with federal, state and local governments sharing an interest in regional development. The federal government collects the bulk of tax paid in Australia (82%) distributing 12 % to the state governments and 3% to local governments (through the Commonwealth Grants Commission (Eversole & Martin, 2005). The states collect another 15% through state based taxation revenue and combined with the 12% federal distribution, operate as the major service provider with 27% of the revenue (Eversole & Martin, 2005). While the federal government makes some additional contributions to the states for education and health, their role is contained within regulatory and economic portfolios, international trade, taxation, and workplace relations. Local government income is derived from property tax, a meagre 3% of Australia's total taxation revenue, in addition to the 3% contribution from the Commonwealth Grants Commission. These income levels and jurisdictions are the subject of ongoing debate between levels of government. Historical data shows that local government has been increasingly required to provide a broader range of services with less access to funds to do so (Beer, Maude, & Pritchard, 2003). However this picture of income allocation across the layers of government does not describe the way in which the three governments interact at the regional level particularly with respect to regional development.

Over the last ten years, state and federal governments have continued to encourage regional development entities, funded almost in entirety from government coffers, to take on responsibility for regional development. There are a plethora of entities operating with federal, state or local government funding or a combination, crisscrossing their involvements in regional development. The federally funded Area Consultative Committees access Regional Partnerships Funding out of the Department for Transport and Regional Services and operate throughout Australia. This funding is added to by other federal programs such as the National Heritage Trust funding aimed at supporting environmental and community capacity building activities at the regional level. The states and territories fund a range of regional development agencies to address area based needs. At the local government level there are a variety of responses across Australia with some Councils employing economic development practitioners, and Regional Organising

Councils (ROC's) which co-ordinate regional development activities across a collection of local government areas.

The regional development institutional framework in Australia is described as crowded and chaotic with the external governance for regional development entities impacting on the internal governance of these agencies (Beer & Maude, 2005). According to Beer and Maude (2005 p.61) these agencies are 'relatively powerless' and under-resourced for the tasks at hand. Those who govern these entities have been selected by ministers rather than elected to positions of decision making. The appearance of community participation is not substantiated as the funding priorities are tightly controlled by state and federal governments. Limited by funding and capacity to negotiate with other regional entities, these agencies often turn their energies to seeking influence in their regions where it is deemed possible. Without state and federal governments working in unison to attend to regional planning and service delivery, the result is that regional development activities are largely based on the will of individuals in the local, state and federal agencies to work co-operatively (Beer, Maude, & Pritchard, 2003).

Local government is regarded as the poorest layer of government in Australia despite being seen to play an important role in the development of the region. Beer and Maude (2005 p.58) argue that local government has the 'greatest interest in locality-based development'. In practice Beer and Maude's research shows that one of the most important determinants of successful regional development is the extent to which state and federally funded agencies partner with local government to deliver regional development. In this research, in NSW the relationship between the state government funded regional development agencies and local government is unspecified; whereas in WA the relationship with local government is inscribed in legislation and formalised with the appointment of three local government representatives on each board.

The following diagram represents the two states of WA and NSW and the state government boundaries for the regional development agencies. In WA there are nine areas allocated to Regional Development Commissions. In NSW there are thirteen areas with Regional Development Boards.

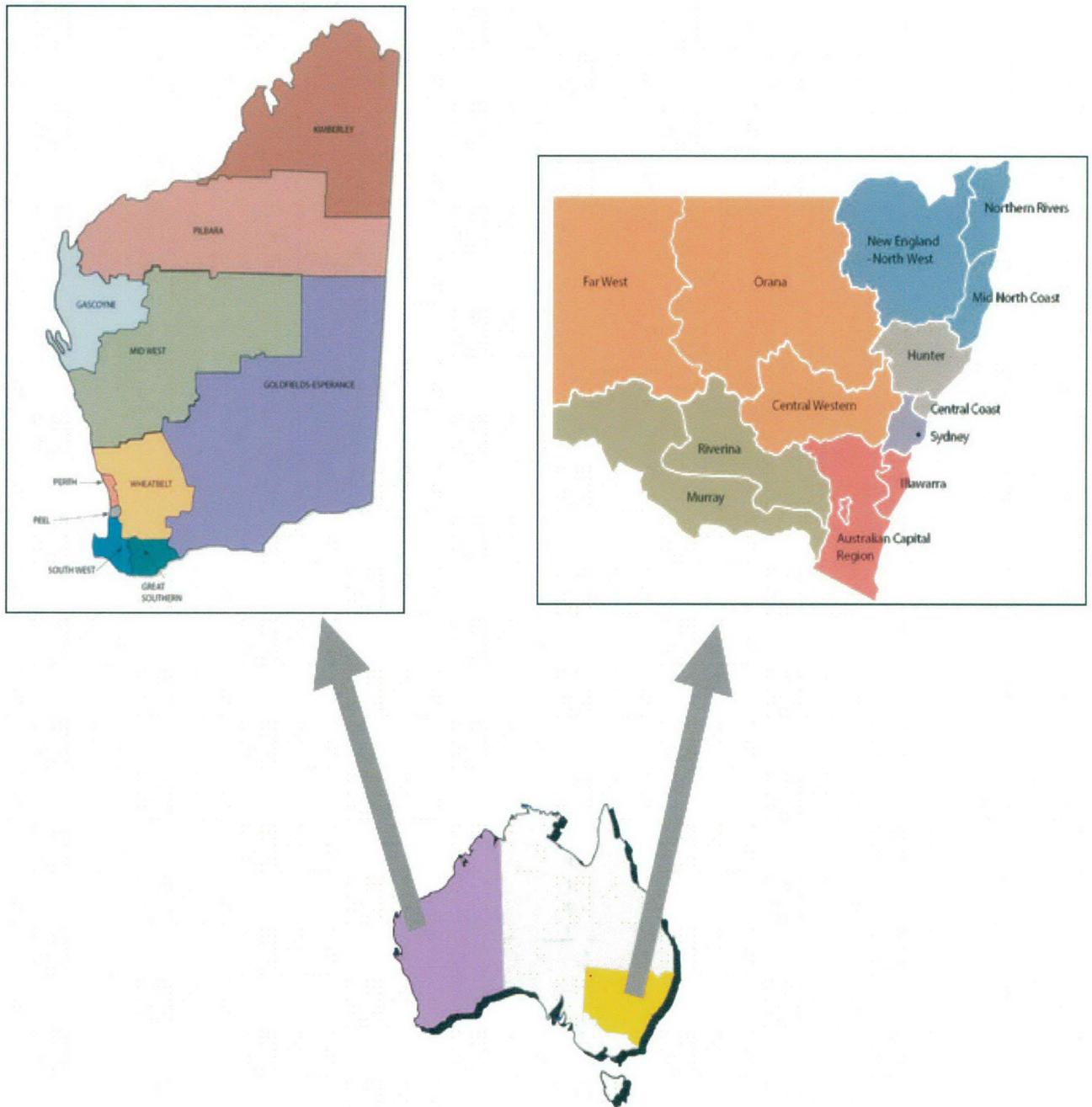


Diagram 3.1: Map of Western Australia and New South Wales regional development agency boundaries

3.3 NSW Department of State and Regional Development and the Regional Development Boards

The Department of State and Regional Development (identified as 'DSRD' hereafter) is the lead agency for business investment in metropolitan, rural and regional NSW. DSRD is a state government department, with the central office located in Sydney. DSRD is responsible for the administration of the NSW Regional Development Boards. There are thirteen Regional Development Boards operating as incorporated associations across regional NSW. One of the boards is the Greater Western Economic Development Board includes the western suburbs of Sydney. The remaining twelve regions are geographically dispersed across NSW. The following table shows the population and area covered by the Regional Development Boards.

Regional Development Board	Population	Area (square kilometres)
Far Western Regional Development Board	24,603	147,142
Central West Regional Development Board	172,790	63,262
Go West (formally Orana) Regional Development Board	120,000	199,078
Northern Rivers Regional Development Board	265,000	20,895
Northern Inland Regional Development Board	175,883	98,606
Mid North Coast Regional Development Board	242,000	14,810
Capital Regional Development Board	500,000	58,700
Murray Regional Development Board	110,000	90,000
Riverina Regional Development Board	149,039	63,521
Business Central Coast	285,508	1,854
Hunter Economic Development Corporation	609,800	31,000
Illawarra Regional Development Board	408,000	8,524
Western Sydney Economic Development Board	1 848,854	8,817
TOTAL	4911,477 people	806,209 square kms

Table 3.1: NSW Regional Development Boards population and regional areas.

Source: www.business.nsw.gov.au/region/ 20 February 2007 (Note: NSW total population is 6311,168 ABS 2001).

3.3.1 Legislative framework

The Regional Development Act 2004 Section 3 has as its object 'to provide a framework for strategic intervention in the economies of regional New South Wales for the following purposes:

- (a) To help fill gaps left by the market system,
- (b) To promote economic and employment growth in the regions,
- (c) To assist regional communities to capitalise on their regional strengths, to broaden and reposition the industry base of their regions and to develop new products and new markets,
- (d) To develop regional or local solutions for regional or local business development problems' (New South Wales Consolidated Acts, 2004)

On 1 December 2004 the Regional Development Act in Part 3 – Miscellaneous established the Regional Development Advisory Council. The chairperson of each Regional Development Board is appointed by the minister to this Advisory Council. The function of the Advisory Council is 'to advise the minister on any matter that is referred to it by the minister' and 'to advise the minister on any other matter it considers relevant to the object of this Act' (Regional Development Act 2004). The Council meets four times a year. While the Regional Development Act 2004 appropriates core funding for the Regional Development Boards, the Boards are not described specifically in the Act.

3.3.2 NSW regional development policy and administration

The Regional Development Boards were established in 1972 and have been operating continuously for over 30 years. Until the 1990s, DSRD provided one staff position (a member of the NSW public service) for each board in the role of Executive Officer. This arrangement was seen to give DSRD control over both the appointment of the board members *and* the work of the staff person (Beer & Maude, 2002). In 1995 with a Labor Government elected in NSW, the Department of Business and Regional Development was renamed the Department of State and Regional Development, in turn altering arrangements for the Regional Development Boards. Boards were now required to become separately incorporated entities and employ an Executive Officer with the block grant provided by DSRD. However the appointment of board members and the Chairperson remained the prerogative of the minister for Regional Development.

Another change was the reporting line for the Executive Officer who now reported directly to the Board of Management and only formally to DSRD. It is usual practice that the DSRD Regional Manager attends each of the boards meetings.

DSRD has regional offices; with Departmental staff providing project facilitation and information services to enterprises considering establishment or expansion in regional NSW. Departmental staff encourage local and community-based economic development efforts to ensure locations become investment ready, and take a strategic approach to their communities' economic future. In some regions the Regional Development Boards co-locate with DSRD and share facilities (on a cost recovery basis) with DSRD regional staff.

DSRD documentation does not present a clear picture of the role of the Regional Development Boards. In the Strategic Plan for DSRD 2004-2007 the Director General, Mr Loftus Harris describes the Department's strategic imperatives as 'promoting investment, boosting exports, fostering innovation and technology development, improving the business climate, building the economic capacity of regional NSW and supporting entrepreneurship in small and medium sized businesses' (Department of State and Regional Development, 2004a). One of key strategies listed in this planning document is the building of economic capacity in regional NSW. As the Regional Development Boards do not feature in this Strategic Plan, it is unclear how the boards are to support these strategic directions. The 2005-2006 DSRD Annual Report describes Regional Development Boards as collectively operating 34 projects 'to pursue economic development opportunities in their regions' (Department of State and Regional Development, 2006 p.48). It is unclear in this documentation how the boards contribute either to the strategic direction of DSRD or to the strategic direction of the communities that they serve.

Another policy document 'Strong Regions, Strong Future' released by the then Minister for Regional Development, David Campbell in October 2004, emphasised that the NSW Government's approach to regional development is strategic intervention. In this document, strategic intervention is translated to mean regional development as developing local solutions to problems; working in partnership with key stakeholders; applying community resources; identifying competitive strengths and encouraging local leadership. These regional development strategies reflect the discourses of regional development

described in Chapter Two. In this way, theoretically at least, DSRD policy reflects a transition from a top down to bottom-up development strategy and a diminution of the government's role in planning and service provision, to that of facilitation. DSRD identifies the drivers for the regional economy as emerging industries, technology and changing lifestyle preferences. At the same time this policy document acknowledges that the problems confronting regional NSW 'vary widely and demand region-specific responses' (Department of State and Regional Development, 2004b p.7). This policy document describes Regional Development Boards as belonging to a strategy titled 'providing leadership in regional investment attraction' (Department of State and Regional Development, 2004b p.21). In this document, the role of the board is to 'provide a framework on local development issues...they play an important role in promoting their regions to investors and governments' (Department of State and Regional Development, 2004b p.21).

In the DSRD Information Booklet and Nomination Form (NSW State and Regional Department of State and Regional Development, 2005) for prospective board members, the role of the board is described as: 'promoting economic and employment growth in regional NSW; assisting regional communities to capitalise on their regional strengths, to broaden and reposition the industry base of regions and develop new products and new markets; developing regional or local solutions for regional or local business development problems; and identifying opportunities to fill gaps left by the market system'.

However these boards are poorly resourced 'to exert a genuinely regional influence' (Beer & Maude, 2002). In 2004 the core funding provided to the thirteen boards was \$1.69 million a year (averaging \$130 000 per board) with access to a further \$1.6 million as project based funding. The key projects described by departmental reporting are 'general marketing, general investment attraction, exploration of industry opportunities, development of commercial forestry, development of regional food and wine industry, leadership programs and regional telecommunications audits, plans and service development' (Department of State and Regional Development, 2004b p.22). Annual funding to the Regional Development Boards in the 2005/2006 Financial Year was only available in four of the thirteen boards. This information was sought from DSRD however was not able to be provided. The following table shows the boards which have this information publicly available on their websites.

Name of Regional Development Board	Funding Accessed
Far Western Regional Development Board	Not available (N/A)
Central West Regional Development Board	N/A
Go West (formally Orana) Regional Development Board	N/A
Northern Rivers Regional Development Board	N/A
Northern Inland Regional Development Board	\$334,497
Mid North Coast Regional Development Board	\$352,195
Capital Regional Development Board	N/A
Murray Regional Development Board	N/A
Riverina Regional Development Board	N/A
Business Central Coast	N/A
Hunter Economic Development Corporation	N/A
Illawarra Regional Development Board	\$588,751
Western Sydney Economic Development Board	\$395,812
TOTAL	\$

Table 3.2: NSW Regional Development Board funding allocations for 2005-2006

3.3.3 Board member selection process

DSRD advertises Regional Development Board positions in regional newspapers and an application form is completed by the applicant. The Nomination Form encourages members of a community from a broad cross section of backgrounds who have the interest and capability to contribute to the economic development of the region. Women, younger people and people of non English speaking backgrounds and Aboriginal and Torres Strait Islanders are encouraged to apply in the preamble of the nomination form. The selection criteria is listed as 'leadership, vision and ability to champion regional interests; track record in achieving creative, strategic and holistic solutions for local and regional development; ability to gain commitment and support or regional and local initiatives; ability to advise the NSW Government on a broad range of regional development issues and a good understanding of the principles and practices of effective corporate governance (NSW Department of State and Regional Development of State and Regional Development, 2005). The expertise that the board requires is identified as economic development at the local and regional levels; successful business and/or management experience; business and local development networks; academia relevant to regional economic development and community initiatives that contribute to local or regional economic development. Recommendations for the board positions are made by Departmental officers to the Minister for Regional Development. The minister is responsible for the selection and appointment of the board members, including the chairperson. Board members are able to elect from the Board, a Deputy Chairperson.

In Summary

When Beer and Maude researched the Regional Development Boards in 1995 they described four notable features of the NSW framework. The NSW system was renowned for its longevity; its complexity; the role of the state government and the continuation of direct subsidies to attract industry into regional locations (Beer & Maude, 1996). These features were explained as emanating from the fact that the boards had been in operation for over 20 years and as gaps had appeared in the institutional framework other agencies had emerged to fill these gaps, such as Business Enterprise Centres and local government based agencies. The result in NSW is that the boards have been regarded as less participatory and grassroots in nature than those agencies in other states (Beer & Maude, 1996). The selection and appointment process of board members has most likely contributed to this finding.

The NSW Government has established a network of thirteen Regional Development Boards with assigned geographical regions. These regional boundaries are specific to regional development and unaligned to other government departments. The board members are appointed by the minister for regional development. The agencies are incorporated associations who receive their core funding from DSRD, but also pursue funding from other state and federal government departments. The chairpersons from the boards meet with the minister for regional development four times a year to discuss regional development issues at the discretion of the minister.

3.4 WA Department of Local Government and Regional Development and the Regional Development Commissions

In WA the Department of Local Government and Regional Development (identified as 'DLGRD' hereafter) is the leading state department responsible for regional development policy. WA is the only state in Australia to have an Act of Parliament covering the establishment and operation of its regional development agencies as statutory authorities; called the Regional Development Commissions (Haslam McKenzie, 2003). There are nine Regional Development Commissions assigned regions across WA, excluding metropolitan Perth. In Chapter Two, the benefit of alignment of regional boundaries across jurisdictions was highlighted as a positive aspect of the WA system. In this instance the regional boundaries for the Regional Development Commissions also align to

boundaries for WA Department of Planning. The following table shows the population and area covered by the Regional Development Commissions.

Regional Development Commission	Population and annual change reported		Area (square kilometres)
Gascoyne	9,854	(-0.7%)	137,938
Goldfields- Esperance	53,661	(-0.9%)	771,276
Great Southern	53,738	(0.4%)	39,007
Kimberley	35,748	(2.3%)	421,451
Mid West	50,071	(0.9%)	472,336
Peel	91,853	(4.8%)	5,648
Pilbara	39,282	(0.1%)	507,896
South West	140,846	(3.3%)	23,998
Wheatbelt	70,132	(-3.4%)	154,862
Total	545,185 people	(1.7%)	2534,412square kms

Table 3.3: WA Regional Development Commissions population and regional areas

Source:

www.dlgrd.wa.gov.au/Publications/Docs/StatSnapshot_populationDemographics.asp
accessed 14 February 2007. (Note WA total population is 2039,925)

3.4.1 Legislative framework

The Regional Development Commissions Act 1993 established the Regional Development Commissions to 'co-ordinate and promote the economic development of regions of Western Australia' (Western Australian Consolidated Acts, 1993). The Regional Development Commissions Act 1993 also established the Regional Development Council made up of the nine chairpersons of each of the Commissions and three independent members appointed by the minister. The 'objects and functions of a Commission are set out in Section 23 of the Act and are to:

- (a) Maximise job creation and improve career opportunities in the region;
- (b) Develop and broaden the economic base of the region;
- (c) Identify infrastructure service to promote economic and social development within the region;
- (d) Provide information and advice to promote business development within the region;
- (e) Seek to ensure that the general standard of government services and access to those services in the region is comparable to that which applies in the metropolitan area; and
- (f) Generally take steps to encourage, promote, facilitate and monitor the economic development in the region'

(Western Australia Consolidated Acts, 1993 - Section 23)

Additionally the minister may give directions to a Commission with respect to the performance of its functions; either generally or in regard to a particular matter and the Commission must give effect to any such direction under Section 25 of the Act. The minister also has access to information held by a Commission under Section 26 of the Regional Development Commissions Act 1993.

3.4.2 WA regional development policy and administration

In WA four Cabinet Ministers are responsible for an allocated number of regions; and the Regional Development Commissions within those regions. The current distribution is set out in the following table.

The Hon. Kim Chance MLC	Midwest Regional Development Commission Wheatbelt Regional Development Commission Great Southern Regional Development Commission
The Hon. Mark McGowan MLA	Southwest Regional Development Commission
The Hon. David Templeman MLA	Peel Regional Development Commission
The Hon. Jon Ford MLC	Kimberley Regional Development Commission Pilbara Regional Development Commission Gascoyne Regional Development Commission
The Hon. Ljiljanna Ravlich	Goldfields Esperance Regional Development Commission

Table 3.4: WA ministers and Regional Development Commission responsibilities

The Regional Development Council is made up of the chairpersons of each of the Commissions and reports directly to one of these four ministers, the Minister for Regional Development, the Hon. Jon Ford. The Regional Development Commissions have an informal link to the Department of Local Government and Regional Development. The Department acts as the Secretariat for the Regional Development Council providing administrative and other support such as research, preparation of discussion papers and policy development for the work of the Council. In statute, each Commission is a separate government agency and operates independently. The Chief Executive Officer and other staff of the Commission are appointed in accordance with Part 3 of the Public Sector management Act 1984. The position of Chief Executive Officer or Director as it is called

in some Commissions is a level nine position and is regarded as Senior Executive Service in status. The Department of the Premier and Cabinet and the respective minister (responsible for that particular Commission in their portfolio) are involved in the writing of the job description for the Chief Executive Officer. The Office of the Public Sector Standards Commissioner manages the selection process; recommendations are made by a selection panel to the minister for Public Sector Management. In effect this occurs in consultation with the minister responsible for the Commission. The Chief Executive Officer of the Commission is responsible for the day to day operations of the Commission and is directly responsible to the minister. Each Chief Executive Officer has voting rights on the board.

The Commissions are funded with annual grants appropriated by Parliament, averaging \$2.5 million per annum, employing between ten and twelve staff (significantly more than in NSW). Funds for each Commission are credited to an account at the Department of Treasury and Finance in the name of the Commission and these accounts form part of the Trust Fund established under Section 9 of the Financial Administration and Audit Act 1985. A Commission can provide a grant to another organisation but it is not permitted to enter into any business undertaking or land acquisition. Commissions access additional annual funding from the state and federal governments, amounting to on average \$1.4 million per annum per Commission. The table below shows the publicly available information taken from the Annual Reports of the Commissions for the 2005/2006 financial years.

Regional Development Commission	Core State Funding	Additional State/Federal Funding	Total Funding
Pilbara	2 286,000	5 522,727	7 808,727
Goldfields Esperance	1 576,000	712,083	2 288,083
Kimberley	2 258,000	448,289	2 706,289
Gascoyne	2 259 000	713,180	2 972,180
Wheatbelt	1 431 000	902,494	2 333,494
Peel	1 491 000	685,000	2 176,000
Geraldine Mid West	6 070,000	1 057,449	7 127,449
Great Southern	2 864,000	544,062	3 408,062
South West	4 226,000	780,750	5 006,750
TOTAL	22,886,576	12,940,458	35,827,034

Table 3.5: WA Regional Development Commission funding allocation for 2005-2006

In November 2003 the WA Government released its policy document for regional development titled 'Regional Western Australia – A Better Place to Live' identifying the desire of the WA Government to see sustainability added to the list of objectives for regional development. In the forward to this policy document the then Premier of WA, Dr Geoff Gallop wrote that this policy 'provides a comprehensive framework for achieving significant social, economic and environmental progress in a sustainable way' (Department of Local Government and Regional Development, 2003 p.3). A review of the Regional Development Commissions Act was conducted in 2003. One of the recommendations in the final report in 2004 was the inclusion of sustainability into the Act itself as a requirement for regional development. However while the word 'sustainability' appears extensively in the documentation of the Commissions, the recommended changes to the Act were not made.

This policy document emphasises local solutions to local problems; the government operating in partnership with the local community. The government's role is described as one of service provision and maintenance of infrastructure so that regional communities can continue to develop. This policy document attempts to operationalise the Act's objectives by describing the role of Regional Development Commissions as one of monitoring government service provision and alerting the government to 'opportunities or shortfalls' (Department of Local Government and Regional Development, 2003 p.20). The Commissions are also seen to have a role in working with industry to seek opportunities for the expansion or diversification of industry in regional areas. The breadth of the role of the Commissions is reflected in the requirement to see the Commission play a role in co-ordinating across government 'through a sound understanding of the greater development needs of a region and helping achieve economies of scale in the use of available funds' (Department of Local Government and Regional Development, 2003 p.50).

The strengths of Regional Development Commissions identified by Haslam McKenzie (2003) are the level of funding, skilled staff, and strategic planning capacity, ability to be involved with large enterprises and large projects; and its close relationship with the state government. The Commissions are able to bring their influence to strategic regional planning and facilitate activities across government departments. The Commissions are described by Haslam McKenzie (2003) and Beer and Maude (1996) as being big enough for federal and state governments to deal with, yet small enough for local people and local

governments to identify with their activities and feel comfortable in participating in decision-making. With established funding, the Commissions are able to employ professional, experienced staff and leverage off other funding to undertake regional research and develop submissions for funding. A further strength of the Commissions identified by Beer and Maude (1996) is their capacity to work across community, environmental and economic issues. Another unique aspect of the way in which the Commissions are structured is that the Commission has direct access to the minister without a government department structured to filter or administer the Commission.

Conversely, limitations have also been identified because of their perceived closeness to government ministers, resulting in a lack of trust at the regional level and in some cases confluence with the local government. Criticism of the Commissions has been levelled at the ministerial control of the board, a top-down approach with a high level of ministerial intervention (Haslam McKenzie, 2002, Beer & Maude, 1996). Despite these issues, Beer and Maude (1996) concluded that the WA Regional Development Commissions enjoy the strongest position of all regional development agencies in Australia. The structure and funding of these agencies was referred to as a model for the rest of the state agencies; stable funding; experienced staff and the ability to influence other state agencies being the core features (Beer & Maude, 1996). The Regional Development Commissions had enjoyed bipartisan support until the recent state government election in 2005, at which time the defeated Liberal party campaigned for a major review of the Regional Development Commissions.

3.4.3 Board member selection process

There are nine board members selected and appointed by the minister responsible to each Commission. Three board members are appointed as community members of the region; another three board members are drawn from the region's local government councillors and three members are appointed at the minister's discretion. For the local government representatives, the local councils within the region are asked to nominate three councillors. In some regions, such as the Wheatbelt there are forty-four local councils and there is a complicated process to determine the three candidates for the nominated positions. The Chief Executive Officer is considered to be a member of the board with full voting rights, making the Commissions a ten member board. However some of the Chief Executive Officers choose not to exercise their voting rights. The Chairperson of

each Commission is a member of the Regional Development Council and meets quarterly with the minister for Regional Development.

In Summary

In WA the nine Regional Development Commissions are statutory authorities, agents of the Crown. Each Commission has board of management, appointed by one of four ministers, to perform the functions of that Commission under the Regional Development Commissions Act 1993. Each Commission is expected to operate within the region to promote economic and social development. The staff are appointed in accordance with the Public Sector Management Act 1984 and overseen by the Office of the Public Sector Commissioner. The Commissions are allocated funding from the state government and may seek additional project funding from state and federal governments. The chairpersons of the Commissions are appointed onto the Regional Development Council to advise the Minister for Local Government and Regional Development on regional development issues.

3.5 NSW Regional Development Boards and WA Regional Development Commissions compared

There are significant structural differences between the NSW Regional Development Board and the WA Regional Development Commissions which will be considered as part of the analysis in this research. The defining features of each of these agencies are reflected in the following table.

Structural Characteristic	NSW Regional Development Board	WA Regional Development Commission
Legislation	Regional Development Act 2004 created the Regional Development Council	Regional Development Act 1993
Entity	Incorporated Association	Statutory Authority
Core Funding	Average \$130 000	Average \$2.6m
Appointment of Board Members	Ministerial	Ministerial
Staff	Employed by the Incorporated Association with the Executive Officer directly responsible to the Board of Management	Employed under the Public Sector Management Act 1984.

Table 3.6: Comparison of the structural features of the NSW Regional Development Boards and the WA Regional Development Commissions

3.6 Conclusion

This chapter describes the operating context of the regional development agencies in WA and NSW. According to Beer and Maude (2002) the institutional framework within which the agencies operate impacts on the effectiveness of those agencies. The NSW Regional Development Boards do not feature in the NSW Regional Development Act 2004. By comparison the Regional Development Commissions are statutory authorities, caste in the WA Regional Development Act 1993. The appointment process to the boards, for both states, relies on ministerial appointment. The extent to which the Departments responsible for regional development in both states include the agencies in strategic plans also is highly variable. In WA, it appears that the Regional Development Commissions are considered by government to be a major provider of services to the region. In contrast in NSW there is an absence of reference to the work of the Regional Development Boards.

There are considerable differences between these two state based regional development frameworks identified in this chapter. It could be expected that where the board is operating with more resources and is a statutory authority as in WA, the board experience would be reported differently to the NSW board which is relatively poorly resourced. These differences will be considered in the analysis of the responses given by board members from each state.

In the following chapter, the research design is described. The chapter commences with an overview of this grounded research, considering in detail the way in which the interviews were arranged and conducted. This chapter provides a detailed description of the interviewees represented by gender and state. The chapter concludes by identifying the limitations of the research and ethical considerations.

CHAPTER FOUR: RESEARCH DESIGN

4.1 Introduction

This chapter describes the research methodology employed in this study. In metaphorically stitching together the literature in Chapter Two and the context in Chapter Three, an overall picture emerges of the complex operating environment for board members of state funded regional development agencies. Corporate governance literature suggests that governance is an analytical process for board members to evaluate, monitor and direct the future of the entity being governed. However board members of regional development agencies are expected to make sense of their agency within a new 'hybrid of interscalar activity that operates at the local, regional, national and even global level' (Everingham, Cheshire, & Lawrence, 2006 p.141). In Australia, these regional development agencies operate within ambiguous, constructed, administrative regional boundaries where local, state and federal governments wrangle over areas of responsibility and conceptions of what is 'regional' is elusive. As government funded and ministerially appointed, these boards are an agent of government policy which is underpinned by distinct discourses. However, without research into the board members who are expected to enact these policies, it is not understood how these board members interpret and practice their governance role in these regional development agencies.

This research begins with the way in which the board members themselves describe their board role, before moving to publicly available documents to consider the emerging patterns. This research is crafted using constructed grounded theory because it does not seek to represent reality; rather it is my analysis of board members stories (Charmaz, 2006). This qualitative methodology offers the opportunity to move between 'the handling of the empirical material, interpretation, critical interpretation and reflections upon language and authority' to make visible the practice of regional development governance (Alvesson & Skoldberg, 2000 p.248). This qualitative research design captures the complexity that arises in comparing the perceptions of the people who fulfil these governance roles with other theoretical conceptions of their role.

4.2 Overall design

The research problem arises from not knowing how board members interpret their role of regional development governance. This is uncharted territory for a number of reasons, one of these being that board members, as regional elites, are renowned for their capacity to resist inquiry (Pye & Pettigrew, 2005; Ward & Jones, 1999). In this way, their personal and positional power is protected from scrutiny. This study takes a constructivist perspective because it desires to capture the first hand perspectives of the board members to determine meanings. The perceived reality of the board member is paramount in this research (Strauss & Corbin, 1998). In recognising that there will be multiple realities and multiple truths in how board members relate and interpret their boardroom experiences, the inquiry begins with the board members themselves. The design of this research recognises that I am not an impassive bystander but rather this is a mutual creation of knowledge about the board member's world (Charmaz, 2000). In this way, as the researcher, my aim is to work towards an interpretive understanding of the meanings heard and observations made during the interviews of board members.

When Beer and Maude (1996) reported that regional development practitioners viewed their board of management as an impediment to the agency's effectiveness, this was an important starting point for this research. Without research examining the way in which board members themselves describe these governance roles, it would not be possible to predict what the findings would be. A constructivist grounded theory was chosen because it provides a flexible strategy that allows issues to emerge allowing me to take a broader look across these boardroom roles to build up focus in certain areas. Charmaz (2000 p.525) describes constructivist grounded theory as necessitating 'openness to feeling and experience', enacting a more intuitive stance. My intent in the interview process has been to frame questions in such a way as to give permission for board members to express their 'private thoughts and feelings' (Charmaz, 2000 p.525). The interview is seen as an opportunity to learn about the board member, how they view their experience, and how they interact (Rapley, 2004). This methodology suits situations where the researcher seeks to see and understand what emerges in an interview but also to seek that which may be silenced (Charmaz, 2006). The interviews were recorded and transcribed and the rich data analysed and interrogated for themes, patterns and variations.

This qualitative approach legitimises the history and regional context of the regional development agencies. In this respect the 'asymmetries of power and special interests' become important lines of inquiry (Alvesson & Skoldberg, 2000 p.110). The language spoken is seen as central as it gives expression to the operation of discourses upon one's knowing (Alvesson and Deetz 2000). It is also through language that identities are constituted and altered over time. The outcome being, that findings are not 'neutral descriptions of that which exists' with the 'taken-for-granted institutionalized relationships of domination' rather these findings are contextualised and examined (Alvesson & Skoldberg, 2000 p.111). Careful and considered coding of the data means that there is scope to quantify within the analysis for the prevalence of certain themes or findings within the research (Seale, 2004). An example of this occurs in Chapter Five where the majority of board members talk about regional development being 'business development' and they talk about in a 'prescriptive' way. In the data analysis the higher frequency of this description in the interviews is reflected in the ordering of the results.

The metaphor of the hand stitched quilt, introduced in Chapter Two, represents my reflexivity within the research, as the one who holds the needle, and makes the connections. As a situated researcher, I am mindful of my interpretations and influences as the findings emerge. Each interview forms a part of the research whole. Alvesson and Deetz (2000) describe the importance of the interviewer being aware of their own interpretative processes because of the tendency towards the extrapolation of interviewee information overriding the existence of multiple identities. As the researcher, I am alert to the occasions when the power of the interviewee is asserted, such as the times when interviews are interrupted for more pressing demands or when the board member seeks to take control of the interview to portray particular perspectives. The complexities of these interactions encompass the 'sex, age, academic background and style of the researcher' as the interview becomes an example of identity work (Alvesson & Deetz, 2000 p.125). The task is to 'reveal the pluralism' as board members represent themselves as a person on a ministerially appointed board, but also describing their views of regional development and giving their interpretations of their governance role (Alvesson & Skoldberg, 2000 p.266).

While this describes the theoretical design, there are a number of relevant practical design features. This research originated from discussions between Professor Alison Sheridan from the University of New England and departmental staff from the NSW Department of

State and Regional Development concerned about the high attrition rate among women board members of NSW Regional Development Boards. Further discussions with Professor Fiona Haslam McKenzie from Curtin University of Technology in WA and Professor Leonie Still from the University of Western Australia saw a research proposal designed with the benefit of including the WA, high profile, Statutory Authorities, the Regional Development Commissions. Senior staff in the WA Department of Local Government and Regional Development had identified a similar concern for boards of the Commissions. This research proposal was successful in obtaining funding from the Australian Research Council and commenced in February 2005 with the aim being to understand the impact of gender diversity on board performance of state funded regional development agencies in WA and NSW. While the principal researchers have pursued a gendered analysis of these boardrooms, my research has pursued an understanding of regional development governance more broadly. The intellectual puzzle (Mason, 1996) for my component of the research has been to understand the way in which board members, both women and men, interpret and practice their role in regional development governance, for what this can tell us about the nature of regional development governance.

4.2.1 Pilot interviews

The first stage in the research methodology involved a pilot study of four regional development board members. The purpose of these pilot interviews was to explore the range of issues apparent in the boardroom experience and gain insights into how the role is perceived. The literature examined prior to these interviews indicated a dearth of knowledge about the operation of boards undertaking regional development, with even less said about boards located in regional settings. Pilot interviews used open-ended questioning to test out questions and to focus on those areas obscured in the literature (Janesick, 1994).

I conducted four pilot interviews conducted in regional areas in northern NSW between March and August 2005. These board members were selected because they were located within a 150 kilometre radius of the University of New England in Armidale. NSW. These four interviewees were current board members of regional development agencies and the interviews were conducted in their work places. The interviews ranged in length from one to two hours. These interviews were digitally recorded and transcribed for

analysis. Memo notes and interpretations were recorded and analysed along with the transcripts.

The key lessons arising from the pilot interviews were that semi-structured style questions enabled interviewees to tell their stories and describe their boardroom experience. The questions began to support Alvesson and Sveningsson's (2003) view that public roles are an example of identity work and that appointment to the board of the regional development agency was likely to be entwined in the description of 'self' through the interviews. Secondly, there were likely to be conflicting or contradictory impressions. On the one hand, this sample of pilot interviewees expressed their frustrations about their boardroom experiences and yet they maintained their membership of the boards. Thirdly, the next stage of the research would need to clarify the interviewee's understanding of regional development as it appeared that there was uncertainty expressed by all four interviewees about the meaning of regional development, the role of the board and indeed the role of the agency in regional development. The pilot interviews enabled further refinement of the interview questions.

4.2.2 Interviews with board members

'Asking questions and getting answers is a much harder task than it may seem at first' (Fontana & Frey, 2000 p.645). While the interview was selected as the preferred form of data collection, a number of drawbacks were considered. Interviews do not occur on neutral territory, rather in this instance they were performed in the interviewee's choice of location, their home, workplace, boardroom or café. The interview is an 'active interaction between the two (or more) people leading to negotiated, contextually based results' (Fontana & Frey, 2000 p.646). The people who are board members are credentialed; they consider themselves as community leaders; some are close to government ministers; some are politically ambitious and astute; and others are identified and appointed by the minister as a result of their expertise in community, business and local government roles.

It was considered reasonable that board members would be experienced in the interview situation. As an instance of impression management the board member would be highly cognisant of the content being revealed (Alvesson & Skoldberg, 2000). In effect the interview is like a stage or a theatre upon which selected parts of self are revealed. Board

members, it could be expected, are aware of their status and seek to manage the information portrayed in the interview accordingly. Likewise consideration would need to be given to dress and appearance of the interviewer. With the attire of regional development practitioners becoming increasingly businesslike in appearance (Beer, Haughton, & Maude, 2003); conservative, business like dress for the interviewer would therefore be most suitable.

(i) Selecting Boards and Interviewees

In 2006 there were collectively 205 board members operating on the thirteen NSW Regional Development Boards and the nine WA Regional Development Commissions. Based on the availability of resources and time, it was agreed with the research partners that six boards would be involved in the interviews. The interviews were based in three selected boards or sites in NSW and three in WA. The selection of these six regional development boards was based on a number of criteria. Firstly there would be equal numbers of boards researched in WA and NSW. Three different regional contexts were considered important, and each state would have one board located in the remote, the coastal and the peri-urban contexts. These three regions would present apparently significant differences such as the logistics of distance, communications, and access to skilled staff, cultural heritage, natural amenities, infrastructure, housing, industry development, and population change. The decision about which boards to select resulted from discussion between Professor Sheridan, Professor Haslam McKenzie, Professor Still and myself.

With the selection made based on these criteria, the research partners, the NSW Department of State and Regional Development and the WA Department of Local Government and Regional Development, communicated with the Chairpersons and Executive Officers/Chief Executive Officers of the selected boards in each state seeking their co-operation with the research. This communication was carried out in WA by the Director General for the Department; in NSW this first contact was made by telephone by a departmental representative. On one occasion a board in WA was selected to be involved and subsequently declined due to competing demands. Another board within the 'remote' category was identified and the Chairperson and Chief Executive Officer of this board accepted involvement. Personalised letters, signed by the research team were sent directly to the board members and executive staff explaining the research and inviting their participation. In WA, the Chief Executive Officers of two of the boards preferred to

be the conduit for contact with the board members and took on a secretarial role in forwarding the researchers' letter about the research to board members. A copy of this letter to board members is included in Appendix One.

Both of the research partners nominated contacts within their government departments to act as liaison staff for the research. These liaison staff had in-depth knowledge of the agencies in their states, having visited and met with key personnel within the regional development agencies to encourage their involvement. The liaison staff provided the names and contact details for the regional development board members. A meeting was held in Sydney in February 2005 with these liaison staff (from NSW and WA) and the principal researchers and me to clarify expectations, roles and the research process. A follow-up meeting was again held in Sydney in September 2006 at the completion of the interviews to present preliminary findings.

(ii) Approaching the Interviews

The interviews were approached as an opportunity to understand the cultural story of a board member, rather than an opportunity to take an 'authentic gaze into the soul of another' (Silverman, 2000 p.823). It was expected that this story would present multiple meanings which could be contradictory. Semi-structured interviews with open ended questions arranged in a logical order enabled the pursuit of certain aspects of the context, board outcomes and reflections. The ordering of questions for each interview varied in order to elicit responses that offered insights into the complexity of the situation.

My preferred style in interviewing is to ask open, exploratory questions about the work of the board, to be empathic, encouraging, make time available for the conversation, with 'promises of anonymity' to allow for personal divulgences (Alvesson & Deetz, 2000 p.155). This approach builds trust, provides scope for clarification as required and seeks to encourage 'deep disclosure' (Rapley, 2004 p.19). It is also a reflection of my gender and way of operating that seeks to be sensitive and responsive, Fontana and Frey (2000 p.660) call this 'being a nice person' style. I actively sought to down play any possibility of the perception of a higher status and avoid a 'hierarchical pitfall' (Punch, 1998 p.179). I was acutely aware of the role of status and recorded observations and impressions of each interview accordingly in a research journal. However there were eighteen interviews conducted by the principal researchers, who as women, and Professors, provided another variation to be alert to in the analysis of the interviews.

Within the research team, my role was to prepare and send letters to the board members, to receive replies and arrange interviews. All of the board members in each of the selected boards were invited to participate. The response rate to letters in NSW was 77% across the three boards. In WA the percentage of board members accepting the invitation and participating in the research was 86% of total board members. The process of making contact with the board members was closely managed by the researcher as refusal to participate in research is known to be more frequent in those participants who regard themselves as more powerful (Punch, 1994). As soon as a signed consent form (see Appendix Two) was received, I contacted the board member immediately to discuss possible interview arrangements. Interviews were arranged at a location of convenience to the board member and ranged from the boardroom of the agency, the work place, private homes, a motel, or a local cafe.

Handwritten thankyou letters were sent by me to each of the interviewees at the completion of the interview, with a personalised reference to the content of the interview, recognising the time given by interviewees to the process. In a number of cases this precipitated return contact from the interviewee to provide additional thoughts, information and reflections on the interview itself.

In total fifty-three interviews form the basis of this research; forty-seven board members and six chairpersons were conducted between August 2005 and March 2006. The constraints on the research project with the cost of travel and distances to be travelled and the time framework for the completion of the interviews meant that I conducted thirty-five of the fifty-three interviews in each of the six research sites. The remaining eighteen interviews were conducted by the three principal researchers, two of whom were located in WA⁷. As part of the quest to build accuracy and meaning from the interviews, a number of measures were taken. I prepared the list of questions which were to be addressed in the interview. This list of questions is included in Appendix Three. Six of the interviews that I conducted were observed by one of the principal researchers. This provided the opportunity to discuss the interview process and compare interview styles. Four interviews were conducted by telephone where the logistics of travel prevented face

⁷ This enabled the principal researchers to have close contact with the perspectives of the interviewees and the research process.

to face interviews and efforts to organise times to meet were not possible because of the busy schedules of board members.

The majority of the interviews were between one and two hours long as consistent with the timeframe offered for interviews (Fontana & Frey, 2000). Many interviewees referred to their time constraints. Interviews were digitally recorded and full transcriptions produced to enable complete data analysis. There were occasions when the board member revealed information when the digital recorder was turned off which offered insights to the research questions. On another occasion the interviewee pursued contact to indicate that the interview had been a positive experience where the person had expressed a sense of loneliness and isolation in living in a regional community during the interview. This was consistent with the questions creating some reflection of the boardroom experience.

4.2.3 Analysing the words

The narrative of the interviewee is central in this methodology. The data collected during the interviews, the interaction between the board member and the researcher, the documents gathered about the work of the boards and the recorded reflections at the completion of the interview form the core data for analysis. The relationship between what the interviewee says and what they do or don't do is an important consideration (Alvesson & Deetz, 2000; Punch, 1998; Silverman, 2000). This research does not ascribe to a positivist stance that the words used by interviewees represent the facts of the boardroom experience, rather the responses of each board member are examined and inherent contradictions within an interview noted (Alvesson & Deetz, 2000). The interview recordings were listened to and the transcripts read simultaneously. Analysis of each interview and the group of interviews from each board occurred as the interviews were completed. A thematic analysis and a review of the interview questions took place at the same time. As Silverman (2000 p.830) identified, this reading and listening to the recordings reveals 'previously un-noted recurring features of the organisation of talk'.

A research journal was maintained as a record of observations, impressions of interviews and recorded the information revealed when the recorder was not running often at the end of the interview. This form of record keeping was also used to record themes emerging from the interview as well as other impressions from the environment within which the interview was conducted. For example, on a number of occasions, the interviewee

continued to receive phone calls, deliveries, and family members joining in the interview and outside interruptions during the course of the interview. These occurrences were considered relevant. Some of these observations were about the places as these excerpts from the research journal show.

‘Ordered a coffee at the only café and talked to the owner. He’s been here for 36 years. He asked where we were from, Armidale, he used to shear sheep at ‘Walamumbi’ [which used to be my husband’s family property, 50 kms from Armidale], this is regional, the inescapable web of connections! He says Aboriginal people and white people need each other in this town. Watched him serve some Aboriginal children in a warm and friendly way’;
‘Conversation with two local women in the tourist/coffee shop who enquire why we are in town [population 100], we explain. One says ‘the problem with government is that they set things up and then they pull out, you need the government and the people to keep working together’;
‘I turn up at the airport for the charter plane to discover that the pilot was the man I saw yesterday, the owner of the local art shop’;
‘Dinner at the local pizza shop – a huge crowd of people, but cash only, no records, no receipts, only open when they want to’;
‘Walked up the western side of the street, shops faded, closed against the heat, the shops on the eastern side more prosperous looking, road trains roaring through the main street’.

The journal entries about board members followed the interviews and often recorded what could not be recorded in any other way.

‘I have just met the third board member in three days, two different boards and areas to have lost a child in tragic circumstances. Is this about regional medical services? What if there is a relationship between personal tragedy and taking up a public leadership role?’;
‘Another board member talking about likeminded-ness, the minute before bagging the board because no direction’;
‘How come political advantages are so openly talked about, why not hidden at all, from us? There is no attempt to conceal the usefulness of these connections, why is this?’;
‘Interview with a board member that others on the board regard as the most influential person on the board. This person is so well connected and active on local, state and federal advisory committees. Then this person tells me that boards are dead in the water, that the work of the board is trivial. This is a busy person, what holds their involvement, how do they reconcile this disparity?’

These entries and the interviews started the process of interpretation.

(i) Researching reflexively

I have challenged myself during this research to work reflexively. My inclination is to be inquisitive about our internal and external connection. I have sought to work consciously in this research seeking to understand those interviews where personal connection with the interviewee came easily, and those instances where the connection was more difficult

or not established. Likewise the process of data analysis requires scrupulous questioning of the allocation of meanings. In this research I expose these interpretations and seek critique, firstly with my supervisors. I, too, am situated in regional Australia, and find great joy in living in a natural environment with my family. However this is no closet and the pressures upon regional Australia are immense. I cannot hide my desire for robust regional policy that takes seriously the need for planned, transparent processes to build community confidence in regional futures. I approach each interview with immense curiosity. I am inquisitive about each location I visit and try to record what I see photographically, although these cannot be included here for risk of breaching confidentiality. But the distances travelled, on one occasion using a charter plane to reach board members is a reminder of this sparse land and population in Australia.

4.3 Interview design

In Chapter Two, the literature review describes the context for the research question identified in Chapter One, drawing on these three disparate literatures in order to make visible the three major aspects of regional development governance. The intersection of these literatures seeks to bring insight and critique to the research questions. In this vein, it is not the intent of the researcher to produce a knowable truth as a result, but rather to examine the patterns and variations within this research problem. As Alvesson and Deetz (2000 p.9) note, the 'trick' is to balance theoretical knowledge with the capacity to stay open and sensitive in order to reveal 'themes of repression'.

The literature of corporate governance implies a superior knowing attached to the boardroom positions, whether the role reflects a resource dependency or an agency monitoring role or a combination of both. A 'theme of repression' in this instance may be that the board members learn more from being on the board than the other way around. It may be that at this level, there is scope for transformative redefinition and that making visible the boardroom experiences of regional development agencies leads to some kind of meaningful change or reconfiguration of the work of the boards (Alvesson & Deetz, 2000). In the words of Alvesson and Deetz (2000 p.145) 'the point is not to produce a new theory of domination as knowledge, but to produce ways of seeing and thinking and contexts for action in which groups can express themselves and act'. The regional locations and situations in which the boards operate are sufficiently complex and multifaceted to warrant exploration of behaviour within the context.

The corporate governance literature presents a number of avenues for exploration in the interviews of board members. Due to the unknown nature of these boards, a more holistic, open systems approach was sought rather than pursuing either a specific resource dependency or agency theory approach to boardroom outcomes. Using the framework offered by Nicholson and Kiel (2004) for diagnosing board effectiveness, the human, social and structural components of board work are examined in the interviews. This framework moves beyond the over-simplistic conceptualisation of the board as the top of the hierarchical organisational tree and emphasises the transformational aspect of boardroom dynamics.

This approach maintains that the board is a social phenomenon that begins with the people who have chosen to be part of the governance of the entity. In this framework, the collection of the human, social and structural capitals results in what Nicholson and Kiel (2004) call 'intellectual capital' of the boardroom. It is described by Nicholson and Kiel (2004 p.449) as the 'intellectual resources such as knowledge, information, experience, relationships, routines, and procedures that a board can employ to create value'. As the boardroom transforms these inputs, it does so in consideration of the organisational, legislative, historical and strategic imperatives of the regional development agency boards.

The human capital resides in the board members' knowledge, skill and expertise in terms of their background, personal interests, work, community and professional involvements. It is expected that this enquiry will reveal the way in which board members apply this human capital to the work of the board (Nicholson & Kiel, 2004). This human capital is also expected to take the form of multiple identities, such as business person, community leader, board member, parent (Alvesson & Sveningsson, 2003). Human capital contains a cognitive dimension, which in this research converts to the meaning given to regional development, and how they see the role of the board in developing the region (Nahapiet & Ghoshal, 1998). Nicholson and Kiel (2004 p.450) propose that it is the human capital that 'dictates the upper limits' of the board's capability.

The second area for investigation in this research is the social connectedness of each board member and the board itself. In Nicholson and Kiel's (2004) framework this is the social capital of the board. There are three elements to this, the intra-board social capital which is the extent of the goodwill between board members to co-operate; the board:

management social capital which is the goodwill in this interaction that enables positive and effective exchanges; and the extra-corporate social capital which refers to the types of connections that board members draw on to enhance the output of the agency.

The final area for investigation focuses on the structural aspects of the board's operation to reveal the board processes, dynamics and functions. These structural issues operate on two levels. Explicitly, this refers to how often the board meets, where it meets, the role of the board, its routines and policies of how the board goes about its work. However on the more implicit level, structural capital refers to the ways in which the agenda is constructed, who travels together to meetings, the extent to which decisions are made inside or outside of the boardroom, and external interference on the work of the board. According to Nicholson and Kiel (2004a) structural capital moderates the application of human and social capital.

4.4 Description of interviewees

Board members in NSW and WA show more similarities than differences in this classification of their human capital. Board members in both WA and NSW are most likely to be in the 51 – 60 year old age group, with NSW regional development boards in this research containing a greater number of board members in the over 60 year old age group. The following table details the age distribution.

AGE GROUPS	WA		NSW		TOTAL
	WOMEN	MEN	WOMEN	MEN	
< 40 YEARS		2		1	3
41 – 50 YEARS	3	3	3	3	12
51 – 60 YEARS	6	7	5	7	25
> 60 YEARS	1	4	3	5	13
TOTAL	10	16	11	16	53

Table 4.1: Age distribution of board members

The educational background of the board members shows two features. Firstly there are considerably more men and women in WA who have Year 10 as their highest educational qualification. Over a third of board members in both NSW and WA have a Bachelors Degree, while NSW board members are more likely to have a postgraduate degree in their educational background. This is represented in the following table.

EDUCATION LEVEL	WA		NSW		TOTAL
	WOMEN	MEN	WOMEN	MEN	
YEAR 10	2	3			5
YEAR 12	2	5	4	6	17
TAFE	1	2	2	1	6
BACHELORS DEGREE	4	5	3	5	17
POSTGRADUATE DEGREE	1	1	2	4	8

Table 4.2: Educational levels of board members

In both states almost 20% of board members identify themselves as retired. In WA the industry group most represented are those working in agriculture. The following table presents the results of this analysis.

INDUSTRY	WA		NSW		TOTAL
	WOMEN	MEN	WOMEN	MEN	
Retired	1	5	1	4	11
Agriculture	2	3	1	1	7
Community Services (Not for Profit; non Government)	1	1	3	1	6
Retail	1	2	2	1	6
Education	2		1	2	5
Corporate		1	1	2	4
Local Government employee	1			2	3
Media		1	2		3

Contractor	1	1			2
Government employee	1			1	2
Hospitality		1		1	2
Advocacy				1	1
Mining		1			1

Table 4.3: Industry background of board members

The most common overlapping board role for Board Members of the regional development agencies in both WA and NSW is that of a local government councillor. In WA, more women than men are the local government nominee and enter the domain of regional development and the Regional Development Commission via this route.

BOARD ROLES	WA		NSW		TOTALS
	WOMEN	MEN	WOMEN	MEN	
Local Government	6	7	4	4	21
Corporate Organisation			2	4	6
Area Consultative Committee	1	1		1	3
Not for Profit Organisation	2	4	3	4	13
Regional Development Agency Board Member ONLY	2	5	3	3	13

Table 4.4: Other board roles of board members

In terms of the length of service on these agency boards, Board members are evenly divided between those who are in the first three years of their appointment and those who have been board members for four years and more. Interestingly in NSW there are five board members who have been board members for seven years or more, the longest serving board member serving for sixteen years. In WA board members are limited to serving two terms (a six year maximum). These aspects can be seen in the following table.

TIME ON BOARD	WA		NSW		TOTAL
	WOMEN	MEN	WOMEN	MEN	
<1 year		5	1	2	8
2 – 3 years	6	5	6	7	24
4 – 6 years	4	5	2	4	15
> 7 years		1	2	3	6

Table 4.5: Length of service on regional development agency board

4.5 Document analysis

According to Punch (1998 p.180) documents, both current and non-current, are a 'rich source of data' and provide a more holistic understanding of the context. During the course of this research a variety of documents were sourced. These documents included the Annual Reports of each of the regional development agencies (where available); policy documents from government departments; regional specific information about the regional economy, industry highlights and tourism projections. Each of the boards has its own website and these provided publicly available information on the work of the boards. Policy manuals were available for some of the boards; and electronic correspondence from participants and departmental staff associated with the project were also drawn on. Documents obtained during the research were evaluated and classified as to the usefulness in defining the work of the boards and the ways in which meaning is constructed in text. These documents are considered as discursive sites whereby the communication of meaning is entangled in the transmission of power and knowledge. This is part of the toolbox used in the analysis of the text (Silverman, 2000). These texts may be familiar to the board members, therefore through the analysis of these texts and then the interview data, the researcher will be able to consider the way in which board members pronounce certain subjectivities. In the same way, this process will illuminate aspects of board work which are unquestioned by the board members during the interview process (Dreyfus & Rabinow, 1982).

4.6 Data analysis

As each transcript was completed, the coding process commenced. This meant that some of the earliest interviews were re-visited to compare and contrast the coding. In all, the transcripts of the fifty-three interviews with board members were manually coded at the outset with the categories emerging in the data. These transcripts were then entered into the qualitative software package NVivo7 (QSR International, 2006) to assist in the management of the data. Richie and Spencer (2002 p.309) describe the material gathered through qualitative research as 'invariably unstructured and unwieldy'. The process used here is characteristic of qualitative research where the sorting and sifting of the data occurs in a slow and considered way. Memos were recorded against aspects of the data which were surprises, metaphors or suggestions for possible themes and relationships between constructs. NVivo7 proved invaluable in moving through the large quantity of data generated from the transcripts.

Each transcript was coded using an emergent open coding scheme. The coding according to the tree and free nodes are included in Appendix Four. These nodes, numbering fifty-three, were subsequently drawn into abstract categories through axial coding (Strauss & Corbin, 1998). The first part of this analysis focuses on making sense of regional development. For this component, seventeen categories emerged from the coding process. These codes began to build a picture of a two dimensional model; there were those codes that worked with the words of the board member and other categories of coding that built on a conceptualisation of the words as process. In this way, NVivo7 has been used to continue the re-categorisation of data to develop a framework which makes sense of the boardroom experience (Strauss & Corbin, 1998). Detailed memos provide an audit trail to the progression of the analysis and force the researcher to keep a conceptual map.

Axial coding was used to consider the meanings that board members gave to regional development. Here the causes and the conditions are a useful analytical framework to examine the responses (Charmaz, 2006). So that when a board member described what regional development is, it was also apparent that they talked about it in a certain type of way. This was assisted by the use of NVivo7 where the coding stripes reflect the multiple coding into nodes of the same dialogue. The framework that emerged here is seen in

Chapter Five where the 'story' about meanings is presented as a woven cloth; the weft and the warp, the content and the process.

Using NVivo7 enabled me to interrogate the data to examine relationships within the data. For example, it was possible to compare the various meanings of regional development against sets of the data, such as, those board members living in a type of region, state or even subgroups within the boards, such as, people with an agricultural background, educational level, other board roles, gender, age based differences. As a number of generalisations became more apparent, the analytical process began to give rise to, and construct theory, shown in Chapter Seven.

NVivo7 has also been used to record thoughts and memos when handling the data. Charmaz (2000) places value on the capacity to memo within the text as a way of monitoring saturation and drawing these memos into more significant analysis. Another advantage in using NVivo7 is the ability to visually represent relationships occurring in the data and the relationships that continue to sit outside and cause variations (Alvesson and Deetz 2000). NVivo7 is seen as a tool for analysis rather than closing in on the data. My preference is to remain connected to the voices of the board members and the reading simultaneously of the transcripts, creating an 'intimate familiarity' (Charmaz, 2000 p.525). Transcriptions can also be 'improved' with further listening and provide scope to link in comments from the research journal, recall body language, the 'sequences of utterance' and any interruptions that occurred during the interviews (Silverman, 2000 p.829-830).

4.7 *Limitations in the research design*

Permission to observe board meetings was sought from the industry partners, however was not granted. This is consistent with what researchers of corporate governance have reported that access to the boardroom is easily denied for issues of confidentiality (Johnson, 2004). Pye and Pettigrew (2005) describe what this observation may deliver. 'Fine-grained attention to micro processes of trusting, influencing, risking and so on which would shed light on the (shifting) power to define meaning and adjudge effectiveness of behaviour, would add a fascinating complement to such work and ensure that we retain our focus on the dynamic human frailties caught up in 'realities in flight'

(Pye & Pettigrew, 2005 p.S36). However, it may have been that observation of the boardroom could have limited the disclosure by board members.

A number of board members sought follow-up contact after the interview to provide clarification or add in further reflections. While these were willingly attended to, continued contact was not pursued as engagement at this level could have skewed the results to those board members who were dissatisfied and finding a voice for their concerns outside of the boardroom. The limitation of this methodology is that the interview seemed to raise concern among some board members about the efficacy of their role in regional development governance. Limitations in the funding of the project and the substantial cost of travelling to these locations meant that the board could not be revisited to present the findings. However the risk of providing the findings is that the picture built of the boards would not be palatable to the boards or the government and that this may restrict the continuation of the research and access to board members.

4.8 Ethical considerations

There are four aspects to the ethical considerations given in this research. The first is that the board members provided informed consent to participate in the research and to give their time to an interview. Each board member was provided with a letter detailing the research and the time that would be required for involvement. Agreement to be interviewed was voluntary and board members returned their signed consent form to authorise the researcher to make contact and set an interview time. In two WA sites the secretariat to the board preferred to establish the interview schedule directly with the board members.

Secondly, confidentiality is assured to protect the identity, place and location of the research. The decision to remove personally identifying information such as age, other board roles, and specific location from the direct narratives of board members is a mark of ensuring confidentiality. In Chapters Five, Six and Seven the markings ‘//’ are used to denote an individual board member. This was considered necessary because in smaller regional locations, defining features such as ‘43 year old man, Major of local council’ could easily be identified in regional Australia and would compromise confidentiality.

Thirdly, as the researcher I am committed to non-maleficence and obliged to do no harm in the process of this research. To use personally identifying information could run the

risk of exposing a board member's identity. For this reason the research has not contextualised the various regions or provided photographs of the sites or regions.

Finally, it is my aim that in conducting this research I have operated ethically with the board members interviewed, so that those who follow and continue to research in regional development governance will not be disadvantaged.

4.9 Conclusion

This research is a one-off creation; it is spoken in a way to acknowledge subjectivity in this process, the writer also living and working in a regional context. There are other creations or quilts possible in this data, reflecting that there are multiple truths that can be revealed in this process, depending on one's own position. As Brush (2003 p.24) notes 'in a socially differentiated world, what you see and how you interpret it depends on where you are, where you look, and who wants to know'. The interview process develops an intimacy with the data. Working with the data in a hands-on way has been assisted by the use of NVivo7, where the process of teasing out meanings and concepts generates theoretical insight (Morse & Richards, 2002 p.55-56). Grounded theory has enabled the experience of board members to be considered in its complexity to show the multiple ways in which the board experience is interpreted and practiced. In the next chapter, the data analysis commences, with an examination of the way in which board members make sense of regional development.

CHAPTER FIVE: DATA ANALYSIS

Board Members Making Sense of Regional Development

5.1 Introduction

The interpretive work underpinning this data analysis is served by a grounded approach in order to reveal the way in which board members interpret and practice regional development governance (Charmaz, 2006). The fifty-three recorded and transcribed interviews with board members and chairpersons of the six regional development agencies are studied with the expressed aim of understanding their views, perceptions and undertakings to be involved in these governance roles. The interviews are intensive and seek the board members' reflections of their experience. The board members often then revealed additional personal information at the conclusion of the recording. The stories told by the board members were listened to repeatedly and the text examined for patterns and variations. The process of coding and data analysis means that interpretive validity comes with comprehending data from the perspective of the board members and constructing meaning based on these accounts (Huberman & Miles, 2002). In coding data in this way it is necessary to be conscious of the assignment of meanings to the language used by the board members in order to move beyond the surface of what is immediately apparent about the boardroom experience. The dissection of the texts, the bringing together of patterns through the coding process and new meanings are described in this chapter.

There are three components to this analysis matching the delineations selected for the literature review; these are represented in this diagram.

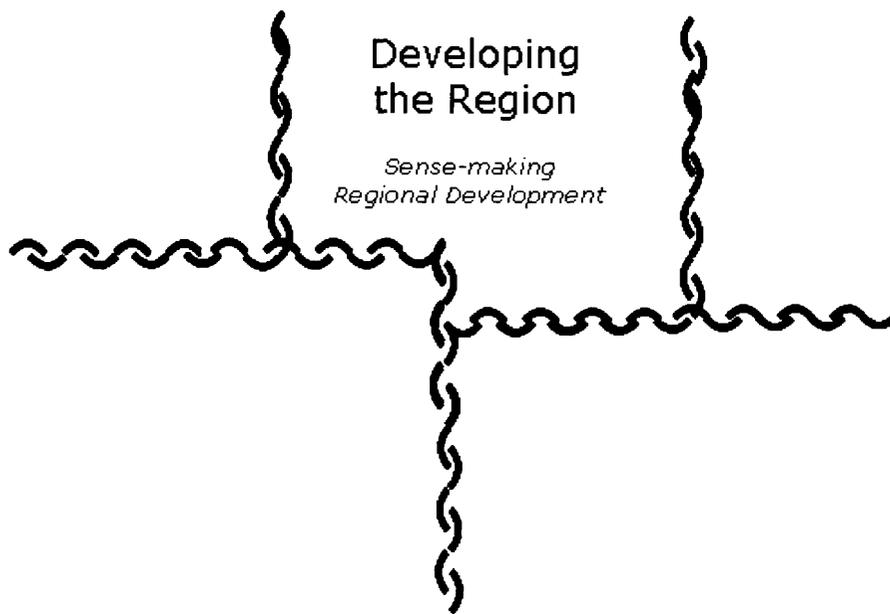


Diagram 5.1: The three lines of enquiry for the data analysis

In this chapter, the first section in the data analysis titled **‘Developing the Region’** aligns with the questions arising from the broader literature on the meaning given to regional development by board members. This chapter will describe the ways in which board members make sense of the term regional development and its practice. These concepts are interlocking and are presented in a woven format, as it appears from this analysis that when board members describe what regional development is (*the content, in this sense the weft*) they also talk about in it in a particular way (described here as *the process, the warp*).

Chapter Six continues this data analysis by focusing on both the external and internal governance of these agencies. External governance is considered under the title, **‘Governing the Region’s Development’** which examines how board members see the regional development agency as an entity of regional governance. This section focuses on three major characteristics of external or regional governance which create the context within which the agencies operate; the appointment process for board members and the perceptions of inclusiveness in board membership; the power that board members perceive to be invested in the agencies; and the legitimacy of the agency described by board members. Internal governance is the final section of this data analysis titled **‘Governing the Agency’** describing the way in which board members describe the internal governance of the regional development agency. Here board members’

interpretations of the internal functioning of the board are reflected. When board members describe the internal governance arrangements, the obscurity of the boards' role appears to be paramount in their minds. This uncertainty is offset by strong personal bonds in many instances within the boardrooms. These issues will be explored in depth in this section.

The narratives of board members are identified here by the use of '//' at the beginning and end of segments of the interview relating to the analysis. This approach to the recording of narratives within the analysis protects the identity of the board members and ensures confidentiality. Where a quote from more than one board member is used in describing an aspect of governance, each new board member is delineated by another set of these markings '//'.

5.2 *Developing the region*

The regional development literature described in Chapter Two outlined four distinctive discourses about the meaning of regional development. Regional policy has been cyclical (Beer 2000) ranging from the promotion of growth pole theory to the current post Fordist orientation that prescribes entrepreneurship and regional competition as the entry point to global markets and therefore regional prosperity. These broad orientations are reflected in public policy support for self help approaches to regional development, where regions are celebrated for their capacity to be entrepreneurial; the subordination of social policy to economic policy (Beer, Clower et al 2005) and a more facilitative role for government in developing regions of Australia. While this literature review reflects academic research and public policy directions, this data analysis will make apparent how those who govern regional development agencies make sense of regional development. This data analysis conceives these perceptions as a woven cloth, the horizontal thread (the weft) being the content or tasks undertaken as regional development and the vertical thread (the warp) being described as the process or way in which regional development is discussed.

The following discussion is segmented into three areas; the first is a portrayal of 'uncertainty' which is enmeshed in the conversations about the meaning of regional development. These perceptions were precipitated when board members were asked to give their interpretations of regional development. The second segment will describe the

four distinct activities that board members identify as the practice of regional development, in this woven metaphor, this is the *content* of regional development as board members see it being enacted. The third segment to this analysis shows that there are a number of ways in which board members discuss this practice; these are reflections on the *process* of regional development. When these three segments are combined, what emerges is a mesh of know how about regional development showing that when board members describe the activities of regional development, they connect the content with process, to describe regional development occurring in a particular way. In the following diagram the metaphorical quilt is displayed and the Developing the Region component reveals both the weft (content) and the warp (process) of regional development.

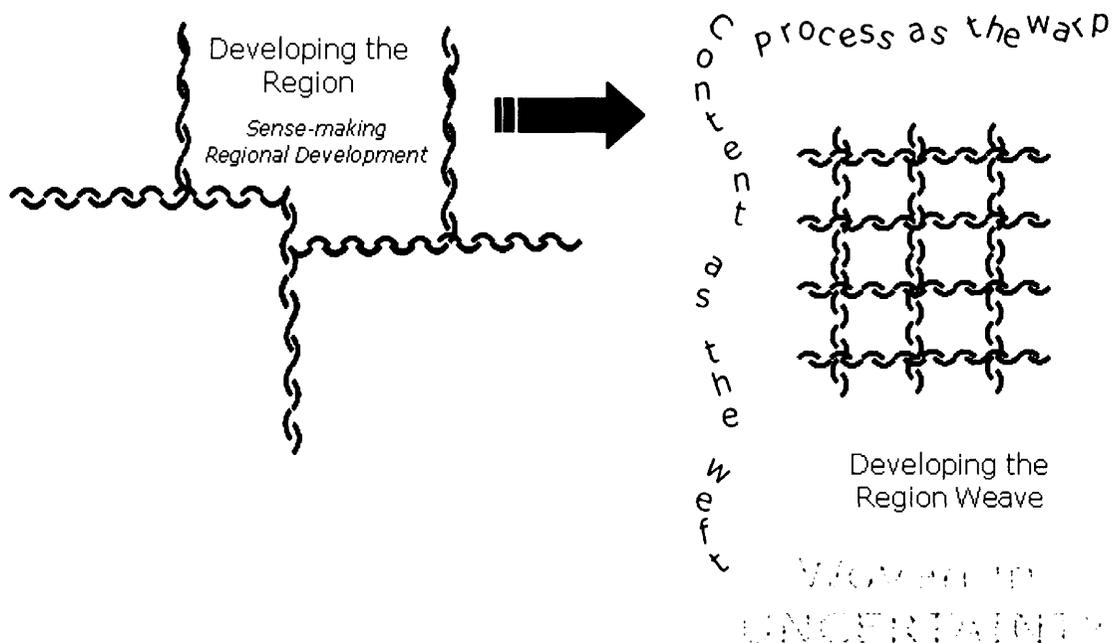


Diagram 5.2 Board members making sense of regional development as a woven cloth

5.3 A sense of uncertainty surrounds regional development

In response to the question ‘what do you think regional development is’ it was surprising initially to hear the majority of board members commence their response to this question in the following ways.

//Sometimes I think I don’t know honestly//

//It is difficult to get your head around//

//That's a ticklish one, I hadn't thought about it//

//It is a very loose term, you know you can never quantify it//

//People have different views, I don't think they've really been able to get their head around it//

//I don't even know whether anybody really knows what regional development is all about//

This sense of uncertainty emerged repeatedly throughout the interviews. When board members discussed existing regional development activities, there was reluctance in many instances to claim positive outcomes from the agency's endeavours. While the absence of shared sentiment about the meaning of regional development is one of the major issues to emerge in the data, it is juxtapositioned in many interviews with an in-depth and considered view of the community's needs within which the board member lives. There appears to be a disconnection between how the board members describe what regional development is; how they see the needs of their community, what they see as the role of the board and indeed the agency in regional development. It could be expected that the sense of uncertainty about the meaning of regional development is linked to population decline and decreasing employment opportunities. However, this was not the case. Uncertainty about regional development was openly expressed across the regions and in both NSW and WA, from regions experiencing unprecedented population increase and apparent booming local economies, to those experiencing slow to rapid decline.

Board members revealed that conversations about 'what regional development is' in order to develop a **shared understanding of regional development** do not happen explicitly around the board table. Rather meaning is entangled in discussion about whether to support projects for funding or not. The backgrounds of board members are somewhat diverse, with employment and industry backgrounds, length of time living in the region, and appointment processes varying. The absence of shared meaning is described by board members in these ways.

//That is a difficult question to put to a board member.. as an individual I believe they do have an understanding. I would not believe it is a common understanding between all members of the board. We have a pretty diverse membership of this board, from people who come from my background to other people whose is totally different... I get frustrated by some of the members lack of input and dialogue on particular issues//

//I see various things come out at board meetings that makes me realise that some people see it very differently to the way I see it//

It seems that board members in both state frameworks struggle with the **language of regional development as well as the difficulty in determining clear, realistic expectations of outcomes**. This board member, nearing the end of a six year term responded in the following way.

//It is a very loose term [regional development]. I mean, gee, you know you can never quite quantify what regional development is. It is probably not really the correct term for what I perceive it to be. To get regional development first you need to know where you are going and work on the process. Whereas with a lot of things you can just generally work through a process and for instance farming, you just sow the seeds, you keep the weeds out, you fertilise it and then you have a harvest. So you just work it in that order, but we can never be sure what the end result will be with regional development...There's economic value and quality of life value and as long as it adds value in some form, we'll call it regional development//

A common thread through the interviews in both states is how the sense of uncertainty intensifies and calls into question **the role of the board itself** in regional development.

//People have different views...the previous Board was not able to get a consensus position of its total direction//

//Our role is confusing, as to what our real role is//

//How can we make a difference, well almost we can't//

//I tried but the whole machinery of that regional board process is not designed to produce any outcomes//

//It's pretty hard to lead in a specific direction if there isn't one//

When the notion of 'what regional development is' for a particular board in a particular region is defined by what projects to fund or seek funding for (this will be described in the following segment), it seems that a deeper understanding of the region's needs is sidestepped. A board member from a remote area, who had been instrumental in a local initiative, describes the frustration arising from the absence of boardroom discussion about what regional development is.

//What regional development should be and what it could be.. I don't know ... it's hard for me to know [on this board], I just know I've have been quite frustrated//

However it is also apparent that in the process of appointment and re-appointment, there is movement within the boardroom of newcomers and more long term members. A board member recounted being a newcomer to a board and the resistance experienced in working through the feeling of uncertainty about regional development.

//You get people who smile and say, heh, we've been there before you got on the board mate, we've already been down all those paths//

It was only apparent in one board in this study that an attempt to build a common language for the board with the agency and within the community was seen as valuable.

//You actually have to continually go back and create the common language in the framework. This is a really abstract language. I have just come from a meeting with local government people and it's all about budgets and money and the people stuff just isn't talked about//

Board members reflected on particular words which have been used in government policy to give meaning to regional development. For example, the word 'facilitation' is often used in reference to regional development for the role of the board. Board members considered facilitation to be obscure and a term used to mean that the government would not provide resources or take responsibility for the issues at hand. Here board members respond to questioning about the meaning of regional development demonstrating the slipperiness of the words surrounding regional development and the role of the board in facilitation.

//A lot of people don't have any ideas really what regional development may be, words like facilitation can also make people go well, what are you talking about//

//It isn't enough to be just a facilitator.. as facilitator again, yet again. This is frustrating because you can only do so much then have to stop//

One of the aspects of uncertainty evident amongst board members is that regional development is associated in the minds of board members with a *lack* of development, and therefore it is a discourse of what is deficient within the region, rather than a bigger

picture of a desired future for the development of the region. One chair of an agency responded in this way,

//I am not sure I understand a lot about regional development. I go to those [Regional Development Council] meetings and people from the Pilbara and the Kimberley's and the Goldfields and you hear about their issues about transportation, fly in fly out, telecommunications, digital divide, health services, schools and you think gee, that's regional development//

An integrated and holistic bringing together of services, amenities, business, environmental, economic and social issues to benefit the region when the 'region' itself is contested adds another level of complexity. It seems that many board members feel swamped in the uncertainty about their role, their ability to act, their power to act and the actual construction of the region within which they are expected to act.

*//It is almost an artificial region, there is no community of spirit//
//I guess I see regional development as being a consortium of smaller communities with similar demographics and combining to try and attract, to improve its lot//
//Our client base is so diverse, it [the need] is huge//*

In summary, in this research uncertainty is pervasive; it permeates the boardroom experience. The sense of uncertainty does not seem to dissipate after many years of being a board member; rather the tools or practices to deal with uncertainty remain elusive.

5.4 Board members describe the content of regional development

This section will describe the meanings given to 'what regional development is' by board members. In comparing what board members say with what the literature portrays as regional development there are some notable omissions from these descriptions. In this section the disparity between the 'theory in use' evidenced by the way in which board members refer to regional developments and the 'espoused theory' described in Chapter Two stands in stark contrast (Huberman & Miles, 2002 p.50). Here you will not find mention of regional development emanating from learning regions, knowledge creation, technology-led development or innovation. Rather the following four headings lead the

descriptions of 'what regional development is'. The most common answer to this question is that regional development is 'business development, diversity of industry and value adding'. After this stand out example of regional development, there are three other descriptions of regional development which feature equally in the narratives. The second description given is the definition of regional development as 'projects'. The next most commonly identified meaning for regional development is 'marketing the region's image and branding', and followed finally by 'services, amenities and infrastructure'. These four areas are shown in the following diagram as the 'content' as the weft and will be described in turn.

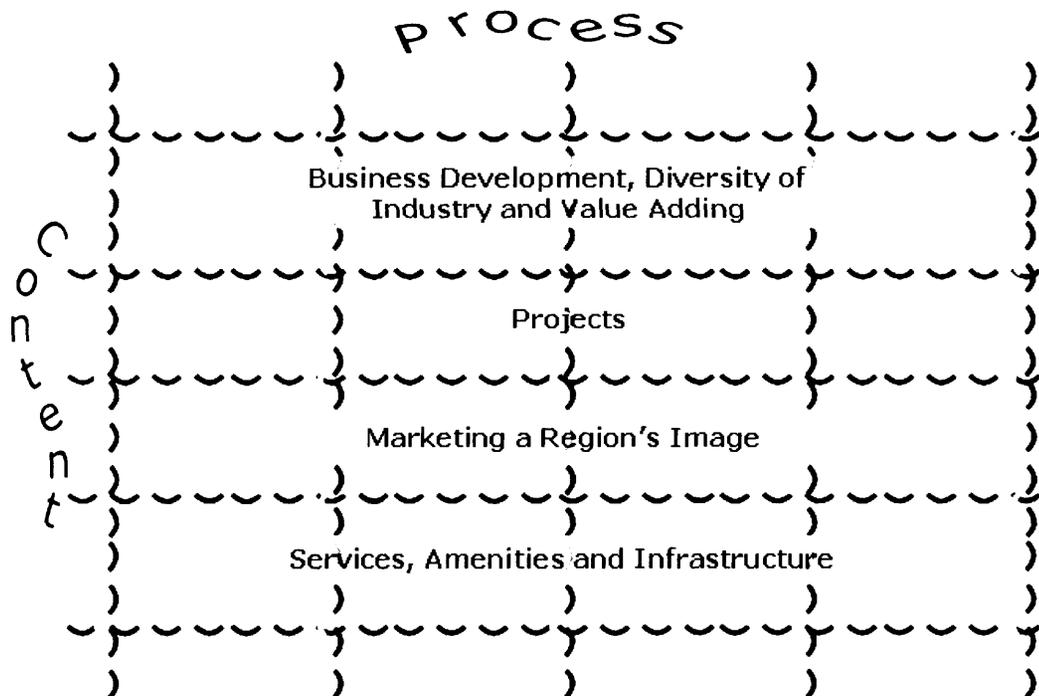


Diagram 5.3: The content of regional development (the weft)

5.4.1 Business development, diversity of industry and value adding

NSW and WA board members most commonly portray regional development as business development, with **business activity viewed as the central tenet of regional development**. Board members in both states raised the issue of diversity of industry within their communities.

//Regional development to me means developing the businesses we have, the interests that we have, and probably expanding the diversity of businesses that the region has so that we are not just less dependent on agriculture but less dependent on any one industry, so that we are – I hate to use the word sustainable – but so that we have a broader base of support mechanism for the population, and in many cases, so that we can actually prevent the population drift that we have, particularly in the smaller areas//

However what the regional development agencies can do to impact on business development was less clear. Where past practices for regional development have been **to lure businesses out of metropolitan areas** this approach was acknowledged to be a risky strategy as represented by this board member.

//I've got a philosophy that if you want to expand your businesses [in the region] you're better off to try and help that person expand their business rather than try and waste your time and try to bring somebody from Ashfield or Marrickville to[name of place].. we are there to help the business. We're there to expand business and development within the region//

However an example of a grant being made by a government department to a business to relocate to a regional area in NSW as recently as 2005 was given by a number of board members. This business went into receivership within twelve months of the grant being made and the board was reportedly asked to attend the Administrator's meeting to assist the redeployment of the one hundred and fifty displaced workers. On reflection of this situation, a number of the board members called into question the board's role in managing this *//awkward thing//* on behalf of the government. One board member concluded that when the board was asked to operate in this 'hands-on' way it was because

the board *//could handle the press without it being the government//*; in effect saving the government from exposure to criticism.

Board members commonly express concern about the **reliance of their community on one industry** as a single industry supporting the community is perceived to be an employment risk. The sentiment that a region should have a stable industry was expressed often as the key to survival for regions which were facing decline.

//We have a fishing industry; we have a prawning industry; we have mining and so on, nearby. But tourism can wax and wane so much that I think we need the stable things that are there 12 months of the year to carry people, to really keep it sustainable, the economy rolling around//

Business development in the regions was most commonly discussed as a way of **value adding to agriculture and mining** (rather than newer industry development, like information technology and knowledge based industries).

//We need industry renewal based on the assets of the region. So of course they are going to be agriculturally and mining aligned. Probably more agriculturally aligned. But that is about value-adding diversification and all of those things. We have really got to look at diversification, value-adding, whole of supply chain management – instead of shipping off for every other bugger to make money out of. That will also help with our population instead of buying out the next farm. We've done it – bought out the next farm, that's a family of five gone. We have got to invent other industry and other activities in our communities to maintain that population//

As the most commonly expressed meaning for regional development, business development, industry diversity and value adding, the capacity of the board to influence business activity is mediated by the sense of **uncertainty that the board can influence business or the region's future**.

//What difference can we make//

Another board member provided this perception of the situation where the board grapples with marrying the needs of the region with forces that are seemingly beyond the control of the board.

//Our minister keeps saying you've got to get something you can hang your hat on, but it's very difficult in an area of micro business to get something to

hang your hat on. There just isn't anything really that will set the world on fire, and this is what he's saying if we do that then he can get us more money, but I don't think that'll ever happen//

While a number of board members raised that regional development activities should pursue a triple bottom line meeting economic, social and environmental requirements, the enactment of these requirements was not clearly articulated in the workings of the board. Rather **economic considerations were seen to be privileged** over social or environmental issues. This was expressed in this way by board members.

//Don't get me wrong, the environment is important but if we have to make a decision about environment versus jobs and economic opportunity, we will be leaning towards economic opportunity//

While this business orientation was seen to dominate, not all board members accepted that this emphasis on economic development equated to regional development. Rather a number of board members expressed differing perspectives.

*//Its' weakness is that it has still got a very heavy economic focus//
//people think development is all about getting a business, opening it up, putting people in it, employing them....it is about that, but it's a lot more//
//Economical development to me isn't just jobs, jobs and jobs, even though the DSRD representative keeps saying that, I think it's bigger than that. It's all about enhancing community wellbeing in a whole range of way, enhancing lifestyle. Sure, jobs are important, but I don't see jobs as the be all and end all//*

The pressure **to create jobs in regions in NSW is seen to be a measure** of the impact of the regional development activities. However the way for the boards to achieve business activity and job creation is far more uncertain. Some board members referred to the connection between the regional economy and the state or even national economy and hence the difficulty in being able to impact positively on this economic future. For example, one NSW board member described the volatility of business in a region, a high mortality rate amongst businesses and the challenge for the region in this way.

//That's the reality that we have to look at developing three to four to five hundred new jobs every year [in this region] and that's just an ongoing challengell//

Business activity remains the source of hope for many board members who understand the flow-on effects of increased business activity in a small community.

//The employment, another 20 people makes 20 families, is new teachers, is new ... is more groceries, is more fuel, it's more everything, you know, more housing//

In WA the preference for business activity is significant, the creation of jobs as an outcome of regional development activities was only mentioned by one board member. This may be associated with the resource boom being experienced in parts of WA and the availability of jobs resulting from this boom. The one board member in WA who raised job creation as a part of regional development associated it with the need to create jobs for Indigenous people. Apart from this board member in WA, board members in WA and NSW did not identify regional development outcomes for Indigenous people.

//The biggest challenge is making sure that the Aboriginal community shares in the economic boom that we will have in the future and that we have Aboriginal tourism jobs, jobs in hotels and not just cleaning bloody rooms, not just that. Opportunities for them to move right through to a managerial position within the hotel scenario//

In summary, regional development in the minds of board members, is firmly wedded to the notion of business development, diversity of industry and value adding. The conversion of this activity into jobs may be considered as implicit by WA board members; however in NSW board members describe this as an overt requirement for their agency. Board members find difficulty in describing how their regional development agency can 'do' business development.

5.4.2 'Projects' as regional development

In analysing the meaning board members give regional development, following on from business orientation, the next most talked about aspect of regional development was the 'projects'. The structure of the WA regional development agencies is such that the boards have an amount of funding that is distributed to community based organisations within the region. The funding available for distribution ranges from \$0.5m to \$1m. The NSW boards do not have access to discretionary project funding and work to apply for funding

from both state and federal governments. Despite this differing structure, **an immersion in projects as being regional development** is depicted in the words of the following board members.

//Even though people may read the documentation, say what our roles are, much broader than just that [business development]. Within two minutes of reading it, they slip back to the old ways. What projects can we run//
//I think of success [of the board] as being out there and being seen and actually having some projects that actually do happen//

This **fragmented approach** to regional development via the initiation, funding and implementation of projects seems to result in a sense of underachievement for a number of board members in both NSW and WA.

//It was just a whole series of little projects that meant nothing and there was a guru around the table on marketing so the only way to solve the problems in the [the name of the region] was to market it better and so that was, in this case, the big push//
//I just really question these short term projects etc..we've got no money to assist them to do it basically, and all we can do is get a project up and running for them and get our 10 per cent admin fee, and apart from that – we're really struggling to find projects even//
//I think our great difficulty, in effect, is developing projects which would lead to regional development. As simple as that//
//So most of our time is spent divvying up between the poor and suppressed that come in asking for help//

This **sense of disillusionment with the operation of projects** that have the capacity to deliver positive outcomes was apparent in both states.

//Looking back over the previous year, or the two or three year period, it's difficult to see where we've made a splash, although there are projects that we facilitate or somehow influence that finally do bear fruit//
//I find the word project very difficult because projects are something of a once usually, and they fade off into the night somewhere, and its very, very difficult for them to get up and continue to run//

In summary, board members in both states commonly refer to regional development as 'projects'. At the same time board members readily describe the limitations that this imposes on the achievement of regional development outcomes.

5.4.3 Regional development is marketing a region's image

Marketing the image of the region was particularly highlighted as a task of the regional development agencies in NSW and is seen as a NSW phenomenon in this research. This marketing is described as 'showcasing' and 'presenting the region' in a positive light with the aim of attracting investment and **making the board appear proactive within the region.**

//I've been pretty much doing a lot of the marketing of the region, and recently we did bring out quite a good portfolio of paraphernalia of CDs, websites, brochures; we had a sense of achievement after stuffing around for many years trying to get them done//

//Something I'm pleased about, we're really starting to look at the branding of the region. There is already a brand there but we've clarified who owns it and we now own it, and we're looking at how we're going to start using it in the region. That I think will be a major outcome for the board... to brand the region//

Another board member saw that this **showcasing was something the board could do**, a sense of what the board *could* achieve rather than it being a sound regional development strategy.

//There are some basic sort of things that the board ...can do, show-casing the region, the marketing aspects, trying to identify areas working with some stakeholders to be able to put up the united front for the region//

//Marketing is safe.... things that don't fundamentally address the structural problems in the labour market//

In WA 'promote the region' is the first described purpose of the Regional Development Commissions outlined in the Regional Development Commissions Act 1993. Despite this, promotional activities were not described by WA board members, nor were regional development activities linked to marketing the region during the interviews. For the NSW board members there seems to be a conflation of purposes, that regional development boards are marketing the region.

In summary, NSW board members more than WA board members described marketing the region as regional development. However in referring to regional development as marketing the region, some board members questioned whether this was simply a ‘project’ that the board *could* do which made it a NSW phenomenon.

5.4.4 Services, amenities and infrastructure

For board members located in both regional areas experiencing economic growth and then other areas experiencing decline, concern was expressed by board members for services, amenities and infrastructure within the region. It seems that in the minds of board members the **future of the region requires an investment in infrastructure** in order to attract business investment, maintain population and quality of life. However it is apparent in these narratives that services, amenities and infrastructure are concerns that are quietened at the regional development board level because these are identified as significant expenditures. It seems that the boards of regional development agencies are restricted in thinking that these issues are part of the board’s capacity.

One chairperson resides in an area that has endured ongoing drought and population shifts to a sponge city and describes in this narrative the enmeshed nature of services, amenities, infrastructure and regional development. However in discussing the role of the board, this board member held onto projects such as the documentation of skills shortages as a meaning of regional development. This is an example of the disjuncture described by board members who see broader issues impacting on a region’s future and the role of the board controlled by government.

//We’ve got to work very hard to make sure that the services are here. We’ve got to make sure that there is a broad cross section of education from primary, or infant school right through to tertiary education and vocational education....I think it’s about giving advice, lobbying, assisting people in the right direction. To make sure that issues in communities, a loss of a police officer, loss of a school teacher, closing of a hospital, loss of nurses in communities. That drives communities down, which lessens the ability for the region to grow... It’s the big picture stuff. One school teacher leaves town, and takes his or her wife or husband with them, their children. It spirals; less people in the school, less people buying from the little supermarket in the

town, so on and so forth. And gradually, it spirals down until the region collapses//

One board member who began the interview saying that *//I don't know really what regional development is all about//* later talked about the importance of the re-opening of a local school. In this narrative the board member describes **the connection between having a local school and the future of a region**. This school now has forty-two children enrolled.

//Our school was shut down many years ago because we didn't have enough children and I have been fighting and so has the Council's CEO, to get the school back in. You get people applying [for jobs] and then as soon as they know there is no school, well they know they have to teach their own kids with distance education, not many people want to do that. We are all just wrapped, because we just had to have a school here. Things went down, and the workforce basically turned into Dad's army because you could only get the old folks because anyone with kids – too hard//

For board members services and amenities appear to be **the tangible assets that demonstrate whether the town or region will survive** and is open to business, as well as demonstrating government commitment to regional development. This causes tension for some board members as these board members' words show,

//I see still governments withdrawing and major providers still withdrawing. They talk about coming back, but they won't, they'll come back to these clusters around growth centres//

//Some of the fundamental or underlying issues are seemingly insurmountable and significant like health delivery and education and depopulation//

//It's almost the case of trying to prevail in the face of overwhelming odds really//

//That is one of the great inhibitors of development in the bush is the lack of infrastructure//

In WA some board members talk about the provision of services and amenities and infrastructure **as if the government can be influenced by the boards**. However this was seen exclusively in WA. This is likely to be the result of the close relationship between

the minister for a particular region and the board of the Regional Development Commission. In WA, there is not a bureaucracy standing between the board and Commission staff, and the minister. The result is the perception that the board is able to influence the minister in the direction of the services, amenities and infrastructure required in a region. The following narratives exemplify the WA board members concerns for services, amenities and infrastructure.

//I have never had to fight for health, if you like, in terms of importance, on the board. It is not hard to put up an argument for health and social capital.. the social determinants of health and the social pathways to poor health and mental health//

//Governments tend to be pulling back staff from the regions in their health and education and policing...whatever operations they run and that knowledge base which they may have had in the past is just not there anymore for them. We find ourselves more and more filling that gap as far as the information pipeline to state government is concerned//

In NSW infrastructure was identified as a requirement for regional development, however **the ability to bring influence demonstrably absent.**

//You need the good infrastructure...the telecommunications, the roads system, the freight system, the rail systems, that all comes back to infrastructure//

//Our road, our rail, our ports, airport for that matter, these things are the drivers who eventually – or ultimately of our economic destiny for the region and I don't think it's as simple as build it and they'll come, but if you could shorten the distance between [name of place] and the metropolis, you reduce that distance, you are going to have a bigger economic impact on this region than any little firm that you can encourage and give money to relocate in the region and create a handful of jobs that later go bust//

However in both states there was some dissent expressed about the **bricks and mortar only approach to services and amenities.**

//Forget all this industry development, forget the economic development unless we are doing the quality of life stuff, unless we are focussing on the people, we are wasting our time//

//I think it's bigger than that [creating jobs], it's about enhancing community wellbeing in a whole range of ways//

In summary, services, amenities and infrastructure were discussed as being a significant part of regional development. However it seems that despite board members seeing the significance of these issues, they acknowledged that these are not issues that the board is *//allowed//* to be involved with beyond providing advice to the minister.

5.5 Board members describe the process of regional development

In this section the way in which board members discuss regional development, called the *process* of regional development is discussed. The processes are represented here as the warp of the woven cloth, the vertical threads that intersect with the horizontal, weft threads, the content of regional development. When board members talk about regional development as business development, a project, marketing a region or services, amenities and infrastructure as examples of the content of regional development. another dimension emerges in their stories. An example of the intersection of the content and the process can be seen in the case of business development, the most commonly provided response to questioning about how board members interpret regional development. The preference for business development is described in different ways. A board member may describe the business orientation as prescriptive, that is, it is seen by board members to be directed by the government department officials, ministers responsible for regional development in the location or regional development experts and imposed on the role of the board.

//Regional development is economic development...jobs, jobs, jobs...the [Department's name] rep keeps saying. I think it's bigger than that//

In contrast the business orientation may be accompanied by a more integrative view of regional development, as one board member articulates in this way.

//I guess the best way to describe it is just a way of getting what we need and it is as good a way as any. Then you call that regional development well really, it may not be regional development per se but it sort of all just fits nicely under that guise, so that's what we'll call it...There's economic value

and quality of life value and as long as it adds value in come form, we'll call it regional development//

This diagram represents the four distinctive ways identified in this research as the ways in which board members talked about regional development.

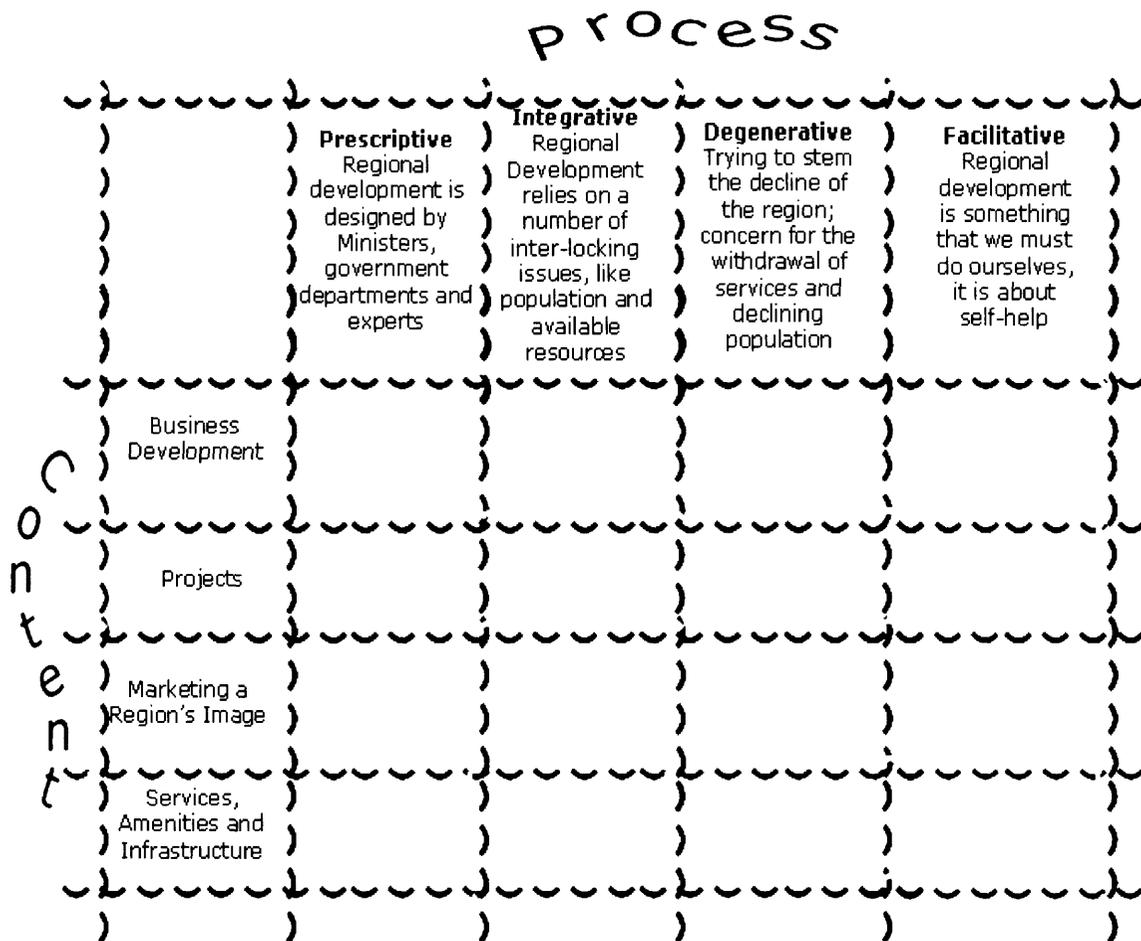


Diagram 5.4: The process of regional development (the warp)

The perception that regional development is a 'prescriptive' process sees board members talking about regional development being a defined process by those outside of the boardroom, usually regional development experts, the administrating government department or the minister who appointed board members to the board. The 'integrative' process sees board members describing regional development as complex and entangled with a number of other conditions within the region. These board members often reveal a degree of rationalism or pragmatism in their interviews; they seek to deliver what they

deem as possible to provide. These board members tend to use the words ‘sustainability’ and ‘triple bottom line’ as a conceptualisation for the work of the board. The ‘degenerative’ process exemplifies the concept of regional development being a process which attempts to stem the tide of regional decline. When board members talk in this way, about regional development they refer to population and services declining, the regional area is often politically marginalised and those confronted with providing ‘something’ that will reverse this trend say *///I don’t know what we can do//*. The perception that regional development is a ‘facilitative’ process centres on the notion of self help, *///if we don’t do then nobody else will//*. Each of these processes will now be discussed.

5.5.1 Regional development perceived as a ‘prescriptive’ process

A sense of prescriptive-ness encompasses those regional development activities that are perceived to be imposed on the boards. When board members respond to priorities established by those outside of the region, **a sense of the imposition on the activities** of the board, a prescriptive-ness is evident in the way in which board members refer to regional development.

///Regional Development is really difficult. I suppose one of the objections I’ve got to the system, is that we are controlled, our funding is controlled by a state government department, and a lot of it tends to be political. A lot of it, to my mind can be restricted because of bureaucracy. It’s not always the idea that we’ve got that is adopted, it’s got to fit a certain set of criteria and those criteria don’t always necessarily fit the area you’re working in//

///One of the downsides of the board is that I find myself inhibited, sometimes even talked down to by the [Department’s name] representatives that come along and propound the world according to [Department’s name]. There are other perspectives that we can look at//

///If the government had policies that I was strongly opposed to then you couldn’t, in all conscience, do this job//

///I still get angry and upset and thump the table occasionally and say we’ve got to do this or we’ve got to do that. But at the end of the day, we’re there to advise the minister, but quite often, particularly more recently, we’re being told by the minister//

This prescriptive-ness pervades all of the content areas described in this chapter as the 'The Content of Regional Development'. Given that the projects orientation is so common, particularly highlighted by board members in NSW, **certain projects are funded** and these are not necessarily designed within the region,

//Marketing is safe, assisting with – and then slipping a few bob to a few people who might want to come down (to relocate in the region), it's safe.

Skills shortages, getting involved with it, sending a few junkets over to the UK//

//We've got these quite tight parameters about what makes a project viable and what doesn't, in the eyes of the funding//

The prescriptive-ness also became apparent to some board members after their boards had taken certain actions to engage their local community to determine future directions. It became clear to these board members that they were required to be less proactive in certain areas and more **active in other areas which were deemed possible** by the minister or government departments.

//The government wasn't interested.. in the big drivers of the economy... because that's not what they saw as our role...They [the government department] actually tell us how to develop this region. Your job is to spend your 10 million bucks and make the minister look good basically and cut all the ribbons and do things in your power//

//A number of things that we have considered as a board and tried to deal with independently, have not met with the minister's approval and we have been asked by the minister to abandon one area of interest, and pursue another area of interest which is more aligned to things that he is interested in//

It seems that **some board members accept this level of prescription while others express considerable angst and frustration** at the sense of being controlled. Examples of these contrasting responses are given here by board members in both WA and NSW.

//The board's essentially advisory so the minister really doesn't have to interfere because if the minister doesn't agree, he just ignores the board's advice//

//Finding things that the board can contribute to has been difficult because of the structure and the limitations on us. Our board cannot comment on government policy//

//I guess something of a cynical exercise is probably how I would describe the whole thing//

//A couple of the bureaucrats told me what I could and couldn't do and what I should and shouldn't do... they started to get more and more restrictive and say you've got to work within the system//

//They wanted a board that could concur with the government and make it look as if a region agreed with whatever the government wanted to do//

In summary, the work of the boards in both NSW and WA is perceived by board members to be prescribed by either the minister or the government department administering the board.

5.5.2 Regional development perceived as an 'integrative' process

The perception of an 'integrative' process was more apparent in boards experiencing distress in the regional location (population decline, pressure on regional business etc), a sense of dislocation from government processes (withdrawal of critical services) and a decline in political clout (due to political representation). This is a difficult space for board members to be in, to see the enormity of the issues, to be part of an entity which is mandated by the state government to promote regional development and yet to be surrounded by a sense of uncertainty about what is achievable. The board members who speak in an integrative way are more likely to be **rational and realistic about what is possible to achieve**.

//The pluses are certainly the fact that we are out there, we have a much better appreciation of how our region works than anybody else... I think one of the best attributes of the board ever since I've been on it is the ability of the board to stay positive and that's actually quite difficult at times, because regional development, it's incremental, it's not something that you can hold in your hand and say this is what we've done.... I think the main pride is being there and knowing that because of the spread of talent you have on the board, your ability to access the top part of government, you know that

everything possible is being done and all the information that possibly can be gathered, has been presented in the right form//

Perceptions of this integrative process are apparent when board members describe regional development as a part of a bigger picture of life in the regions. When board members talk in this way they hint that life in the region is more than economic development, that there are other aspects of living in a region that matter, such as identifying a sense of belonging within the region. This is where board members could be expected to use the notion of sustainability to describe the way in which regional development activities occurred. However, references to sustainability and the balancing of the economic with the environmental and social as dimensions of regional development did not commonly feature in the narratives of the board members in either state. Rather, language described the complexity of the issues at hand, like population decline, and working out was it possible from government funding. It appears that board members often make a mental **calculation of what is achievable** and this then becomes that which is desired as an outcome of regional development activities. It may be that sustainability did not feature because where there is burgeoning development, the board has little power to influence sustainable practices; or is it that survival of the community is at risk, or in the assessment of what is *achievable*, some development is better than no development? Where sustainability is built into the policy documents in WA, it is even more curious as to why it was not discussed in the meanings of regional development.

Those who speak of in an integrative way in this research are board members who describe regional development as occurring in **a complex environment** as the following quotes from board members will demonstrate.

I'm a firm believer, the future of economic development is not just about the skills you have now and the industry you've got now, it's about looking down the track at what's happening with say, the kind of things that Bernard Salt's saying, or looking at globalisation, looking at a whole range of issues and saying, how do we fit into that? I think this is a big issue now with oil peaks and climate change as well//

In the fifty-three interviews with board members, this was the one board member, who lives in WA, who raised **the question of inclusion** of Indigenous people in regional

development. The omission of Indigenous people from the conversations is also reflective of the lack of conversation about who are those that benefit from regional development.

//The three keys to the Aboriginal community, and for the white community as well, but more so for the Aboriginal community because they're disadvantaged in that regard, is health, education, housing. You cure everything with those absolutely. I see Aboriginal development as being the key to this town. If we don't involve Aboriginal people in the future economic benefits, we will go down the tube//

Of the seventeen board members who are identified in this research as talking about regional development in an integrative way, over one third of these board members have an agricultural background. It may be that where a board member's employment is tied into their location, their knowing about the interconnectedness of population and services and business is more readily expressed.

//We know that economic development is probably the main driver, but the reality is that you really have to have a vibrant community with all that the community needs in the way of health and education and lifestyle and presentation. All of those things have to be in place before you're going to achieve the economic goals which you're looking for. Creating a good environment to work in and a good social conscience for the towns and area to make it attractive and a great place to grow up. So really, you need to look fairly laterally about how you expect your region to grow//

Making sense of the region's identity; articulating the inter-connectedness of regional life; but moreover **understanding and aligning with the priorities of government** results in a rich understanding of the practice of regional development. One board member portrays this integrative process.

//I'm going to give more the interpretation of what I do in my work with the Board, which has been I guess what are the initiatives we can do that are about enhancing investment or industry development or looking at things that might be improving the business or business climate in the region. I think if we actually looked at regional development as a term in general I think it's a lot broader than just economic development and it does include things about sense of place, quality of life, sustainable communities and that's got that whole link, not only through education, but issues associated with the access

and safety and there is overlap in some of those issues in the work we do.. but .it's imperative to focus your activities in key areas that align with the Department's goals//

Finally, this integrative process is **pragmatic and instrumental** in style. These two examples, the first from WA and the second, NSW show the way in which board members display their pragmatism for the procurement of funds for regions.

//I was only sitting down with the mayor of [name of place] the other day having coffee over breakfast and I said to [name of person], 'We don't need to be involved. We can do backup information for you and I have no problem, if it's a particular project for [name of place] and you need federal money, we're happy to do the preliminary work. You schmooze up to the local Commonwealth committee and go off with them and they have a win. We don't need the win. We do the planning as long as you're successful//

//the government invited the various [board members] to come to Sydney to hear this guy from New Zealand talk. He was some sort of a guru about clusters. So he gave a presentation and I thought this is interesting, the department has brought him over. So all of the sudden the department has an interest in clusters. So if you want to get some money out of the department you go for clusters//

In summary, perceiving regional development as integrative means those board members are balancing the pros and cons of boardroom actions. These board members are reading the needs of their regions and seeing what they believe is achievable and moderating their expectations accordingly.

5.5.3 Regional development perceived as a 'degenerative' process

The perception of regional development as a degenerative process cannot be disguised with a positive spin as it is not within the tone of the voices or the narratives of some board members. Rather it is a response to a conversation that traces the personal **despair attached to limited boardroom outcomes and capacity of the board** to impact on the future of the region.

The withdrawal of government services from health, education and agricultural extension are discussed as some of the forces working against development in the region. There is a certain amount of **incredulity expressed when the government is withdrawing services** from the regions. The following quotes from board members portray this difficulty in seeing a way to stem regional decline.

//I see still governments withdrawing and major providers still withdrawing//

//Governments tend to be pulling back staff from the regions//

//I find it difficult, and I find it frustrating, that there are not opportunities out there that we can see, or else people are trying to push the door down to get help with, to do something//

//I wish that we could have a bigger population base//

//So many regions are suffering... withering in the vine basically//

The sense of desperation is apparent for board members who describe growth as being connected to **the political process**, where funding is perceived to flow into areas that are regarded as important politically.

//I've got a cynical view of what state level politics is delivering, and that is that they're not going to pay too much attention to the regions. There's no votes. So that's a pretty awful position to reconcile//

//How do we make a difference? Well, almost we can't//

A considerable group of these board members expressed their **concern for the short term-ism of regional development projects**. This was repeated in both states, with a call to move towards genuine long term planning and a strategic orientation to regional issues.

//I think there's opportunity for making contributions in the short term, but if we're going to influence things in the long term I can't see how we can turn the tide. That's a difficult issue//

//Can we remain optimistic? They're issues that we grapple with all the time. It's very frustrating. It's almost a case of trying to prevail in the face of overwhelming odds really. Like I said, I might reconcile it on the basis that I'm happy with shorter effects or outcomes and can't contemplate the long term issues so I don't worry about them too much//

For one board member a sense of desperation was evident for the **limited opportunities apparent for business development** in a region. This is an example of this sentiment.

//We're constantly trying to find something that we can help develop the region with, but, as I said, it's frustrating because we haven't got the industry, we're basically farming and we dabble slightly in mining//

The dilemma for some board members leads to questioning about **'what difference can the board make?'** to deliver on these interlocking issues. The advice that board members receive from those in the community is often at odds with what the board and agency is able to do.

//the private sector is telling you that unless the rail line, the freight, the ports, the airport, the key things, the roads are fixed then there is always going to be a brake on development//

Likewise in identifying services and amenities, the apparently **insurmountable issue is population decline** as foremost in the minds of many board members. How to reverse this trend or adapt to its consequences is a major concern.

//When you get more people it is better for your schools and your health facilities and so on...., especially in the smaller towns we've got plenty of infrastructure. We've got big hospitals, half of them are just used as storage grounds, but we can't get the doctors because there is just not enough people coming through the door and that's not uncommon, that's not just our town, that's everywhere//

In summary, some board members describe a sense of despair about the capacity of the board and the agency to impact on the future of the region. Population decline, diminishing business activity, the withdrawal of government services and the perceived absence of political clout compound to create a sense of pessimism.

5.5.4 Regional development perceived as a 'facilitative' process

The perception that **regional development is something that binds a community** is stronger in those regions which are more remote. It may be that those who are accustomed to living in locations which are isolated and predominately agricultural resonate more with the concept of self-help, described here as facilitative.

The experience of being on a regional development board for these board members encourages them to **grow their knowledge on the board**. The extent to which this knowledge is converted into actions within their communities is difficult to assess.

//I have learnt so much from the people on the board...in terms of understanding how government and funding works. It's made me more aware of what is out there and what can be done//

//There are people on the board if I have got an issue then I can ring up and pick their brains so to speak//

//I'll try to sow a few seeds in my own community about what was on offer, what could be done... without trying to be pushy//

//Regional development is your own ideas on how you would like to see it progress//

When board members approach the task of regional development with this facilitative process in mind, it does not mean that they do not see the barriers or hurdles. Rather these board members refer to the tasks of the board which may be business development, in this way.

//We are supposed to create more investment and create more jobs. I don't think we can do that. All we can do is facilitate it by providing easy to access information to people who want to do that and to other organisations that also want to, more of the grassroots facilitators//

Being 'facilitative' can lead to an increased **sense of responsibility for the future** of the region,

//I think small communities accept that if you want something done, you've got to do it yourself. The further you get from the city the more apparent that is. If you want something you have just got to get everyone to get out and do it. If you want tennis courts, you've just got to go and fundraise and go and get the bloody thing//

//Well, honestly, no one else is going to do it. I think it's going to be up to the individuals and the Commission and people within the region//

//I had a sense of the decline in regional areas and population and farms getting bigger. So it sort of wasn't a hard concept to grasp and just realising that in a way some of these country towns are like developing countries...

*give someone a fishing rod and they can feed themselves for life you know
don't just give them the free fish//*

Self help and this facilitative process relies strongly on the will of the local people and **the capacity to mobilise** those within the region. These two WA board members describe the facilitative process in these ways.

*//Working with the people who want to move forward, whatever that may be,
I think you can move mountains. You've just got to work with the people//
//The outcome has to be about strengthening communities and the various
communities within a community, helping them to identify their needs, and
helping them to find solutions themselves//*

One aspect of this facilitative process that emerged in the narratives of board members is that of **parochialism**. While parochialism could be seen to represent a commitment to place, the word parochialism was frequently used negatively to describe 'others' who advocated specific place based issues.

*//It is very, very difficult to get a regional focus...it is a very parochial –
parochial is good in that there is passion and community pride, it is bad in
that 'this is ours – it is not negotiable' – and you hold onto it to the death
and it is literally in too many cases the death//
//A lot of people have a great deal of trouble putting on a bigger hat and
thinking about a broader issue. They're one issue type people and it's
always in their back yard and that's what the business plan ended up looking
like and it used to get me and they knew it, because I'd show it, so bloody
stropky. It was just a whole series of little projects that meant nothing//*

It seems that a number of board members claimed to have **a sense of optimism about themselves and their region**. For these board members they describe themselves as fundamentally positive and optimistic people. One board member sums up the boardroom experience as being an extension of who he is as a person.

*//All of those things just led me to know that if you wanted to really progress
your own community you to had to get, as I said, to get off your own dung hill
to find ideas and meet people and talk to people and that sort of thing, so the
Development Board was just an extension of that original, that basic
philosophy I suppose//*

In summary, board members who perceive regional development to be facilitative are most likely to self describe as optimistic and positive and see that regional development is something that binds a community. These board members are likely to say that if you want to achieve something at the regional level, you must do it yourself.

5.6 Weaving regional development meanings

Analysis of the interviews with board members has led me to portray *what it is* that board members consider regional development to be, the weft, and the process of regional development, the warp. It appears that it is difficult for board members when asked the question ‘what is regional development?’ to separate out the meaning of regional development from the role of the board, their role within the board and the role of the agency in developing the region. Board members are required to make sense of the development needs of this region while also being embodied within the region and accepting a role on the board of a government funded entity. On the one hand board members who are ardent supporters of their communities can be regarded as parochial by others on the board if they do not display commitment to this broader socially constructed region and the priorities that are established, often outside of the region. At the same time some board members are pragmatic, working with the priorities set by those of the bureaucracy to expedite the influx of funds to the agency and therefore the region.

The following diagram is a woven portrayal of these intersecting aspects of regional development know-how emanating from the boardroom experience.

Content	Prescriptive Process	Integrative Process	Degenerative Process	Facilitative Process
<i>Business Development, Diversity of Industry and Value Adding</i>	<i>//We can't work with individual businesses. We're hamstrung in how hands-on we can be// //We have been asked by the minister to abandon one area of interest, and pursue another area of interest//</i>	<i>//You need to look fairly laterally about how you expect your region to grow// //Jobs are a great motivator; there's no two ways about it. There's a lot of other issues which are just as important as jobs, as far as social understanding and social</i>	<i>//How can we best deliver the very limited budget we've got and try and reconcile that with some of the fundamental or underlying issues, which are seemingly insurmountable and significant like health delivery and</i>	<i>//We are supposed to create more investment and create more jobs...we can't do that. All we can do is facilitate it by providing easy access to information to people//</i>

		<i>awareness is concerned//</i>	<i>education and the population// //How can we actually make a difference//</i>	
Projects	<i>//They actually tell us how to develop this region and what makes a project viable//</i>	<i>//It's not just about developing some project..it's the big picture stuff...it spirals, less people in the school less people buying from the little supermarket in the town, so on and so forth//</i>	<i>//We sweat the little stuff too much...I think we should be getting our teeth into bigger projects// //A lot of the projects that were being tackled really weren't adding anything//</i>	<i>//The time it takes to develop projects...the board can only be a facilitator//</i>
Marketing the Image and Brand of the Region	<i>//Marketing is safe// //We had \$1 million to be spend on marketing the region//</i>	<i>//Lifestyle and presentation...those things have to be in place before you're going to achieve the economic goals which you're looking for//</i>	<i>//It was just a whole series of little projects that meant nothing and there was a guru around the table on marketing so the only way to solve problems in [the region] was to market it better//</i>	<i>//I've been pretty much doing a lot of the marketing of the region, and recently we did bring out quite a good portfolio of paraphernalia of CDs, websites, brochures//</i>
Services, Amenities and Infra-structure	<i>//We can identify 10 big things...when we did it, the government wasn't interested//</i>	<i>//The loss of a police officer, loss of a school teacher, closing of a hospital, loss of nurses in communities, that drives communities down which lessens the ability for the region to grow//</i>	<i>//If our kids still don't have jobs if we're been doing all these things, should we reconsider our approach? We're not here to do the micro stuff//</i>	<i>//If you want something you have just got to get out and do it//</i>

Table 5.1: Woven representation of the intersecting meanings of regional development with the differing processes of regional development

5.7 Conclusion

This first component of the data analysis focuses on 'Developing the Region' and the way in which board members make sense of regional development. It is apparent that board members are limited by a sense of uncertainty pervading the boardroom experience.

However, this uncertainty evolves from different aspects of this boardroom experience. For some it is uncertainty about what regional development is; difficulty in making sense of the policy and practice outcomes; for others the uncertainty is about the role of the board itself and the agency being able to make a difference in the region. Board members struggle to articulate their interpretations of regional development. It has emerged in this research that when board members talk about what regional development is, by virtue of the content or tasks of regional development, they talk about it in different ways. The intersection of how board members refer to the tasks of regional development (the processes), and the tasks (content), shows that within the one boardroom there are different perspectives. In this research four perspectives have been identified in a matrix format, showing that board members most commonly talk about regional development as prescriptive, designed and imposed by those outside of the boardroom. While other board members see regional development as an integrative process, these board members drawn to considering the broader issues within their regions; there are board members who describe the degenerative processes of regional development, the withdrawal of government services, business activity and political abandonment; and finally there are board members who see regional development as a facilitative process, appearing optimistic, growing their knowledge while on the board to mobilise others within the region.

In the next chapter, the data analysis is continued. Chapter Six provides the data analysis of the remaining two components of the metaphorical quilt, 'Governing the Region's Development' and 'Governing the Agency'. In this chapter the ways in which board members interpret the role of the agency in the governance of regional development and their role in the governance of the agency is explored.

CHAPTER SIX: DATA ANALYSIS

Board Members Making Sense of External and Internal Governance

6.1 Introduction

This chapter completes the data analysis by examining the two remaining aspects of regional development governance, the external governance and the internal governance of the agencies. The external governance is examined under the heading 'Governing the Region's Development'; it precedes internal governance 'Governing the Agency' as it builds the context and capacity for the boards to act as identified in the following diagram.

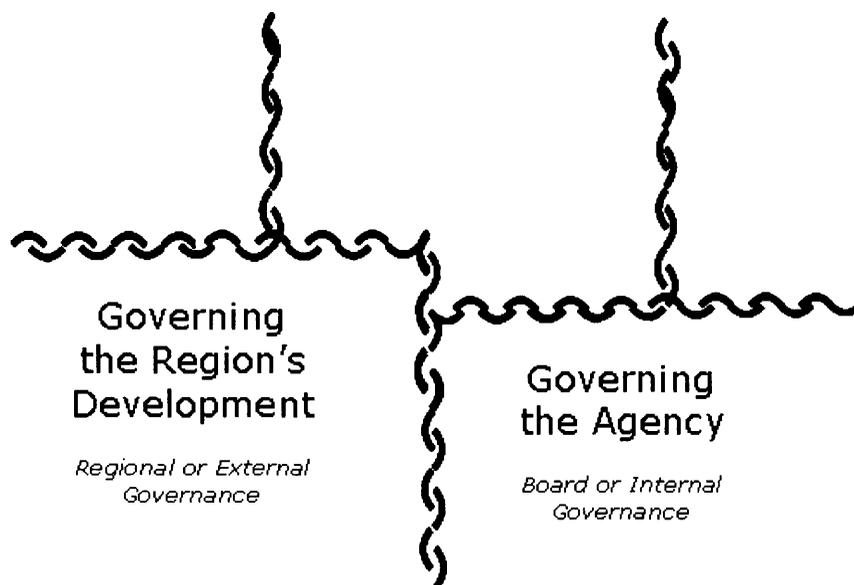


Diagram 6.1 Board members making sense of both external and internal governance

The external governance or regional governance is referred to within the literature as the broad institutional architecture for decision making within the regions (Amin, 1999). Goodwin and Painter's (1996) reference to regional governance as a 'palimpsest' invites understanding of the shifting nature of governance and the entities and government agencies within it. Brown and Collits (2005) identified the lack of legitimacy afforded to

regional development agencies as the most suppressed topic in the regional governance debate in Australia. Furthermore, Brown and Collits (2005) describe these agencies as held in a state of illegitimacy. This data analysis shows the way in which board members in NSW and WA perceive power and legitimacy within their regional development agencies. These aspects of external governance impact on the internal governance of the agencies (Beer & Maude, 2005). This data analysis will then explore the ways in which board members portray the internal governance of these boards.

6.2 External governance - Governing the region's development

In this analysis, board members describe the way in which they experience their agency's capacity to be involved in decision-making about regional development in the regions. In view of the regional governance literature to emerge over the last decade in Australia, and the broad descriptions of local and regional governance in many government and academic publications, it was expected that board members would be immersed in this language of governance. However a notable feature of this analysis is that there was only one board member who used the words 'regional governance' to describe the agency's role within the region. This board member has a postgraduate degree in a relevant field and described the agency in this way.

//The Development Board has the advantage that it has representation across the three [subregions within the region] but when you talk about governance, about what it does, I don't think it's appropriate to suggest that it ranks as a significant entity...the perceptions of lack of legitimacy and lack of resources. The boards are dead in the water, they are controlled by The Department of State and Regional Development so that they cannot achieve anything//

This analysis reveals the way in which board members talk about this regional or external governance context. The following diagram represents the three identified aspects of external governance which are relevant to this research. The first titled 'Power' examines the way in which board members see power invested in the board; the second titled 'Legitimacy' examines board members reflections on the legitimacy of the board and the flow on effect to the legitimacy of the agency. In considering 'Inclusion' as the third aspect of the external governance of these agencies, the appointment process and how board members view diversity within the board is considered. This diagram portrays the

way in which this external governance, and the identified elements in this research being power, legitimacy and inclusion, impact upon the internal governance of the agency.

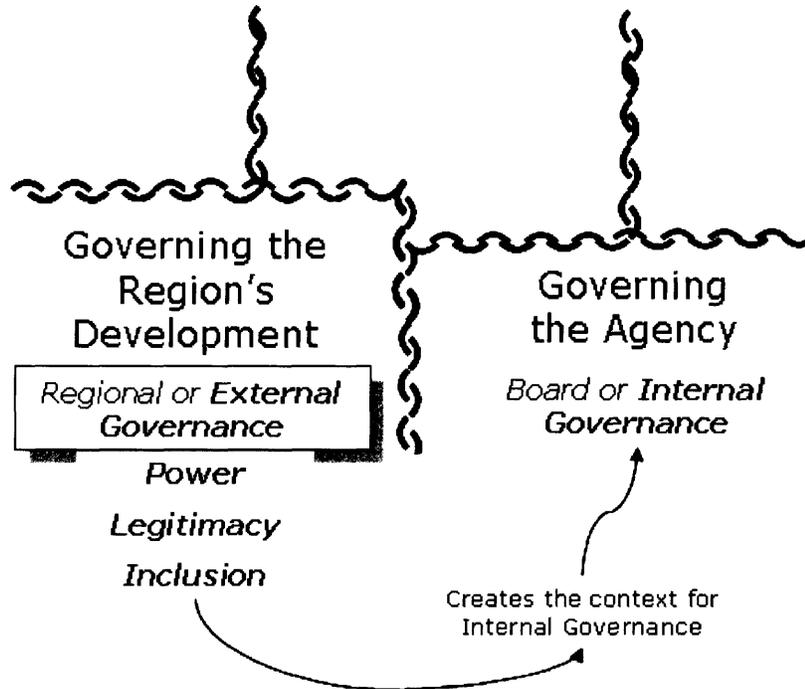


Diagram 6.2: Relationship between external and internal governance

6.2.1 'Power' in the governance of regional development

The 'power' of regional development agencies was one of the major issues to emerge out of Maude and Beer's (2000) research. Maude and Beer (2000 p.12) bring this to light when they describe that power for the agencies 'can also be gained through the composition of the management board, which can give an agency credibility with local interest groups'. Power of the agency through its leadership could see its goals and strategies embraced within the communities that the agency serves. **The lack of power of these regional development agencies is foremost in the minds of board members** as the following descriptions will demonstrate. While the notions entwined in regional governance imply that there has been a shift in the location of decision making power throughout a broad range of actors who operate to a known plan for the development of the region, this is far from evident in this research. It is clear that the locus of control for regional development decision making in both WA and NSW is not seen to rest within the

board or the region, but is seen as located outside of both the board and in many instances outside of the region.

The outcome appears to be that the board is left searching for regional development activities or projects that are deemed possible. It also seems to be the case that where formal power is not seen by the board members to be invested in their agency often board members set about constructing their own personal power base. Within this data analysis there are two aspects of power that emerge. The first is the power of the agency to act or make decisions about regional development by accessing the required information, networks and resources. The second is the power of the individual board members within their region to deliver regional development outcomes.

(i) **Power of the agency to act**

It would be expected that being a board member of a regional development agency which is a Statutory Authority in WA is a different experience to being on a Regional Development Board in NSW when board members describe the power of the agency to act. However there are points of convergence as well as divergence. The common theme emerging between NSW and WA board members remains that **regional development decisions are seen by board members to emanate from centralised state governments** located in Sydney or Perth and be disconnected from regional desires.

//The government controls it, most definitely// (WA)

//The big companies in Sydney they go straight to the ministers when they want things done. They go straight to the Departments. They go to the highfliers in Sydney. Even if they want to set up down here they use their contacts up in Sydney for large developments and new companies. At the moment with developments and things like that...the minister, the planning ministers, they make the decisions. It's not made here// (NSW)

It seems that the best that boards of management of agencies see themselves doing is providing **advice** to government departments or the minister or conversely seeing themselves as the conduit for **accessing funds for their community**. In one WA agency, this was achieved by joining forces with other local agencies and doing a 'one voice' representation to the federal government in Canberra about the needs of the community. While this was considered by the board to be well received by the federal ministers who

were approached, board members lamented that tangible outcomes were yet to materialise.

//Probably one of the most successful things that came out of it – and that was fed back to me by the ministers over there – was that we went as one voice – and that particular point was made by many ministers that instead of like my Shire going over there... as ‘one voice’ we all presented different aspects but together. Whether it was [names of ministers] on environment issues or whatever, but it was one voice from a region and it was liked – it was well received//

This exercise did achieve a linking up of regional entities, both local and state government to represent the needs of the region. However it is still difficult for board members within these regions to pinpoint how decisions can be impacted upon for their region. For example when it comes to land development in a region, the state government plays a major role in the approval process, as this WA board member demonstrates.

//If someone came in now and said, we want to do a canal development... they’ve got to negotiate with the government; they’ve got to get land clearance from Aboriginal title holders//

Tension arises for board members when it is perceived that those outside of the region who *//hold the reins//* for regional development appear to act against the recommendations of the boards. In some cases, the **government is seen to be making political trade-offs** with peak environmental groups or other interest groups and a development within a region becomes a bargaining chip for an outcome which is invisible within the region of interest.

//Getting the principle approved by people who don’t understand what is happening in your own area is often a difficulty with government inspired development// (WA)

//Our combined views even if we’d have jumped up and down and said, listen, that development has got to happen, it wouldn’t have happened. The decision that was made was not an environmental decision, it was a political decision// (WA)

In NSW board members are quick to identify the **power differences between their regional development agency, the state department and the minister** responsible. The following three board members exemplify this.

//I play the role of saying in spite of what our bureaucrats are saying to us here, there are other perspectives that we can look at and I take the ball away from them sometimes//

//The fact that the minister, and in a sense the public service, runs the boards ... you know, let's make sure the minister knows and if it's a good thing the minister approves it//

//The minister uses the board sometimes I think for his political mileage because it's an independent unit that he can manage and control//

While the WA agencies partake in regional planning in their regions, in NSW the agencies do not lead or even, in some cases, engage in regional planning. A number of board members in NSW reported **attempts to be a lead agency** for regional planning involving a broad cross section of regional stakeholders. In this instance the board members were exercising their own power as well-connected local representatives, rather than the power of the agency. However four NSW board members reported that taking independent action resulted in conflict between the board, the minister, and the government department.

//We're here as the body that is charged with advising government and coming up with a strategy to turn this economy around, developing this region and we reckon this is the way to do it [with a regional plan]. It ain't going to happen...the government actually tells us how to develop the region//

//Our job is to make the minister look good... through that process, the big decisions in this town and the big moves were made outside of the board, not within it//

//So what is our job? we can't look at the big picture issues about what's required to grow the economy... it's not our job to pick the winners either. Imagine if the board had to FOI something that it was supposed to be responsible for making decisions over//

// [The government] wanted a board that could concur with the government and make it look as if a region agreed with whatever the government wanted to do. They needed it coming from a body of locals, sort of like the smart colonists would use a similar sort of approach in Indochina//

In NSW the board members readily engaged with the question of the power of their agency to act. Here it is raised that the boards are **not resourced to be powerful**, and that fundamentally government reserves decision making and resource power. These two NSW board members questioned the power of the agency in the following ways.

//What would have to change for it to be powerful? It would have to be listened to more, it would have to be valued more by the Department of State and Regional Development and by the minister, and its needs would have to be catered to for more resources to do its work. So that's why I don't think it's powerful. It looks like it would, but in fact it's not because it's not resourced to be powerful//

//The board could have done its job if the government was focused on actually having local tripartite or multipartite sort of bodies like boards like this to be able to give genuine independent advice on the big questions. No government wants to risk, unfortunately, regions telling the government in a coherent way and a united way what they need, because that government might be expected to deliver//

In WA board members also refer to the **frustration of being overridden by ministerial decision making** and question the decision making power of the board. However it seems that with greater resource power to generate projects and activities in the regions, board members in WA are more buoyant about the prospect of the board being able to do *//at least something//*. In NSW the relationship between the boards and the Department and the minister is described with high levels of dissatisfaction.

//I was really flattered to get on it and I thought it would be good for my resume, be good for me, I felt I could make a contribution: by the end I couldn't wait to get off. I really felt close to writing to the minister and saying that and I didn't because he knows it's a joke...he's wasted two years of my opportunity cost//

Frustration in dealing with the bureaucracy was particularly present in the minds of NSW board members where this was not apparent amongst WA board members. In the absence of clear demarcations and responsibilities, in NSW the relationship between the regional development agency and the government department remains obscure: there is confusion about how the board should advise the minister; carry out tasks allocated by the minister, meet Departmental priorities and serve the community. A number of NSW

board members gave examples which reinforced a sense of powerlessness; the first quote here is an example. The second quote shows how a board member settles for some flow-on effect for the board.

//Time and time again [name of the minister] would come up here to hand over cheques for something and not only we didn't know about it, we weren't even asked to go to the things//

//The minister made an announcement on the radio yesterday morning and the board didn't know about it. But you've also got to be realistic, the minister has to make decisions.... provided the information does eventually flow and the credit goes back to the board and we get really good media//

The **weaker structural positioning of the boards in NSW** is reflected in the way in which board members describe the behaviour of Departmental staff towards the board members.

//One of the down sides of the Board is that I find myself inhibited, sometimes even talked down to, by the two Department of State and Regional Development representatives that come along and propound the world according to Department of State and Regional Development. You know, we can get on and talk, but they tend to play a fairly authoritarian role and they've got a capacity to jump down someone's neck if you open your mouth and want to say something//

//There is precious little capacity for free thinking, Department of State and Regional Development rules with an iron fist//

It seems that a strategy adopted by some board members in NSW is a preparedness to work closely with the bureaucracy, **to be seen to be of service** to the Department of State and Regional Development and the minister with the expressed desire of either procuring funds for the region, or seeking funding for a project that can happen.

//I thought very early in the piece, the way around this was we need to be able to match our strategy and the government's strategy. So from the Department's point of view, what are the strategic issues you see both for the regions. Let's... come to some alignment//

//I see that it is really important for us to work 'hand in glove' with the Department. We can say to the Department, we don't necessarily agree with your strategy or we don't agree with that, but conversely they can say to us

we don't agree with the direction you may wish to head. At some point the minister has to make a decision. He has some advice from the Board and he has some advice from his Department about what are important, but at the end of the day having that conflict as a constant thing is not helpfull

This 'hand in glove' approach is seen as a more productive outcome. Examples of this are given by the following quotes from two board members in NSW and WA to demonstrate this sense of pragmatism.

//All of a sudden the department has an interest in clusters. So if you want to get some money out of the Department you go for clusters// (NSW)

//Knowing what the government's priorities and programmes and where the buckets of money are and then trying to match those up to get the outcome for our community// (WA)

NSW board members interviewed in this research are **plagued by the shortage of funds** available to their agencies. The Regional Development Boards are funded with an average base allocation of \$130 000, with one staff person employed to facilitate activities. In WA the funding is around \$5 million dollars with up to twelve staff and a Chief Executive Officer regarded as a Senior Executive Officer of the public service. Only one of the three agencies in WA discussed the issue of resources as a major drawback for regional development activities in the region. In this instance the board members referred to an inequity in the allocations across the different agencies within the state. It seems apparent in this analysis that access to resources contributes significantly to how board members perceive the power of the agency within the region.

The **under-resourcing of the NSW regional development agencies**, was one of the most spoken about aspects of the boardroom experience. The result is that board members see the work of the board hampered to such an extent by the lack of resources, that the outcomes derived from the base funding are questionable.

//The Regional Development Board is very poorly resourced. For the type of possibilities which I think are available, they can never really achieve anything//

The link between access to resources and power is made by the board members in NSW who draw the linkages between the entities as political strategies rather than strategies for regional development.

//Boards are under resourced. Whether that is a deliberate political lever or not so that they don't spend money I am not sure, but that is the real issue, you're restricted in how far you can go because of the availability of or limited resources to promote your ideas or put them together, expand and develop them. How do we develop the region if you don't provide the resources?//

In summary, it seems that power of the agency to act is derived from the formal, legal structure from which the agency originates. However, when decisions about the development of a region are seen to be made outside of the region and used in political trade-offs then the power of the agency is questioned by board members. When the agency is not resourced to perform then it is likely that board members will question the intent of the government in regional development. Where these conversations are silenced then it could be expected that board members will not re-nominate on the boards, use the board position to achieve another goal or gain in some other way from the board experience.

(ii) Power of the individual board members

Despite this backdrop of power within the agencies described above by virtue of availability of resources and subsidiarity in decision making, board members openly talked about the **political nature** of these regional development boards. The majority of board members talk about politics in the boardroom interactions as a defining feature of being on these boards. Board members readily identified their political affiliation and the affiliations of other board members. Some board members appear to cherish their closeness to the minister responsible for their appointment and see no reason to conceal this closeness in talking about the appointment process. For other board members the appointment to a regional development agency is regarded as a stepping stone to state or federal politics. It seems that it is a known path to examine the issues and dynamics of the region and learn about various government activities. While the men interviewed were more likely to identify their appointment resulting from their relationship with the minister, the women board members in this research were just as speedy as the men in revealing their agency in gaining these roles, albeit by a difference process. However the politicisation of the boardroom was regarded by some board members as a drawback or hindrance to boardroom effectiveness. Interestingly one board member describes mixed

feelings with the government having a 'right' to make political appointments, which seems to reflect the milieu of these boards.

//Governments have a right to make political appointments but I find them difficult because I don't believe that they are given on merit, and I think you should be there only if you've got a history that says you have a right to be there and that you've got your network, and you have an ability to engage people//

Paradoxically, it seems that the willingness to talk about **using political connection to have influence and deliver power** to the board and the individual increases when the power is not invested in the entity by either the Department or the minister. So that in the case of NSW boards, where board members describe the absence of clarity about their role, the parameters of their work and lack of resources, the power and influence of individuals appears to be elevated. Without formalised power, the boards in NSW resort to using their personal connected-ness to achieve their desired ends. It alerts board members to the motives of others around the board room and can have potentially divisive consequences as described by one board member here.

//I'm not going to be railroading any of them for my own personal gain, nor am I going to be working for their personal gain in that sense. So that may make me a weak member of the Board//

Perceptions of political interference appear in both WA and NSW boards; it is the aspect of boardroom behaviour that disconnects the boards from their communities, as one board member explains.

//We've been frustrated by ministerial interference... a number of things that we have considered as a board and tried to deal with independently, have not met with the minister's approval. We have been asked by the minister to abandon one area of interest, and pursue another area of interest which is more aligned to things that he is interested in//

Another board member is more tentative in their portrayal of this interference.

//Boards should have a bit more of an ability to be able to put forward what they see as relevant issues within the local community//

In this way board members in NSW contemplate whether the parameters of their work are left deliberately open or made *//trivial//* so that the board can be used as **an instrument of government**.

//So often we've got a position where the minister comes and says I'd like the Board to manage that, and okay we'll do that. Even though it might not be in the job description//

//I go and meet with the minister or his staff and say look, how does this sit. Just recently he said do not go within cooee of that. That's a political time bomb for all these reasons//

//our business base has become very trivial; diminished over time by the Department of State and Regional Development//

For one board in WA, the actions of the minister left no doubt in their minds who has power in decision making in their agency. Board members described a particular incident whereby the minister for the region allegedly removed the Chief Executive Officer of the agency from office, without consultation with the board. During the interviews this was raised by six out of the seven board members as an example of political interference in the work of their board. It was called by a board member *//the campaign to oust the CEO//*, lead by local stakeholders who were challenged by the high level of professionalism being applied to the position, with board members referred to the high level of competence of this CEO. Here one board member describes their feeling of powerlessness in this incident.

//I think one of the things that characterises this board is the fact that we effectively have the responsibility but relatively little power and I think [name of person] sacking is an extremely good example of that because that was something that was entirely against what the board wanted to do but we were overruled. Well, we weren't even overruled, we weren't even consulted//

This incident is an example of the way in which board members see their own power and that of the agency. **Power is a fluid arrangement** that requires close attention, which is why it becomes the case that board members are focused on the power within their boards. The political allegiances, access to funding and political favour are described with ease. It is the constant working and re-working of these elements that holds the boardroom in constant tension. When funding is allocated, it is attributed to favour being won or managed. When funding is not achieved, it leaves the board members believing

they are on the margin and the work of the board feeds other agendas. This can be seen in the following examples given by board members. In NSW where board members have referred to the lack of power of the agency, they self describe as being influential or of their involvement leading to some gain.

//I'm probably the most persuasive [person on the board]...If I'm very honest with you, I think I've swayed the position a fair bit over issues//

//Well I applied because I actually want to concentrate my efforts more in the region, and I want to get onto more business boards down here and I thought that that would be a good way of showing my good faith, because really one is only paid lunch money here//

Likewise this board member in WA also reflects this image of a powerful individual.

//I have been a lobbyist for many years, never a paid lobbyist but always a lobbyist. And I suppose I thought two things. It was one way that I could continue to contribute as I live locally and secondly, there's unfinished business. There were a number of projects that I view as unfinished business that I wanted to make sure were on the agenda and were really pushed//

It seems that the role of the **chairperson is the position that is regarded as the most political** appointment across both states. As shall be seen in the next section on internal governance, the chairperson is the position that manages the decision making of the board; effectively this position is the gatekeeper of the board. On the issue of the political appointment of a chairperson, these two board members make interesting observations about their chairs.

//It concerns me that he's a political appointment, and it's very vulgarly so. It really distresses me I guess. I'm going to be really tuned in to what's the agenda here, because we've already got somebody on the Board that is very political in the sense...and I've just got this sense that this is another leg to Macquarie Street sort of thing, to Macquarie Towers etc, politically//

//Because the Chair is the father-in-law of [name of the local Member of Parliament] you know what I mean, like, there's all those close links//

For board members **discussion about power is entangled with concern for legitimacy**. Again this shows signs of fluidity as board members draw attention to the question of legitimacy of the board and the agency. For some board members legitimacy concerns are

alleviated by the formal structure of the agency when the agency is sanctioned by superordinates; however when this is limited, board members struggle to explain the legitimacy of the agency and rely on the co-optation of those seen as bringing social or political prowess to the board to deliver legitimacy. This portrayal of the connection between these parts is reflected by this WA board member.

//We need our local government people on the board because they are very big stakeholders in the region. We need our community people because they come from a different background and I guess we need our ministerial as well because whichever government of the day is in power, they all have their ideas on how development needs to go. Ultimately it's the government of the day that we need to convince. So we find our ministerial board appointments very useful in that way because we also get from them a good appreciation of the way government is thinking and also a good way of getting information back to government//

In summary, it emerges here that board members are engaged in a game of power construction or power making to carve out their role in the region. These are represented diagrammatically below, as two separate circles, the first circle represents the power of the agency to act; the second circle, is the power of individual board members.

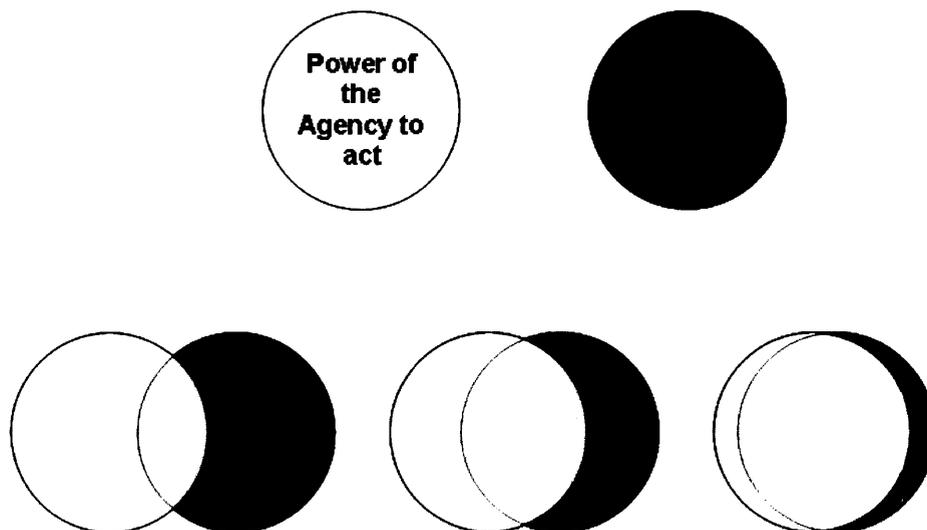


Diagram 6.3 Representation of two aspects of power required in regional development governance

When the two circles begin to overlap the agency is entrusted with power of the agency to act but also power of the individuals within the agency to undertake regional development governance. The imagery of this is also shown in the diagram to represent the fluid nature of power being constructed within these boards. In this representation of power, as both components move into closer alignment, the agency is more likely to have the power to be active in the region. However what appears to be the case in NSW is that the power of the board to act is diminished and relies on the power of the individuals to make activities happen. In WA, the agency is seen to have some power to act and on occasions may have a group of board members who have the power to create regional development gains for the region.

6.2.2 Legitimacy and the Board

Brown and Collits (2005) postulate that where the community sees regional development agencies as illegitimate and untrustworthy they will be reluctant to actively engage or participate in self-help regional development activities, rather they will see their involvement as futile. Legitimacy is characteristic of an entity that has clear linkages to government decision making functions and clear, well documented and well articulated lines of accountability. It has become intrinsic to our democratic state that the legitimacy of individuals and entities is attached to the manner in which they come to decision making positions, namely the election process. The literature confers that an elected representative bestows legitimacy on the decisions that are made and the capacity of that individual to make decisions on behalf of a region and engage others in a particular direction (Smyth, Reddel, & Jones, 2005).

Maude and Beer (2000) describe the intricacies of legitimacy for regional development agencies following their comparison of state agencies with international regional development agencies. Likewise from this analysis legitimacy is seen to be bestowed on an agency when it is 'empowered by 'bottom up' support from local business and community and 'top down support from State or Commonwealth Government' (Maude & Beer, 2000 p.12). It could be expected that because the WA model of regional development agency is a Statutory Authority with instituted tripartite representation from local government, the community and ministerial appointees, that legitimacy may be well traversed territory on these boards. However on the contrary it seems in this research that

the **legitimacy of even the Statutory Authority entity is regarded as tenuous** by board members in certain circumstances. However for the NSW agencies, questions about the legitimacy of the board are forever present as identified by board members, particularly for those who have local government experience.

This analysis shows that rather than being able to determine a state of legitimacy or illegitimacy, board members hold a number of characteristics which they consider to be indicative of the legitimacy of the agency. It appears that many **board members are making assessments of legitimacy with regularity**; judging their own personal standing in the region; judging the regard the community holds for the agency, but also judging the regard demonstrated by the minister and senior government bureaucrats. One board member in NSW, in referring to himself as a business person, describes this juncture between the 'bottom up' and 'top down' state of legitimacy. In this passage the board member refers to other business people *//bypassing these regional boards//* rather they would *//go straight to whoever it is [who can make a decision]//*. To engage with this regional board, this board member says business people would need to sense legitimacy.

//You would have to fill out 10 forms and then beg for money...what's happening is people are just disregarding it, it's not really there//

This NSW board member, who is also a local government councillor, questions the legitimacy of the agency and the achievements of the board itself. Interestingly this board member suggests that the **community makes trade-offs in their assessment of legitimacy** and decreases their concern for legitimacy where the board is seen to be successful in obtaining funding for a community.

//When I mix in local government circles I become acutely aware that it's [the board's] standing isn't all that great and I've tried to pinpoint why that is and one answer I was given the other day by the Mayor of [name of place] is that they're entirely unelected government appointments, so he was sort of raising the question of legitimacy. He sees everything through the prism of having to go through the ballot box to have legitimacy. Others tend to see us as quangos, as you know, does it really matter, are you making a difference and how do you measure your successes, what are your successes [for funding]?//

The NSW board members are restricted in this capacity to sway the community with their successes in terms of funding accessed. It seems that for many NSW board members

there is a sense that the **regional development agency is operating on the periphery** within their regions. Here two board members reflect on this.

//What's the point of us going out into the community and saying we are the [name of the Board], but I'm sorry we've got no funds to really assist you and walk the path with you//

//The board is a voice in the wilderness...[without resources] .. they aren't recognised as legitimate//

However, the **unstable nature of legitimacy** can be demonstrated by the boards in WA. One of the strengths of the WA Regional Development Commissions model for regional development is described as the 'relationships with the State Government' in not having to report to the minister through the bureaucracy (Maude & Beer, 2000 p.21). However for a number of WA board members, the position of the Commissions with the state government becomes a point of contention when the work of the agency is considered under-recognised. Two WA board members describe it in this way.

//I think state government itself doesn't give Regional Development Commissions the sort of credibility they deserve//

//I don't think there's due recognition, the Development Commissions are never the actual builders...they are the ones that are talking, convincing people it's got to be done//

In summary, it is significant that both NSW and WA board members report that the community would have difficulty identifying the roles of the board or distinguishing the activities of the boards from other entities or agencies in the region. Board members express concern that if the agency had a higher profile, the community would have higher expectations for what the agency could deliver. With restricted funding to deliver regional development activities; the difficulty in predicting the outcomes of these programs; political impediments or enhancements; it appears to the preferred position for some board members to maintain a lower profile. To explore perceptions of legitimacy in more depth with the board members, four areas are considered more closely. The first is the community profile of regional development agencies; the second is the issue of regional co-ordination of regional development activities; the third, is political mastery which examines political manoeuvring; and the final one relates to a sense of tokenism amongst NSW board members.

(i) Community profile of the regional development agencies

In NSW there is **open acknowledgement about the low profile of the boards** within the regions, with board members going as far as discussing the invisibility of the boards with a sense of resignation about prospects for it to be different.

//The broader business community and the broader community wouldn't know we exist//

//I don't think the community out there even knows that the board's there, but some of the business people do and they probably think it's ineffectual//

In WA, the board members also spoke with **concern about the low profile** of the agencies.

//They're [the Regional Development Commissions] a well kept secret. I think that the general populace have got no idea at all what they do//

//This is clearly a contentious issue amongst the board members should the Commission be promoting itself or is this a task for the board//

//I don't think they [the community] know enough and they don't care enough about it because here we don't really see it doing anything unfortunately//

Board members make sense of this profile because they are situated in these communities, living and working in the region. This WA board member compares the agency's profile with published reports.

//I don't think there is a huge understanding about what the Commission is, what it does, its role, and yet, you know - have you seen our recent Annual Report there are a lot of surveys that have been done and they all come back quite glowing I think, so there is for me, this disparity between the survey reports and what we are getting and what I, sort of, get when I go out in the community and talk to people//

When WA board members discussed raising the profile of the Commission it was from a viewpoint that this requires the agency to broaden its support base within the community. In NSW, raising profile was seen to be a task of media management. These two perspectives are contrasted here, the first example from one WA board member followed by two quotes from NSW board members.

//We have spent a lot of years as a Commission in that supportive role. But we've found in recent times we need to have a much better public perception

of what we do and as in the way that governments operate these days, it's about public support for what you do. So we've had to rethink the way that we're going to present ourselves to our public and the community. We're doing that with a much better appreciation, I think, from local government on how we do operate and where we can be helpful// (WA)

//In the last 18 months, the board has got a higher profile, there's a lot more activity with the more recent [staff person], a lot of media activity// (NSW)

//We're developing a communications policy at the moment, associated with the branding policy, and we have a new board member who is really good on PR and media... We want to try and get stories in the paper// (NSW)

In summary, both the NSW and WA board members identify that their boards have a low profile within their communities.

(ii) Regional co-ordination and the regional development agencies

The notion of regional governance implies that it is the case that while regions are constructed around three layers of government, the local, state and federal, there are a number of individuals, partnerships, groups, industry associations and communities of interest that come together to make decisions about certain domains of activity. However board members are quick to explain the challenges involved in regional co-ordination. In WA, a number of board members reported some capacity to engage in regional planning, where cooperation is achieved between the local and state governments. It is suggested that WA board members had less to say about regional co-ordination because the higher staffing levels of the Commissions and the CEO being a senior executive of the public service means that at least in a formal sense there is a platform for co-ordination. Where this cooperation was discussed within both states it was to point out that **co-operation was often seen to be hindered by state and federal politics and personality clashes** between key people within the agencies; almost a case of human frailty mitigating co-operation for the bigger picture of the region. This is a complex issue for boards, because at the same time the position of the regional development agency as a player amongst other regional players is seen as litmus test for legitimacy by many board members. Many board members talked about the need to work collectively within their regions, using the following metaphors.

//All row the same boat//

//Read from the same script//

//Speak with one voice//

However there are a number of forces identified by WA and NSW board members as mitigating these mantras.

In NSW one board member made this observation of local politics and the need for leadership in planning and service delivery, offering the prospect that Regional Development Boards could play a role.

//There is a leadership role that is required, I mean the single biggest issue in my view in regions is politics...quite stupid, idiotic politics and parochialism and there needs to be somewhere, an organisation or a group of people that sit above all that and provide a leadership role, and I think that's really the key role in my view that a Regional Development Board needs to play//

However, other NSW board members describe the incapacity of the board to even partake in regional coordination when it is regarded by the community in the following ways.

//A state government puppet//

//Definitely a quango//

//Boards are running on empty//

What is also evident amongst the NSW board members is that regional planning is seen to be conducted by those outside of the region. Board members repeatedly described planning processes initiated by government departments which involved taking away of information from communities to be digested and formatted into state based planning. A NSW board member sums up the imposition of external regional planning.

//When [name of minister] left and there were changes made, it was like 'oh no just forget about that, we're going to do this plan first', which was a direct copy of what we'd done ... almost been like duplication//

However a board member in NSW described another dynamic, suggesting the reasons for resistance to regional co-ordination stem from the desire to maintain what already exists.

//There's about six or eight or ten organisations doing this sustainable economic regional development and the moment you try and suggest that they come together to coordinate and consolidate their helping of people they all circle the wagons, oh, that would mean, you know, we'd have to put staff off

and I'd lose my job as the Executive Officer and nobody does anything. And the poor people that we're trying to help they probably get 30% of all the government funding, but they think it's doing a wonderful job and they've got all these bureaucrats in positions and I just don't think that the people at the sharp end are getting sufficient help//

In summary, most notable about this aspect of legitimacy through the agency playing a role in regional co-ordination is the incapacity of the NSW boards to be regarded as a serious player within the region. In WA board members regard regional co-ordination as largely in hand except for the human frailty or government politics which may interfere with the spirit of co-operation.

(iii) Political mastery needed by board members

Board members are well aware that operating on the periphery does not serve their agency, or their ambitions. As such, board members are well attuned to this space in between where to be seen to be too close to the minister risks being seen within the region as illegitimate; to be disregarded by the minister also implies illegitimacy. This is an interesting dilemma that is managed by board members in a range of ways. Here one WA board member highlights why political mastery is required as being seen as peripheral would not serve board members well.

//If the minister doesn't agree, he just ignores the board's advice, so there's no need to go mucking around to get the correct advice really//

For some board members, a solution is to be seen as an effective contributor to the minister.

//We find ourselves going over the top of all of those [in the bureaucracy] people, in the Commission we call them filter feeders.. and getting more directly to the ministers involved or the minister's senior staff and getting that information where it should be in a form which we know is going to be much more helpful to decision-making//

However, in WA there was also expressed concern about being *seen* by the community to be too close to the minister, knowing that this risks the perception of legitimacy. Here a WA board member connects legitimacy for the Commissions, to the capacity of the boards to be above politics.

//[Legitimacy] is to continue to be seen as neutral, to continue to be seen as apolitical//

This is uncertain territory for board members, because they are not elected members. Rather as selected by government ministers, **board members must continually re-establish their position of legitimacy** in other ways, over and over again. So that in WA where the minister is perceived as ignoring the position of the board, a sense of illegitimacy for the board was seen to emerge. In this instance the minister acted within the regional development agency to remove the CEO without referring to the board. Here two board members describe their response to this occurrence.

//I said to the minister, you've cut my legs out from under me//

//We were just left out of it and the decision was made. The minister made a rash decision in my opinion...There were phone calls and emails etc about what occurred, and I must say, the initial response from the board was, well if the minister's got no confidence in the CEO, he certainly has no confidence in us as a board because we haven't heard from him//

In NSW board members also have a penchant for political mastery and a **desire to show their flair in dealing with perceived political interference**. These two examples given by NSW board members demonstrate their inclination for political manoeuvres.

//The minister uses the board I think for his political mileage because it's an independent unit that he can manage and control//

//That's pretty good when you've got a minister motivating, pushing [the board] along the way. I think by the same token, he's using our board, as probably a bit of a guinea pig. But that's fine by me if I'm a guinea pig. I don't have a problem with that. That gives me something which is quite interesting and I think quite valuable for us as a community//

(iv) The cost of tokenism on legitimacy

Board members in NSW used the word 'tokenistic' to describe their experience of being a regional development board member. It seems that when political interference rather than legitimation occurs, and the agency is poorly resourced, board members consider the board and the agency to be destined for *//political consumption//* only. This is how a number of board members describe tokenism on regional development boards.

//It's quite deliberately set up to give the appearance that it is a board decision, when in fact the government never had any intention to allow the board access to the information as to where the money was going to, how much and for what reason or to actually have the role of allocating that money//

//I feel that it is token//

//I wouldn't encourage anyone to go on it. I think it's tokenism in the extreme//

//I realise that it's actually a tragedy, because it should be doing something and there is money expended, but more importantly a lot of effort and people's time//

//I was there to do a job, volunteering my time not to pretend, and just have a title after my name as board member//

It would be expected that such strong sentiments of tokenism result in board members seeking to remove themselves from these boards. In two of the five people quoted here, they are no longer on these boards. However the others remain, suggesting that there are other dimensions of the boardroom experience that hold board members' involvement.

In summary, it emerges here that because of the political appointment process to these boards in NSW and WA, the legitimacy bestowed on these boards within their communities is compromised. When the boards are not *seen* to be resourced to be active in regional development, board members interpret this as the illegitimacy of their board. However the corollary of this is that if board members see that they are able to bring favour to their region or themselves by virtue of their political persuasions and board membership they are more likely to have positive regard for their investment of time on the board. Where board members are unable to gain traction for their involvement, then they are more likely to report the board experience as tokenistic.

6.2.3 Inclusion on these regional development boards

The literature surrounding participation and inclusion in regional development decision making roles suggests regional governance offers new opportunities for the involvement of people traditionally excluded from these roles (Goodwin 1998, Eversole and Martin 2005, Everingham, Cheshire et al 2006). It could be expected that there would be more

women, people from a non-English speaking background, Aboriginal and Torres Strait Islander people and younger people involved in the governance of these regional development agencies. In this section the way in which board members interpret inclusion through their appointment process and practice of governance is revealed.

(i) The appointment process

‘How did you come to be on the board?’ was the question that gave rise to conversation about appointment processes; this resulted in some distinctive patterns. **Men readily identify their political connections** as the reason for their appointment to the board. In NSW and WA nearly two-thirds of the men identified that they were appointed to the board because of a connection either with the local Member of Parliament, minister for the region or the minister responsible for regional development. These board members reflect on the political nature of their appointment,

//I rang a Labour Party apparatchik and said I'd like to be on it//

//To be honest I was a ministerial appointment.... so I won't deny that's how I got involve, [the minister] rang up and said 'put in a nomination, I would like you to be on this board' I was sort of seen as the minister's boy and that was indeed the case//

Board members were more likely to qualify their descriptions of the appointment process when their appointment was not perceived as emanating from a political connection. This research suggests that when a male board member sees themselves to be well connected politically, with their appointment resulting from this connection, further elaboration of the appointment process is not required.

In contrast only one woman in NSW and one in WA reported their appointment being a result of their political connectedness. This WA board member described with surprise that her personal connection with minister resulted in the minister seeing her as a suitable board candidate. This woman described turning down the offer the first time and accepting the position only the second time when it fitted her personal situation.

//The first time I was offered it was very flattering to be approached//

A number of board members reflect on the **political nature of the boardroom mix** of people, readily identifying a level of politicisation of the appointment process. In NSW, some board members were perplexed that despite such limited resources and influence,

board membership should attract this level of political interest. One NSW board member reflects on this conundrum.

//Some of the political members I would have thought they'd have enough forum for their political viewpoints rather than to be on this board//

Rather there appears to be **active engagement in the procurement of these board roles in both NSW and WA.**

//I applied to go on the board back in 2003, when I became a redundant politician, and I wasn't successful. And then last year, about March last year... I was approached by [the Department] to find out if I was still interested in being involved// (NSW)

//I suppose because [name of staff person] is a personal friend and the ad was in the paper and I think we were probably having dinner I said, 'what about the applications// (WA)

More women than men reported learning about the vacancies through the newspaper and **responded to advertisements** calling for nominations. In NSW 50% of the women identify that their appointment followed an application in response to an advertisement in a local newspaper. In NSW and WA almost 25% of the men also identified that advertisements provided notice of the availability of board roles. However women often reported responding to the advertisement because the advertisement specifically called for women applicants.

//They put an ad in the paper and they said they wanted women from the western area and I actually thought, well, I could do that. So I put in my application and got accepted// (NSW)

//When the vacancies on the board were advertised, a number of women in business said to me, you should get on the board, and, it's good to have more women// (WA)

Board members responding to an advertisement for the board supplemented their explanations of the appointment process by discussing their **networks**. These two men, both from WA explain their appointment process. The first board member here talks about applying twice in response to advertisements, although the second time acknowledging that he had worked hard to deliberately raise his profile in the community and attributed this to his success the second time.

//I saw an advertisement for the [Development Commission] board, so I applied and was unsuccessful. The same advertisement appeared the next year and I was contacted and asked to apply. So I applied and I got it//
//In my networks I was talking with various people and they knew it was coming up//

More women than men use their **experience in local government** to enter the domain of regional development. In WA, a third of the appointments made to the Commissions are formally reserved for local government representatives. In WA a significant 60% of the women interviewed in this research have joined the board because they are the local government nominees on the Regional Development Commissions. In NSW local government representation on the boards was lower. Only five of the twenty seven NSW board members interviewed reported also having local government roles compared to eleven of the twenty-six board members in WA.

//There's three local government positions on the Commission, so when the vacancies come up they send it out to all the local governments within the area and call for expressions of interest//

The explanation that appointment is linked to being a **representative of an industry group** featured in the responses from men in both WA and NSW. Some of the comments reflect a projection of a working identity which is curiously absent from the interviews of women board members. These two WA board members describe the connection between their appointment and their industry representation in this way.

//When I was approached, it was to fill a vacancy left by a board member who had been representing the mining interests, and the perception I think at the time was that the board would benefit from somebody representing mining//

//There was a vacancy there... I don't know whether it was actually a dodgy deal, so I hope we're being constitutional, but because of my membership in [name of industry group], the minister said to [name of industry group] there is an opportunity here for somebody to be on this board – and so I got nominated and the minister effectively fixed it, if you like//

In summary, it emerges here that the appointment process rests on political connection. Men are significantly more likely to refer to this political connectedness by way of

explaining their appointment. Men also show a higher regard for industry representation as a further explanation of their appointment. Women refer to their appointment on the basis that they responded to an advertisement in the newspaper and were successful in the process.

(ii) **Perceptions of diversity in the boardroom**

Board members were asked their perceptions about whether the board has the right blend of people for decision making. This question was deliberately left open, not to imply that it was a certain person identified as excluded or included; rather seeking board members' interpretations of the issue of participation and inclusion. Some board members responded abruptly and responded in this way.

//I think it's a very good blend//

//I've been quite happy with it//

For the majority of board members this question of 'the right blend' raised some critical issues for the boards in terms of identifying representation of whom and by whom. In both NSW and WA it was identified that **young people are missing** in their representation on the boards.

//we are missing a youth dimension. I think compared to most boards our average age is quite young, but I think we are missing that youth – like 20-30 dimension//

Representation of towns or areas within the region is clearly a concern for some boards. It seems that this issue of being of a 'place' is a way to categorise, or draw distinctions about board members' ability to provide governance of the broader region.

//certainly on the board we've got representatives from both sides, town and country// (WA)

//I mean the role isn't to represent your location, but when you come from a certain area and you can see that nothing is happening here, it's all happening to the north, you have to speak up// (NSW)

This question aroused a number of board members to query the **level of expertise** of other board members,

//The other members are all people who've come from a similar background to me and had many years on boards or committees and they know the parameters// (NSW)

//But a lot of committees or councils are accommodating people who have got, probably, nothing better to do in real life, in the real world, they wouldn't last 5 minutes on a board// (WA)

//That's hard, I mean you'd always want more high powered people, but when you've got populations the size you've got// (WA)

The **absence of Aboriginal or Torres Strait Islander people or people with a non English speaking background** from the boards was conspicuous and again questions about how the boards provide representation of those not within the boardroom is ambiguous. There were no Aboriginal or Torres Strait island board members interviewed, and only one person from a non English speaking background.

//I suppose the popular one we all talk about is Aborigines. They're not represented as such. They're not represented in person but their interests are certainly considered// (NSW)

//I don't think we've got enough Aborigines. The Indigenous population is higher here than in Perth or Sydney. I don't see the number of Aboriginal appointees or nominations or whatever. If I look at the ethnic mixes, basically white Anglo Saxon// (NSW)

//There is no Indigenous person on the board. Everybody on the board drives a reasonable car and so it is not representative in that sense. It's sympathetic but it's not representative.// (WA)

//The Indigenous person from [name of the region] was very good, because he was very articulate. He used to be a footballer, that sort of thing. And now he's kind of started up his own tourist business// (WA)

To answer the question about the 'right blend of people' with a discussion of **industry diversity** and representation of the various industries within the region appeared to be a comfortable way for board members to talk about board membership.

//We have got people who work for government, we've got people who work for essentially NGOs you might say, in the local area. We have very few people who actually run a business// (NSW)

//We've got a car dealer, a shire councillor like me who left school when I was 14 and learned a lot from life, and there's a couple of academic people.

It's a pretty good mix actually// (WA)

//Well there are all people in different walks of life on there... you've got that mix, they're in industry or horticulture, or just local business. It's probably complementary, the mix that we've got// (NSW)

//We have people with teaching backgrounds, we have people with healthcare backgrounds, farming backgrounds, and some of the farmers have got quite diverse backgrounds, and diverse views on a variety of things. I'm a PAYE employee for instance// (WA)

Another way of seeing 'the right blend' of people was to consider the **personalities of the board members**. This board member from NSW describes it in this way.

//I think that's one of the real strengths of the board and it has to do with the personalities of the group of people that have come together. One of the previous board members was involved with the unions and had a union background and at times was a little bit aggressive assertive, if you know what I mean//

A number of board members raised the issue of the **inclusion of women on the boards**. There were not comments that there should be more women on the boards rather that the boards have women on them (30% women), so we can tick that off as a requirement! The following board member portrays this sentiment.

//I don't differentiate between women and men on boards. I mean you are either capable or you are not. I think people on their own merits now are being appointed and fortunately those sorts of things have gone by the by//

What board members did lead into was a discussion about the **different-ness of women's perspectives** on these boards. Other aspects of diversity in membership did not attract similar reflections. Listed here are four reflections by men and women about having women on these boards reflecting gendered perspectives of women and men's contributions to these boards.

//Men tend to be nuts and bolts, engineers, road builders and that sort of stuff and love to swing off graders, whereas woman – that's maybe exaggerating, but women have a feel for the social, the cultural, the family, those sorts of

things and the reality is you've got to have that mix because it's not just about economics, it's about people and these are a particularly gifted group of woman and I have a great deal of respect for them// (WA)

//I don't want to get into a gender debate here – but I do think that women think about things more deeply than men. However I think men or especially the ones that I have been involved with here, probably think more broadly// (WA)

//I think it's great having men and women together, because we tend to see a different perspective on some things// (NSW)

//When I first came on the board and was the only woman; it was like talking in a foreign language. But I guess you just keep talking and people become more comfortable with it// (NSW)

//I mean they're more into health services whereas I as a bloke am probably more about thinking in terms of economic development, what new industry// (NSW)

Where these board members point to the different-ness of women, in the analysis of the meanings of regional development, women and men did not reflect the kinds of distinctions that these descriptions here would suggest exist. For example, the following quote suggests that women are more likely to see synergy with issues of sustainability in the meaning of regional development, this was not apparent in the analysis of meaning of regional development.

//I think women have a more balanced, naturally a more balanced, naturally more sustainability, because I think they have had to do this in life in balancing career and family and, you know, whereas to blokes of my generation it's the work, being the provider and not having things in balance// (WA)

In summary, while this analysis reflects the consciousness of those on the board of their self-identity (its ranging and unstable nature of work, industry, age, gender, cultural, socio-economic status) and their ability to connect with the identities of fellow board members, it appears that many board members calculate these identities to determine the influence and power of individual board members and in turn the benefits that may result for the regional development entity. These are the dynamics that are apparent in the power of the individual board members.

6.2.4 Concluding comments on external governance

This data analysis shows the way in which board members interpret the power, legitimacy and inclusion of these boards. It is apparent that board members see themselves involved in an unstable game of power and legitimacy construction. The minister is central and the board members and the boards are like satellites seeking to move closer and yet maintain distance at the same time for fear of being burnt. The appointment process is seen by board members to be politically orientated with political allegiances and connections undisguised. Overwhelmingly in this research is the absence of consideration of the regional development agency as part of a movement to regional governance. Rather, this external governance framework epitomises a game of power construction that may trickle to the regions through board members who have established strategic connections, but more likely than not, the power to decide is centralised, and the boards are metaphorically speaking, decorative.

6.3 Internal governance - Governing the agency

As the final component of the data analysis to be stitched into this metaphorical quilt, this is the site of board member social interaction that transforms knowledge, abilities, social connections and routines into *doing* board or internal governance. In this section the board members perceptions of the internal governance of the regional development agencies is discussed.

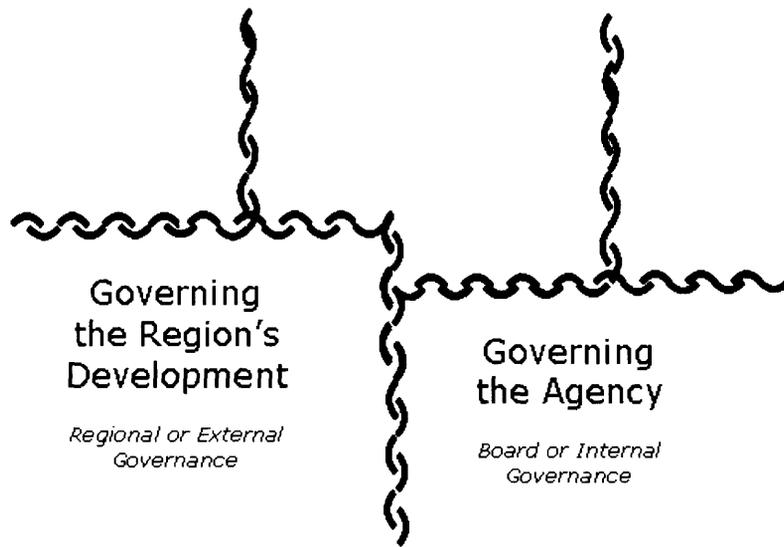


Diagram 6.4: Governing the agency

In this research the boardroom is conceived to be a transformation process, embedded in the organisation's context, its legislative framework and organisational purpose. The starting point for this analysis is the human capital of the board, the ways in which the board members describe their motivations for accepting appointment and their contributions to the work of the board. The second component of internal governance is the social capital described by board members and finally the structural capital about how the board goes about its work. Combined, these three sections build a picture of the internal functioning of these boards.

6.3.1 The board's human capital

This section of the data analysis builds a picture of the people who accept appointment onto these boards. Here the board members describe their motivations for being involved with these agencies followed by their descriptions of what they gain from their involvement.

(i) Board members describe their motivations for being on the board

The stories told by board members about why they sought the position as a board member vary. The majority of board members describe their primary motivation as **an**

opportunity to give back to their communities, an act of goodwill and community mindedness. This WA board member describes this sense of altruism.

//You don't do it for the money. You do it because you believe the [regional development agency] is so effective in our community and it is an opportunity to put something back//

For some board members seeking involvement is **an expression of their skills and interests**. One board member articulates this expression of self identity being entangled in their board role in this way.

//I think economic development is something I've done myself in my own businesses and in my work. I wanted to be part of the economic development of this region, encouraging business, encouraging business diversity, encouraging development in any which way...the mine, the tourism//

Many of the board members identify a number of **other leadership roles** that they fulfil in their regions and involvement in this agency is considered to be part of a number of interconnecting arenas. Having a community or business interest in the region appears to be an important precursor to seeking further involvement. One NSW board member describes this interconnectedness that is seemingly sought after by many board members.

//I'd already been really involved in community sorts of issues and community projects and then I was elected to Council and got involved in the ROC and it was really from there that someone suggested that I should nominate when they were calling for nominations for the board//

A number of board members seek board involvement as **a way of furthering their particular interests**. Instrumentality was a strong theme on the boards that operated in higher growth regions; the board can be a way of building a personal profile within the region. The following board members depict other agendas that they are seeking to meet as part of being on these regional development boards.

//I want to get onto more business boards...I thought that this would be a good way of showing my good faith// (NSW)

//To be truthful it was useful as a listening post for my employer// (WA)

A number of WA board members indicated their attraction to the Regional Development Commissions because **the role is clearly advisory**. This clarity about the role of the

board was not apparent in NSW. Two WA board members described the demands of the governance role in this way.

//The board met once every second month, with minimal duties in between, preparing and knowing what was going on, which I was doing through my work anyway//

//There is a lot less pressure on the individual I feel. In local government, obviously you're dealing with residents and specific groups who have their own points of view. I find the Commission, its goals, its values very good to work with. I suppose you have that freedom, if I can use the word freedom, from outside pressures of pressure groups in determining policy, projects and all that type of stuff. So it's a bit of a relief, I must say//

This theme of using board membership as a **way of learning about regional development**, other agencies, regional needs and government processes is expressed consistently throughout the interviews in both states. Here a WA board member describes their learning process.

//I have far more to learn from this board than they have to learn from me, because you do learn from listening to other people and your views do change//

In summary, the motivations expressed by board members are wide ranging and more often expressed in tandem. Board members frequently describe their board role as an opportunity to give back to the region, with many board members in their retirement phase. However, for other board members it is an opportunity to learn about regional development, increase their personal profile and bring about some influence in an area of particular interest.

(ii) Board members describe the benefits from being on the board

Despite the concerns expressed about the power and legitimacy of the board, board members sought to describe the benefits of being on the board for them personally. For the NSW board members the benefits of their involvement were linked to a **sense of satisfaction** when projects come to fruition. One board member describes this.

//I get a lot of satisfaction when I see things come off, that do benefit not only individuals in the community, but also benefit the broader community, and strengthen those communities. That's where I get my real kicks out of it//

Meeting with other people who are engaged with regional development issues offers a welcomed opportunity to share perspectives and **reduce a sense of isolation** which may come with living regionally. Here two NSW board members and two WA board members describe how their board role reduces their sense of isolation.

//I enjoy the board because I like to have that kind of discourse about the kinds of issues that we're talking about//

//I might have got something more personally out of it but I don't think that that's really there other than the satisfaction of the company//

//You know, meeting with these people and you go 'Yes!' There are other people out here, I am not the only mad woman in the region//

//It can become very lonely [living in the region],the range of intellects...available [on the board] are far more accommodating of different views and respectful//

The majority of board members in WA and NSW have identified that they like **learning about the region** and obtaining **information** about what is happening in government and in the region. The exchange of information and the social interaction seem to be the aspects of the board experience that are most notable. Here a number of board members reflect on the learning opportunity that the board provides.

//We've been to a whole range of other areas, we've seen a whole lot of different communities and how they work//

//There are areas where I get information from the board which I probably normally wouldn't get//

//As a relative newcomer this board has really given me is a much greater understanding of the integration of those different sectors//

//Its been a real winner for me, I am a broker of information//

//What I've achieved for myself, I've got out of it from the board I've got a very good understanding of the region. You get to see things that you would never have seen otherwise – get a good overview of the region//

//A better understanding of the things that interact to shape the future of the region, but also as you do in any group just gaining in an understanding of other people's perspectives and positions and understanding of their abilities

and skills and expertise in different areas as well, so that, you know, when you've got this great mix of people//

The board experience delivers an **opportunity to increase one's personal profile** within the region. This is evident amongst both WA and NSW board members.

//Well for me it was a vehicle to get more heavily involved in the community...In fact, I think anybody that's on the Commission is a much better, much broader person as a result of their involvement with the Commission//

//I didn't really come with a huge network base. But I think I have built them up//

Board members also see the boardroom as an opportunity to **exert their perceived influence**.

//Don't let the bureaucrats overrun you! I said to one fellow [in NSW Department of State and Regional Development], put your recommendations in writing to me, but just make sure you double dot the I's and double cross the t's, because if I don't like anything I will be going to the minister.... I said as far I'm concerned you work for me//

//I have most of the contact numbers of all the government ministers and know them all personally//

In summary, board members gain a sense of satisfaction from their board role, many learn more about their region, enjoy the social interaction and increase their personal profile within the region while on the board.

(iii) Board members share their reservations about being on the board

There are aspects of the board experience that are more hidden from view. These were a small number of board members who talked about their **unworthiness of the board role**. In these reflections here two board members (the first from NSW and the second from WA) reveal that they see the board roles reserved for 'certain types of people', issues of social class are apparent here.

//Well I guess I feel different in the fact that they've all come from I think, they're more business oriented people, they've got better education, they came from the part of society that makes more decisions than anybody//

//I don't have a degree and sometimes I feel as though people don't put weight on what I'm saying.....You sit around a table of ten board members and some of them very well educated and you think I'm out of my league here, should I be sitting around this table?//

These two board members suggest that there is a layer beneath what is visible. The NSW board member has a relationship with the local Member of Parliament, but questions her worthiness because she is not formally well-educated. The WA board member here has come into the Commission as a local government appointment and the legitimacy of having been elected. There is a sense from these examples that these board members see themselves as having 'crept under the radar' so as to speak and that these roles are reserved for a different class of people, those who are well educated.

A common issue to emerge in NSW is confirmation that there is a high level of knowledge and skill contained within the boardroom but an **under-utilisation and stifling of this ability** because of the poor external governance of the agency.

//I don't feel our networks, our knowledge of the area is being tapped. We're really just expected to be work horses, work horses with a high level of skill//

In NSW the board members are more likely to attempt to make sense of the perceived under-achievement of the boards by attributing it to something that is missing in the human capital of the board. These board members describe the intersection between human capital and outcomes in this way,

//It would be hard to keep business people on the board because it's very much about being seen to be doing something//

//If I was the minister responsible for putting these Boards together I'd pick talent rather than make political appointments to the Board//

In summary, there is another story that sits beneath the politically well connected and well versed board member. It is a board member who feels like an outsider, the inference being that decision making is reserved for those well educated 'others'. Board members in NSW identify that it is the political appointment process, choosing political connection before talent that holds the boards back. However, as the puzzle pieces come together here it is apparent that these boards in NSW are set up to undertake piecemeal regional development activities only.

6.3.2. The board's social capital

In the corporate governance literature, social capital is defined as 'the implicit and tangible set of resources available to assist a corporate player in goal attainment by virtue of all relevant social relationships available to members of the organisation' (Nicholson & Kiel, 2004a p.10). Identifying the social capital of the boards in this research is limited to the way in which board members report on three aspects of social connectedness. The first layer of consideration is intra-board relationships, the ways in which board members themselves report their interactions with other board members; the second layer describes the board-management relationships; it is believed that the combination of these two aspects of social capital on boards impact on the relationship between the human capital and the functioning of board roles. The third layer explores the social connections that board members create to link the regional development agencies to other organisations to access resources and enhance board outcomes.

(i) Intra-board relationships

Trust was seen by many board members as **akin to the building of personal relationships**. Most frequently mentioned was the importance of social functions with fellow board members where discussions can be broader than simply board work. One board member describes these relationships.

//One of the things I have always seen as important in anything you're involved in is to get away from a formal situation and have an informal dinner...you were actually getting to know them as individuals, in my view that's important, that's where trust is built//

However, board members see that political allegiances can modify **trust** within the board. These two board members are describing the political affiliations affecting the board work.

*//I certainly don't disclose everything that I know//
//To me trust is you believe that people are there to benefit the region. You can believe what they say because if they are not sure about something and they say something, they will qualify it, there has been very little caucusing//*

When board members were asked about the presence of conflict on the boards, surprisingly conflict was not identified. Rather what emerged was an expressed **high regard for 'likeminded-ness'** by both NSW and WA board members. Here a number of board members nominate likeminded-ness as a desired state on these boards.

//I think it's great to meet with likeminded people every couple of months//

//I love working with likeminded people...the board members themselves form a really good friendship because most have a very good likeminded-ness//

//A lot of these people, they give up their time, they come in here, they don't want to come in here to raise their blood pressure and whatever, they want to come here and enjoy themselves and hope they're doing some good for the community//

//A confluence of likeminded individuals with energy levels and skills//

In contrast to those board members who describe their unworthiness or difference to other board members, there is a stronger desire for likeminded-ness. There is an expressed appreciation, an assertion even, for the sense of comfort that comes with the social interaction with **people of a similar background in terms of education, class, and race**. This WA board member reflects on the similarities among board members.

//We all drive the same sort of cars//

It is apparent in the interviews that the **social interaction** intrinsic to the boardroom meeting is valued by board members and a major factor in maintaining membership.

//I think it's fair to say they're a good bunch of friends in essence// (WA)

//The people on the board were all friendly, all decent, all kind// (NSW)

This gives an impression of a board that is welcoming and in fact for some board members who feel isolated in where they live and work in their regional locations, the board meetings provide **a sense of achievement**. One board member describes a sense of frustration with the local community's resistance to change, and that through the board role, changes can be implemented.

//There are times in my own community where I have had to walk away. I have had to decide not to commit the energy because it is just too fraught with pain and that is the irony of it. You can work at this [board] level and make such a difference. You can walk in the corridors of government and

have a conversation that makes a difference whereas in your own community with your own people who you spend time with and most want to make a difference for, it is just so incredibly frustrating//

Board members refer to the **chair's role as central to the functioning** of the board. The chairpersons in WA differentiated their role as a facilitator.

//I'm a facilitator, not a chair. I think that's how I would much rather describe my role and making sure there is time to talk and making sure we are not slaves to an agenda, but being able to monitor the agenda as we go through//

Board members who were younger (40-45 year old age group) were more inclined to reflect on the **gendered nature of boardroom interactions**. One of these younger men observed boardroom interactions in this way.

//I'm aware of communication and listening to people, and I wouldn't say I was perfect, but some women tend not to speak over men but the men do speak over the women. I wonder if you were not an outspoken strong woman whether you would be on the board//

One of the younger women on a NSW board also commented on the gendered nature of interactions.

//So anything to do with catering or anything it's like, oh well, you girls ...But at the same time we live in regional Australia, it still exists, and if you had a major issue with it you shouldn't try and be involved in boards where you've got older men on it. I'm more than happy to kind of initiate a function to increase the profile of the board and to organise the catering. I don't have a problem with men looking at us women on the board and thinking, you're just a bunch of girls//

In summary, the intra-board social capital reinforces the importance of meeting to form strong personal bonds, relying on a sense of likeminded-ness and trust. While this may be the dominant story told by board members, this research suggests that there is also another story which points to other patterns of behaviour. This suggests that there are boardroom dynamics which impact on the saliency of the gender and class of board members which warrant further analysis.

(ii) Board – management relationship

The Board-Management relationship also offers fertile ground for deeper analysis as there are apparent differences between the states and the agencies in how these relationships work. The contribution here is to position the relationships that exist between board and management as a product of the structure imposed on them by a system of government. When the role of the board and its relationship to government is pallid or dysfunctional, as has been described in the NSW system, then the board management relationship is more likely to be dysfunctional. However where the Chief Executive Officer (CEO) is appointed by the minister, has the right to exercise a vote on the board and is regarded as a senior executive of the public sector managing a staff of between ten and twelve people as in WA, the relationship connotes different dynamics.

In WA a board member reflected that the board relies on the CEO.

//the problem with the secretariat model is it's only as good as the people you've hired and if you hire very good people that's a wonderful way. If you hire less than very good people, you end up with mediocre proposals that the board doesn't really have time to consider//

WA board members are extremely complimentary about the CEOs that they work with. These are a range of comments by board members.

//[name of CEO] will often be asked for advice and background and she is firm, clear, unbiased and never, never there's never any backbiting..[Name of CEO] enjoys a very high level of confidence from all of the board//
//An excellent CEO and I don't think enough is said about her ability – and I am not here to praise [name of CEO]. I know she is a political appointee and it is just so good that we got a good one. And I would recommend her for any board as a CEO of any organisation//

Four months prior to interviews for this research, as identified earlier in this research, the minister responsible for one of the Commissions removed a CEO from office reportedly without consulting the board. This became an important part of many interviews and resulted in questioning about the power of the board. Here two board members describe this event.

//She was a huge loss, she was particularly good, she had the balls to stand up to a couple of very conservative shire presidents and tell them what she thought. And for her time she got sacked//

//She had a passion for the region and I thought she was excellent in the role that she played in CEO. I think it was very unfortunate what happened. She had a way of doing things by the book, which is a military upbringing I suppose, and I don't think that went down too well with a couple of shire presidents//

In NSW, the relationship between the board and management is under a different set of stressors. The paucity of resources to do the work, other than pay the salary of the Executive Officer results in a degree of frustration which is often directed at the paid staff person. Two NSW board members describe this difficulty.

//I take my hat off to anybody that wants to be Executive Officer for a board. It's a very hard job//

//An enormous amount of effort is put in keeping the books... while they're doing that, they can't think outside the square, can't see what's happening//

In summary, the Board Management relationship is important to the functioning of the agency. In WA, this is described as a lottery where the minister chooses the CEO and retains the authority to remove the CEO from office. In NSW, the relationship between the Board and the staff member is often strained by the lack of resources.

(iii) Extra-organisational relationships

A number of board members in both states described the importance of linkages that emanate from their personal backgrounds; however it is not clear how this potential is put to use to achieve outcomes for the agencies. The NSW board members comment on their local government connections, however they also refer to the poor opinion held by their local government colleagues of the regional development agencies. In effect, having linkages and networks is only one part of the equation in achieving benefits for the region. This board member does not specify how these linkages will be utilised.

//I'm the only local government representative on the Board, so there's a whole raft of linkages to the other tiers of government that I bring to the Board//

An outstanding feature of the described extra-organisational relationships is a high level of instrumentalism and political manoeuvring in relationships to benefit the region in terms of funding for projects. From the literature detailed in Chapter Two, one may have expected that there would be discussion about the development of partnerships between public and private organisations to build the future for regions; however this was far from the case. Rather the picture painted repeatedly by board members is **working the political divides to maximise financial resources for the region**. A significant number of board members described the personality conflicts between those in positions in other agencies often described as competing organisations; particularly the federally funded Area Consultative Committees. Accessing funding appears to be the most common aim for building any external relationships.

In NSW, board members were more likely to discuss the party politics of their extra-organisational relationships.

//That Area Consultative Committee have that federal connection and so they would have a closer relationship with our local federal member and then we'd like to think that having the state member would support us, and depending on who the chair of the boards are at the time//

//We've been to see the Department and say can you put a bit of leverage on your federal counterpart to see whether you can get this to move or not//

The procurement of **extra funding for the regions is used as a barometer of success** for extra-organisational relationships and the legitimacy of the board.

//We started to pick off activities of mutual interest [we] lobbied both state and federal governments. And that was fantastic because we were very fortunate because the state electoral cycle almost coincided with the federal and one's on a four year cycle and one's on a three year, so it doesn't happen very often, but we used that with the Labor government seeking re-election and the Liberal government seeking re-election and we got both parties to commit funds//

When there is tension in this party politics, or the personalities seem stuck in conflict, some problematic relationships between state government funded development agencies

and the federal agencies appear. A board member of a Commission and an Area Consultative Committee described this dynamic.

//I'm also new on the Area Consultative Committee, but there's clearly a disconnect at the highest level, I'd say, oh it's because one's got Federal money and one's got state money and they happen to be opposite political parties and therefore they're not going to help each other..... It might be personality I think//

In summary, the procurement of funding means negotiating the politics to win favour for the region; it is also the litmus test of the extra-organisational relationships and the power and legitimacy of the regional development agencies.

6.3.3 The boards' structural capital

Theoretically structural capital is described as the enabler of human and social capital. Structural capital is about agenda setting, board member induction, strategic planning and decision making processes. Nicholson & Kiel (2004) describe structural capital of the board as the part in the transformation process that brings out the capacity of the board to act. However, it is evident that when the role of the board is unclear to board members, then processes and procedures such as agenda setting, induction processes and strategic planning become unanchored activities. It emerges in this research that these activities receive only cursory attention, it is as if these aspects of governance are incidental, activities that fill the space, when the main purpose of the boardroom is something else altogether.

In both NSW and WA the boards meet every two months, with some boards rotating their meetings throughout the region. The **agenda for the board meetings** is typically prepared by the Chairperson and the most senior staff member. In WA, the **agenda setting process** is seen to be closely controlled by the Chairperson and the CEO. This response from a WA board member describes this nexus.

//By the time we see it on the agenda we know it is worth discussing...in political terms...it's a good project... there is a lot of trust in the officers who have helped bring it to that point, a lot of trust in the chair and the CEO who... have a very professional relationship...You don't have to try and find out whether there is another agenda running...it's clear-cut, homework is

done, trivial stuff is sifted out, issues are highlighted and also the Chair can speak frankly//

When the **role of the board is not clear** to board members the boardroom processes are more likely to be distorted. Throughout the interviews in NSW, it is apparent that board members are at a loss to describe the role of the board. In WA, it seems that board members are more comforted in their uncertainty about the role because of the larger machinery of the Commission with staffing and resources meaning that there is a sense that regional development activities are occurring and that a contribution to the region is being made. One NSW board member made this summary of his board experience.

//I'd taken a decision not to renew...then at the end of the meeting the chairperson thanked me for my contribution and all the rest of it and I thought really this is just a merry-go-round. I mean, I didn't make a great contribution because no one could. You know, I tried but the whole machinery of that regional board process is not designed to produce any outcomes; it's just designed to have meetings//

There are major contrasts in the **induction process** between WA and NSW. In WA, induction is well regarded with board members being provided with a package of information and contact with the Chairperson and CEO. This is localised information on regional trends and as well as information about the organisational structure; a copy of the Regional Development Commissions Act 1993 and explanations of the duties of being a board member. In WA this board member sums up the induction process.

//I had an individual meeting with the CEO and I found that very useful because again even though you've been around something doesn't mean that you know how it operates//

In NSW, only two board members attended an induction event in Sydney; others were given economic information prepared by the NSW Department of State and Regional Development. Board members were in agreement that the induction process in NSW lacked detail and clarity. These two NSW board members describe the induction process.

*//I thought we could have been given some clear definition of what was expected of us as a Board by our political masters, the state government//
//I wanted as much information as I could get and it was all just too confusing because it was really an abbreviated version of what the role of the*

board was, I kept wanting to go back to the Constitution but there wasn't one//

Many board members saw that the **strategic planning** process was a paperwork requirement, rather than a process which built the direction for the agency. In NSW, the Department of State and Regional Development funded strategic planning consultants to attend each board to craft the plan.

//I don't see the board having a major strategic role in forming the direction of the agency...that is a weakness...but it is nothing I am going to get excited about// (WA)

//We had a strategic plan, but didn't really stick to it and it didn't have any genuine outcomes, so it could only be described as a joke// (NSW)

//The only projects that were sort of thrown up would have been the ones that were already had a good chance of success// (WA)

In summary, these aspects of structural capital do not attract the attention of board members. These were not issues of interest and were difficult topics to engage board members in discussing. The meetings appear routinised, with the setting of agenda items and processes for discussion well practiced. However, in the minds of board members these issues are secondary to the issues of power, politics and legitimacy of external governance, detailed in the first part of this chapter.

6.4 Conclusion

In this chapter the second component of data analysis has considered the external and internal governance of the regional development agencies. Maude and Beer (2000) identified the relationship between these two components as the external setting the context for the internal governance. What emerges in this research is confirmation of this relationship. The external governance of both of these state funded agencies is fraught with distortions. These distortions are enabled by the invisible ministerial appointment processes and the lack of formal lines of authority between the boards and their ministers. Without transparency and decision making power located within the board, the human and social capacities of the board are sacrificed. These boards have the appearance of working for the region's development when in effect the boards are highly constrained by

political forces and favours. In NSW the boards lack the power, legitimacy and resources to impact on the region's future. In WA, despite significantly more resources to allocate, board members refer to their role as emblematic or metaphorically speaking, ornamental. Despite these concerns, the majority of board members welcome their involvement and value the social interaction and other personal gains. These boards are an opportunity to sit with likeminded regional players.

In the next chapter, the data analysis from Chapters Five and Six is brought together with the literature detailed in Chapter Two to answer the research question. Chapter Seven portrays the complex and contradictory experience of being a regional development board member. In this chapter, the metaphorical quilt is used to represent the three creative tensions acting on regional development governance. These tensions are shown to be 'Knowing and Learning', 'Power to Act, Politicisation and Patronage, and 'Different-ness and Likeminded-ness'.

CHAPTER SEVEN: DISCUSSION

'Stitching up' Regional Development Governance

'Contradictoriness is one of the essential characteristic properties of man, groups, organizations, and institutions. An organization can be both big and small, weak and strong, beautiful and ugly, and so on all at the same time' (Mitroff, 1983 p.393).

7.1 Introduction

In this chapter the disparate parts of the research are stitched into the metaphorical quilt to answer the research question, 'How do board members of regional development agencies interpret and perform their governance role and what does this then reveal about the nature of regional development governance?' This 'stitching up' of the descriptions given by board members to a range of questions about their regional governance role; observation of the patterns and variations; interweaving the literatures identified as central to this research with the context of regional development and regional location produces a rich display. The unique aspect of this research is that it is built from the way in which board members themselves make sense of regional development governance. It is 'multifaceted, situated and based on lived experience' (Koro-Ljungberg, 2001 p. 372). The quilting metaphor is useful here 'because a quilt can only be fully appreciated as a whole, yet in constructing the quilt, attention must also be paid to each square, each stitch, each step in the process' (Flannery, 2001 p. 639). Integral to this quilt are the tensile forces, invisible and yet palpable, holding together finished work. This chapter explores and uses these tensile forces, described here as creative tensions, to draw together the findings for regional development governance.

From the interviews with board members and using a reflexive approach in the analysis of these narratives, it emerges in this research that regional development governance is laden with complex connections and contradictions (Edwards & Wajcman, 2005). In this chapter the findings are constructed as paradox, 'the tension of holding incompatible things together' (Townsend, 2003 p.635), 'contradictory yet interwoven elements' (Lewis, 2000 p. 761). For example while those in these governance roles are generally not content with either the 'hands off' approach of current government policy or the government setting priorities for development of their regions, they are loathe to evoke public

criticism of the system and be seen to 'bite the hand' that could feed their community with funding, or risk other benefits of membership. The stories told by board members for the purpose of this research demonstrate both connect and disconnect between what is being espoused in government policy and what board members see as operating in reality. It is evident that what is being heralded as New Regionalism and regional development policy is in fact problematic for those expected to enact it. It is further evident that the notion of the region as a solid identity with which people of the region identify and unite is far from being the case and some board members find themselves trying to create a common language in their activities, while others have disengaged from this as a requirement. It is apparent in the interviews with board members that the notion of the region is far from being considered the 'crucible' of economic development, but rather within regions there are vast variations in income, resource bases and opportunity (Herbert-Cheshire & Higgins, 2004; Lovering, 1999; Pritchard, 2005; Rainnie & Grobbelaar, 2005).

The stories told by board members reflect paradoxical tensions; these are 'cognitively and socially constructed polarities that mask the simultaneity of conflicting truths' (Lewis, 2000 p. 761). For example, there is confusion about how to describe regional development to match the public policy priorities and reflect perceived regional needs. At the same time, board members acknowledge that being on the board has been a boost to their personal knowledge and public profile, connectedness to decision makers, especially to other government funding programs. This chapter presents many layers and multi-faceted dimensions of the boardroom experience as creative tensions. The metaphorical quilt is a reminder that the component parts build the more complete picture of what exists for board members (Bobko, 1985) and the practice of regional development governance.

7.1.1 Constructing paradox

As paradox emerged with such force in this research, I admit to hoping that there could be a resolution to these paradoxes. However Nardi (2006 p.5), using the 'prism of paradox to illuminate tensions and contradictions in everyday practices and ideologies', suggests that such a 'gaze inevitably leads to more questioning and new paradoxes', and subsequently a richer understanding of what exists. This research calls for questioning about power, knowledge and the consequences of these combinations (Bobko, 1985;

Dehler, Welsh, & Lewis, 2001; Lagendijk, 2006; Sundaramurthy & Lewis, 2003). A sense of paradox suggests that we must 'learn to debate opposing perspectives, grapple with their simultaneity, and recognize the biases and limitations of ... sense making processes' (Dehler, Welsh, & Lewis, 2001 p.506). Pursuing paradox in this research stems from a preference for the reality of organisational life which transposes the coexistence of imperfections and competing positions to deliver a more sophisticated understanding of these governance roles.

To demonstrate this, in the following diagram the practice of regional development governance is reflected as a series of elements that could be expected to be in place for these boards to function well. The 'patched together' components reflect much of the literature explored in Chapter Two. However the components of this metaphorical quilt appear unremarkable; reflected in the diagram are the components of good practice in many other boardroom sites which match concerns expressed by some board members in this research. There is a certain cascade effect in these. It is essential that the board members are clear about the role of the agency in developing the region; and that board members are clear what role the board plays in the operation of the agency. For the board to function in a transparent way it follows that board members are clear as to the power, legitimacy and resources available to the work of the board. This research suggests that regional development boards will work best when there is participation of those impacted upon by the decisions of the board and where there is transparency in appointment processes and clear lines of accountability. Board members will also have a sense of shared meaning of what regional development means in their region; boards work best where the chair is skilled in the task of chairing and decision making processes, and agenda setting is clear and well articulated. Evaluation is a central component with an understanding that regional development activities are long term and that short term fixes are likely to be superficial in remediation. The work of the regional development board must be contextualised into both the global and national macroeconomic, socio-political forces and the policy framework that exists within the local, state and federal arenas. Finally, for high functionality, the regional development agency is in tune with the local people, its environment and geography, and the economy. These elements of regional development governance are important aspects of governance but make a more superficial and lightweight quilt, and mask the tensions apparent in this regional development governance role. It is these deep tensions which will be described in this chapter.

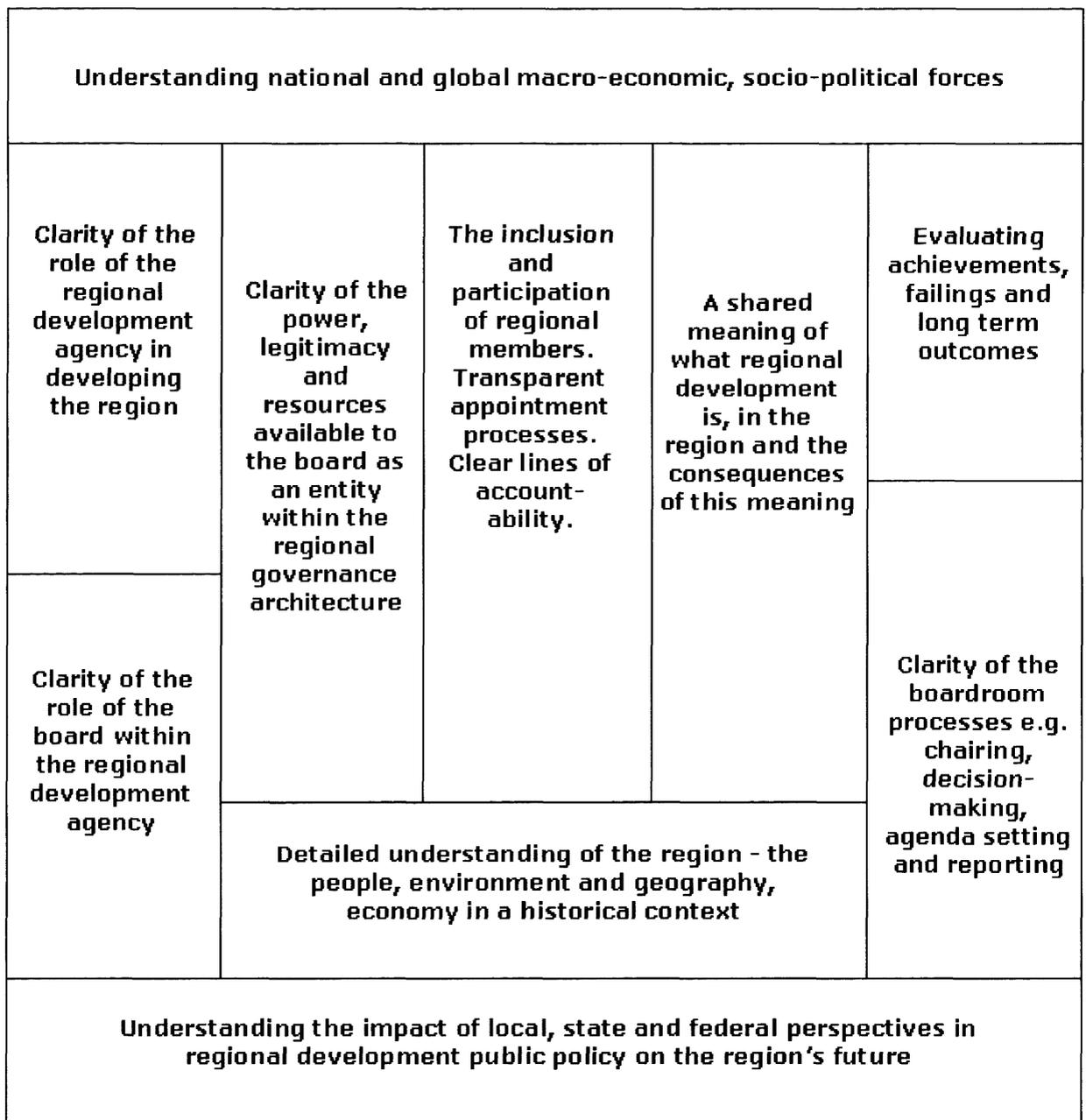


Diagram 7.1: A lightweight quilt of regional development governance

Constructing paradox in this chapter rather than rationalising findings into this kind of order outlines a theoretical progression for improved board work in regional development agencies. Lewis (2000 p.764) supports ‘openly and critically examining...polarised perceptions...to enable more dramatic changes in ...understandings and behaviours’.

While contradiction is familiar in the interview work of many researchers (see Alvesson, 2003; Alvesson & Skoldberg, 2000; Fontana & Frey, 2000; Silverman, 2000), the open construction of paradoxical behaviour in some instances may be regarded by interviewees as a threat to the construction of self. However in this chapter, paradox strengthens both theoretical and practical understanding of the regional development governance role. Across these six boards, board members in this research share many concerns and contradictory reflections. This observation draws on the work of Alvesson and Deetz (2000 p. 152) and their descriptions of transformative redefinition whereby interpretation shines new light on ‘something that has either escaped serious attention or been understood in a conventional and thus partly conservative way’. In this way unearthing these tensions opens the possibility for new ways of thinking about regional development governance.

7.1.2 Re-tracing the metaphorical quilt

Visual representation of the metaphorical quilt shows the layers that construct the whole, as well as picturing the forces acting as tensions upon the quilt. These are depicted in the following diagram.

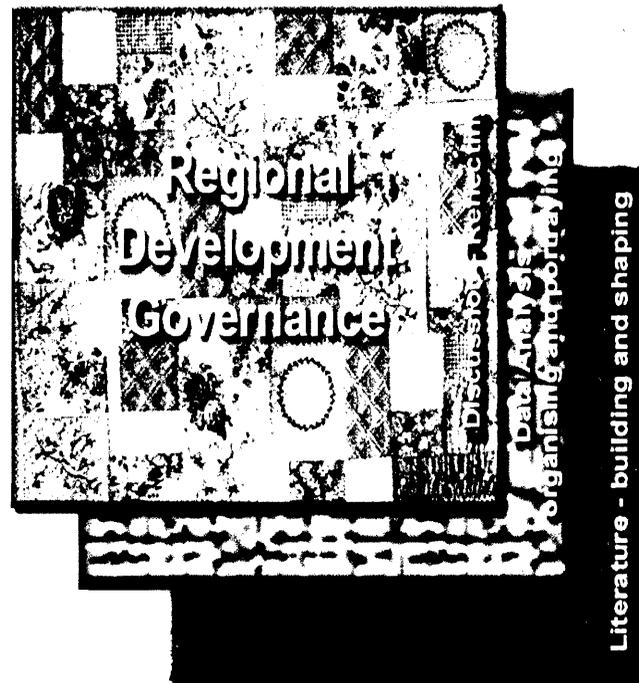


Diagram 7.2: Regional development governance as a layered metaphorical quilt

The foundation of this quilt is the description of the literature in Chapter Two; by traversing a broad range of literatures (geography, political science, rural sociology, organisational and critical management studies and corporate governance), it was revealed that little is known about the way in which board members themselves see their governance role. This literature gave rise to the three lines of enquiry that have guided this research. These are:-

1. **Meaning of Regional Development:** Identifying the way in which board members describe regional development and the role of the board and the agency in this task;
2. **External Governance:** The extent to which board members see power and legitimacy invested in their regional development agency to make decisions about regional development; and the extent to which regional development boards are inclusive in their membership, decision making and activities; and
3. **Internal Governance:** The way in which board members report the internal functioning of the board.

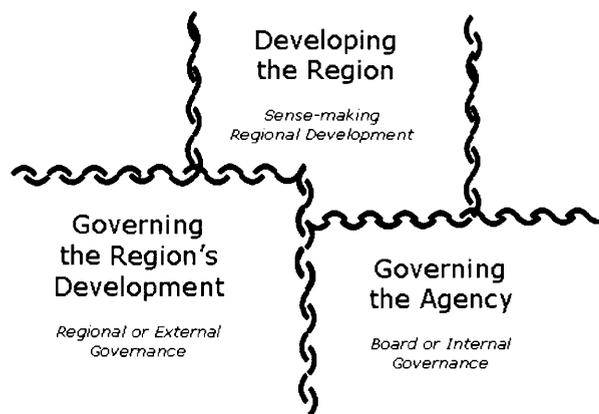


Diagram 7.3: The three lines of enquiry

The middle or meso layer of this quilt is the substance of the research. Using grounded theory, fifty-three interviews with board members have been organised, conducted and analysed. The context of the regional development boards and public policy in both WA and NSW are an important backdrop to this analysis. In the data analysis of Chapters Five and Six it is evident that board members grapple with uncertainty in their governance role. Uncertainty permeates the descriptions of board members in making sense of regional development, the role of the board, the role of the agency and the future of their regions. Moments of clarity and positivity are counteracted within an interview by descriptions of obscurity and negativity. This is demonstrated here by these contrasting descriptions, board members say,

//what difference can we make//

//I don't know if anybody knows what regional development is//

//what regional development should be and what it could be, I don't know//

//we see governments withdrawing//regions are withering on the vine//

However board members also say,

//I think one of the best attributes of the board ever since I've been on it is the ability of the board to stay positive//

//I think the main pride is being there and knowing that because of the spread of talent you have on the board, your ability to access the top part of government, you know that everything possible is being done and all the information that possibly can be gathered, has been presented in the right form//

In this chapter the findings of the research are captured in three creative tensions pulling on the metaphorical quilt. These tensions are less visible than role descriptions and reporting lines for example; rather the tensions are nuanced, woven in uncertainty, to reveal the regional development board experience.

7.2. The creative tensions within regional development governance

'...reality is not merely registered cognitively but also felt emotionally and volitionally' (Chia, 2003 p.970)

The creative tensions are titled here as 'Knowing and Learning'; 'Power to Act, Politicisation and Patronage'; 'Different-ness and Likeminded-ness'. In the following diagram the arrows to the left and right of the quilt depict these tensions pulling away from the centre. These tensions are paradoxical rather than being two ends of a continuum and the boardroom experience becomes one of 'juggling between these competing logics' (P. Edwards & Wajcman, 2005 p. 12)

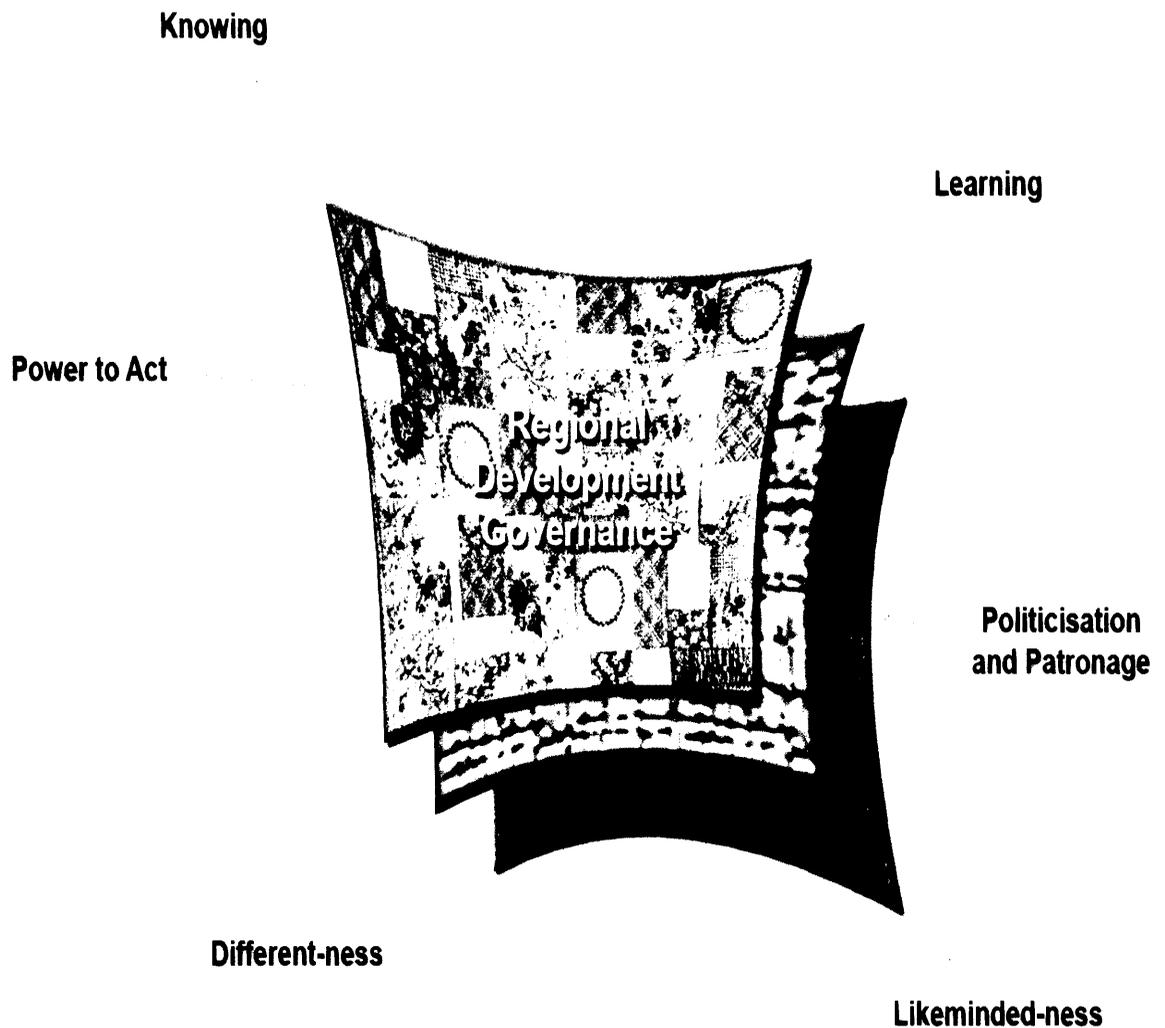


Diagram 7.4: Three creative tensions acting upon regional development governance

The table below presents the tensions as somewhat separate from each other, however the entanglement of each tension, and the way in which it acts upon regional development governance will become more apparent in the descriptions. Rather the separation reflects more the point of origin within the analysis; Chapter Five, the Meaning of Regional Development gives rise to Knowing and Learning; and Chapter Six with External Governance gives rise to Power to Act, Politicisation and Patronage and Internal Governance gives rise to Different-ness and Likeminded-ness.

Origin of the Lines of Enquiry	Creative Tensions
Meaning of Regional Development	Knowing and Learning
External Governance	Power to Act, Politicisation and Patronage
Internal Governance	Different-ness and Likeminded-ness

Table 7.1: Alignment of creative tensions to the lines of enquiry emerging from the research

Each of these tensions will now be discussed drawing on the literature and the data analysis.

7.2.1 Knowing and Learning

'The negative view of uncertainty is so general, and the positive view of certainty so widespread' (Hammond, 2007 p.19).

A tangible tension between knowing about regional development from one's personal and working life in a regional location and needing to learn about regional development from others, board members, public policy experts, bureaucrats and academics has emerged from the interviews with board members as one of the most significant issues for this research. This research suggests that there is tension between knowing and learning about regional development. For example, one board member has served a community for fifty years in numerous regional development capacities, local government, state and federal government advisory boards, utilities boards and not for profit organisations and yet struggles to give meaning to regional development within the board.

//I don't even know really Lou, whether anybody really knows what regional development is all about//

Further research shows that board members see regional development as shrouded with uncertainty. This uncertainty pervades the board experience. As it surfaces it presents as confusion and lack of direction about the role of the board and indeed the role of the agency. It was surprising to hear so many board members, who are skilled community and business leaders, knowledgeable about their communities, many formally well educated, unable or reluctant to give their experience or meaning to regional development. The absence of dialogue in this research pointing clearly to what regional development is must not be taken to reflect that these board members do not know about regional development; rather there is more complexity to the question itself. When governments gather board members onto regional development boards, some board members expect that they will be welcomed for their know-how and skill and that they can make a contribution to their region. However for many board members they are frustrated by the level of control exercised by government, or the minister, over the board's activities. Some board members acquiesce in the name of pragmatism; often a different agenda is being played out for them personally such as *//I want to get onto more business boards down here and I thought that [being a board member] would be a good way of showing my good faith//*. For some board members external control over the board negates their contribution of time and effort and they feel compromised in the capacity of the board and the agency to make a difference in the region *//[the minister] has wasted two years of my opportunity cost//*.

A sense of knowing is generated within the boardroom. In the same way in which Wenger (1991) describes communities of practice, these boardrooms are evidence of the role of tacitness and social interaction. Nahapiet et al (2005 p.5) describe the way in which 'social construction of knowledge often occurs within informal communities of practice where knowledge is freely shared through collaborative processes such as conversation and joint work'. Being on one of these boards builds the knowledge of board members. Each board member identified that they know more as a result of being part of the board, *//I have far more to learn from this board than they have to learn from me//*. Board members also talked about the need to meet more frequently with their fellow board members, as meeting every two months for three to four hours and a social function was not enough time to move the discussion to a deeper level. One board member in WA talked about the agenda being so sanitised prior to meetings, that there was little time to build an understanding other than through the selection of projects for

funding. In NSW, board members reported that the focus of the meetings was the financial accounting of the agency.

This tension between knowing and learning is multifaceted. Brown and Duguid (2001 p. 200) discuss knowing and learning as entangled; not simply the acquisition of facts but it is also learning to act in 'socially recognised ways'. It appears to be mediated by the practicalities of good chairing which can create an 'island of co-operation' whereby relationships are built on high levels of trust and a willingness to engage in social interaction (Nahapiet, Gratton, & O'Rocha, 2005 p.5); and skilled staff (an appreciation of the skills of the CEOs repeatedly mentioned in WA). Described here are six aspects of the tension between Knowing and Learning which emerge in the data analysis; these are listed in the following diagram, to be discussed in turn.

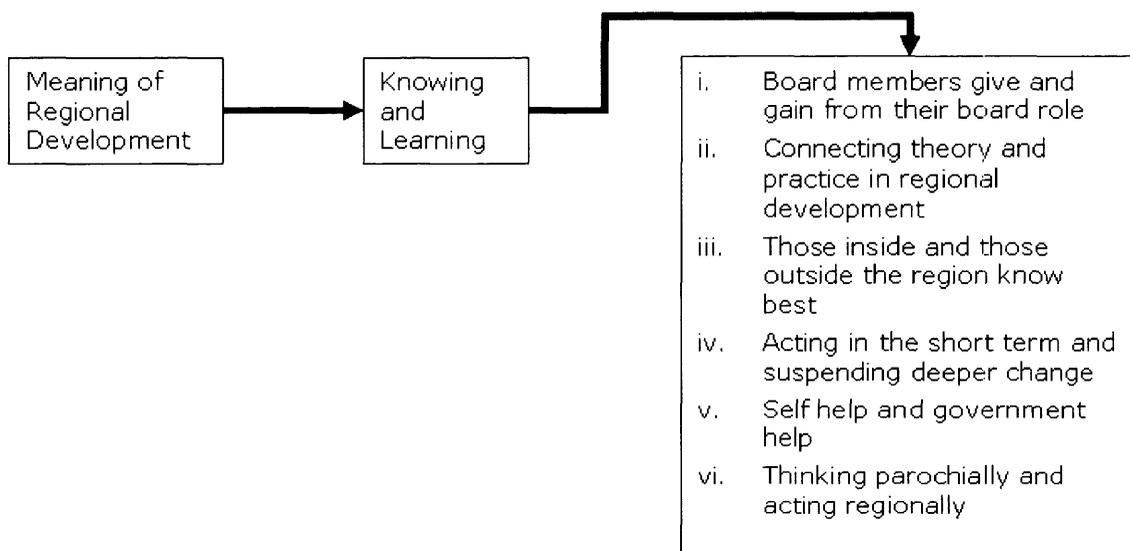


Diagram 7.4: Creative tension 'Knowing and Learning'

(i) Board members give and gain from their board role

When board members express the benefits of their involvement on the boards of these agencies they refer to what they have learned about their region *//you get to see things that you would never have seen otherwise – get a good overview of the region//*. What is most commonly identified is that board members build their knowledge of the region, by visiting other centres, meeting with community, government and business leaders. Board members say that they learn far more about regional development while on the board than bringing their knowledge to the board table. The gains identified are often very personal, as increased knowledge is seen to be advantageous for both self and the region. Repeated by board members is the view that being on the board increases their sense of being ‘in the know’, particularly from moving within government circles *//it does help you be informed in terms of bringing that general level of information through to other networks//*. However the disjuncture here is that this increased level of ‘knowing’ about the region still leaves board members perplexed when describing regional development or providing examples of regional development of which they feel pride. These board members see their board experience as growing their knowledge, so that they can mobilise within their own region, after they have learnt what they need to know. As uncovered in the data analysis in Chapter Five, these board members are those who are more likely to be more **facilitative** (those who consider regional development to be something that we must do for ourselves) in their approach to regional development.

While the majority of board members expressed concerns about regional development governance in the regional development agencies across NSW and WA, there was equally a reluctance to critique the government policy that constructs the entity of which they are a part. This marks those board members that apply a more **prescriptive** approach (those who see regional development as designed by the minister, government departments and experts) to regional development. To bring into question the policy framework that prescribes the work of the board may create cognitive dissonance for a board member, an experience of discomfort resulting from the inconsistency between attitudes and behaviour (Robbins, Millett, & Waters-Marsh, 2004). For example one board member clarified this as *//if the government had policies that I was strongly opposed to then you couldn’t, in all conscience, do this job//*. Where this despair and uncertainty escalates and dissonance is acknowledged, board members describe government directed regional

development in a **degenerative** way (those who see regional development as stemming decline in the regions) saying *//what difference can we make//* and may be less likely to seek re-nomination.

This is particularly evident in the NSW boards where the bureaucracy closely manages the boards activities, whereas in WA, some board members see themselves as going 'above' the bureaucracy, described here as *//filter feeders//* and perceive a closer relationship with the minister. When the force of government policy or ministerial directives are seen to act upon these boards in a way that contradicts 'boardroom know-how' of their region, board members are more likely to say they don't know what regional development is. However for some board members the difficulty in making sense of regional development seems to matter less. These board members are what Tickell and Peck (1996) describe as the new cadre of regional development; they are on the boards to represent their own interests primarily. There are gains to be harvested from moving in these circles of regional players with similar interests, so that board membership often spores other connections (Grant & Rainnie, 2005; Ibarra, 1992; Woods, 2005). The gains described most openly in this research are the political connectedness gains. For example *//my mentor [a Government minister] sort of put me on there...he rang me up and said put in a nomination, I would like you to be on this board//*. While board members did not tend to directly reveal their own political aspirations (as lobbyists or candidates for local and state government pre-selection) other board members described these connections *//one of the members...appointed to the Board told me that he put in an application because his local member told him to... that's another political appointment//*. The perceived political nature of appointments to the boards and lack of transparency in the process affects the way in which the actions of fellow board members are perceived. Carbert's (2003) research in Atlantic Canada provides some useful insights to this process, showing that in rural communities the connection between political affiliation and development activities is most visible. The result being that political patronage is a major deterrent to more inclusive regional development practices (Carbert, 2003).

In summary, it is evident that in this research that board members 'knowing and learning' about regional development governance is affected by the overt politicisation of the appointment process and behaviour of board members in terms of what they give and gain while on the board.

(ii) Connecting theory and practice in regional development

The privileging of knowledge and information over 'doing' in regional development is seen to be 'critical to all modes of economic development' (Chia, 2003 p.954). It follows in this hierarchy that there will be a reverence for the written, external knowledge and information which will bring about higher performance and productivity. A board member responded to the question about what regional development is, by saying *//I think economic development is something that I've done myself in my own businesses//*. For some board members their own 'doing' of regional development is not considered to be 'true' regional development. It is secondary to that contained within government policy and resources, and subsequently is an example of expert domination in regional development discourse (Alvesson & Deetz, 2000).

While the academic literature describes regional development arising from a learning region, building innovation, knowledge industry and workforce (MacKinnon, Cumbers, & Chapman, 2002; Morgan, 2005), this was not part of how board members described regional development in their regions, either in language used or inference. Only one reference was made in this research to the way in which universities could be used to support regional development. In this instance a board worked with a university to reveal the levels of need in a region *//which might have been obscured from public views by the million dollar houses//*. While the boards are primarily wedded to economic and business development with a view to creating jobs, the process required to achieve this outcome is unclear to board members, maybe because according to some academics and practitioners this goal is in fact unachievable (Brenner, 2002; Lovering, 2001; MacKinnon, Cumbers, & Chapman, 2002; MacLeod, 2000). Peck and Tickell (2002 p 394) attribute this to the narrow repertoire within the language of neoliberalism, 'place promotion', 'local boosterism' and the 'growth-first approach'. The critiquing of academic findings and policy directions do not appear to be part of the boardroom experience.

This research supports the findings of Shortall (2004 p. 116) in Northern Ireland that those involved in rural development programs experience 'a great deal of confusion about the purposes of rural development initiatives'. This is an enormous task that these boards and agencies have been charged with in a climate of the withdrawal of government services, short term political cycles and funding, and global competition. Board members in NSW and WA in this research identify that it is difficult to know what the expected

outcomes of regional development activities should be *// wanted to see actions faster...but now having been there so long I realise it's a difficult task//*. The content and process for regional development are changing so rapidly that it is difficult for regions to plan for their success, let alone achieve it. This is, as Storper (MacLeod, 2000 p.220) described, the 'moving target for success' in regional development.

Another layer intruding upon the practice of regional development governance is the way in which board members see developers in both NSW and WA working in a region but managing the decision making outside of the region. Public and private partnerships were not part of the conversation with board members. Rather, the private sector is seen to negotiate directly with the minister *//they go straight to the ministers when they want things done//*. This tension between priorities reflects what Lovering (2001 p.350) calls 'de facto subordination of regional policy making to the priorities of the central state and large scale capital'. While Morgan (1997) sees knowledge as the most strategic resource available to regions, in this research, board members see that government has grasped control of the agenda for regional development, only to see-saw in and out of regions with either prescriptive-ness for the way forward or withdrawal from responsibility. In this research is an understanding that neoliberalism is a 'form of meta-regulation a rule system that paradoxically defines itself as a form of *antiregulation*' (Peck & Tickell, 2002 p 400). In this way the most strategic resource to regions becomes their political connectedness in an attempt to match those external influences.

Antithetically, discussion of regional development as redistributive in income terms, in population, or via the impact of macro-economic growth does not occur. The overall purpose of the government created regional development board, is to be seen to be doing something; a political instrument (Epps, 1999; Maude, 2004; Rainnie & Grant, 2005). This level of control exerted on the activities of the regional development agency is reflected in international research with governments often seen to be overstating the capacity of board members to influence directions (Beer, Haughton, & Maude, 2003; Bentley & Gibney, 2000; Hughes, 1998). According to Hughes (1998) the major inhibitor of the role of regional development agencies as innovators is that they are expected to deliver central government policy. Board members largely describe knowing that their activities are being controlled. The tension here is in *//finding things that the board can contribute to has been difficult because of the structures and the limitations placed on us//*. The government's 'steering and not rowing' approach to the regions as

described by Beer, Clower et al (2005), means the boards rarely take decision making for the regions away from government, unless this is a situation seen to be advantageous for the government to have an arm's length relationship.

The replication of regional solutions (identified as one of the key discourses in Chapter Two) is described in this research by board members. Board members say *//if you want to get money out of the Department you go for clusters//*. For some board members their knowing about regional development means setting what they see as realistic goals. They know the political scene; the importance of partnership with government in order to extract resources for their communities and they believe that more will be achieved by *//working within the system//*. This board member is described in Chapter Five as more **integrative** (regional development relies on a number of interlocking issues); there is a degree of pragmatism and rationality apparent in this approach. However when one board member in NSW describes attending a meeting in a small community and yet being unable to respond because of the paucity of resources available to the board, it is as if the knowing is stripped away from board members. In this way, some board members describe their despair in marrying up the needs of their regions with government action. Board members describe that *//governments tend to be pulling back staff from the regions//* knowing that communities are unable to 'do' regional development by themselves. This board member questioned the purpose of the board attending to such a community when it had limited resources and power with which to assist the community *//we've got no funds to really assist you and walk the path with you//*.

In summary, this research points to a mismatch between what board members see being espoused as government policy and what they see as operating in practice within their regions.

(iii)Those inside and those outside the region know best

Neoliberalism as a policy framework has driven the 'hands off' approach to regional development. Regions are expected to come up with their own solutions to depopulation, diminishing business activity, social dislocation, lack of health services and environmental degradation (Alston, 2004; Haslam McKenzie & Tonts, 2005; Pritchard & McManus, 2000). Paradoxically, despite acclaimed consensus for endogenous development in policy circles in Australia (Collits, 2004b), government priorities prescribe the nature of funded projects, and regional development agencies end up

‘undertaking the projects and programs they can be funded for, rather than the tasks that would best promote the growth of their region’ (Beer, 2000 p.185). In both WA and NSW most commonly board members reported that the activities of the board are prescribed by those outside of the region, by either government departments or the minister.

This is mirrored in international research, with Shortall (2004 p. 113) showing that the ‘key feature of rural development programmes is that they are externally designed.... pre-determined’ rather than emanating from the region itself. Maude and Beer (2000) argue that if regions are to prosper then regional development agencies need to be successful and effective rather than politically stage managed.

For those board members who do not adhere to this political approach, their own sense of knowing that regional development can be a range of possibilities is inhibited. This results in a dislocation between perceived needs of a region and a preoccupation with the *//announce-able//* (those projects funded and announced by the minister) where a political imperative prevails (Dewar, 1998). When board members resist this approach *//we are perceived to just be repetitive and whinging, but I say that is because nothing we raise really seems to happen//*, they risk losing favour at the departmental or political level.

In summary, it is most difficult for regional development board members to ‘know’ about their region, through their familiarity with it’s historical, socio-political, cultural and economic circumstances and yet have the activities emphasis and direction for developing the region prescribed by those outside of the region.

(iv) Acting in the short term and suspending deeper change

As previously indicated some board members say that they miss robust conversation about what regional development is, how it should be achieved and the associated timelines that would be realistic. There is an absence of a progressive spatial strategy for the regions (Markusen, 1999) and a lack of attention to deep seated problems within the regions (Shortall, 2004). The findings from this research support Lovering’s (2001) claims that it is those who exercise the most power in the regions who also design the ‘meaning’ for regional development. Research into regional development agencies in the United Kingdom showed that much of the knowing about regional development is restricted by ‘short-term political considerations which can override the longer term needs and aspirations of the English regions’ (Bentley & Gibney, 2000 p.220). Preference for

the short term funding cycle with its political dividends (Grant & Rainnie, 2005; Sorenson, 1998) means that more redistributive aims of regional development and consideration of who and what are marginalised within regional development are delayed (Brenner, 2002; Lovering, 2001; MacKinnon, Cumbers, & Chapman, 2002). Brenner (2002) describes this policy preference for the low road (place promotion, attracting mobile capital, and cutting costs) whereas the high road would address needs for infrastructure, human capital development through skills and inclusion in decision making and development activities.

At the level of board administration these boards are acclaimed for having a larger number of women as board members than other boards (28-30% of the board members are women compared to corporate boards 5-7%). Gender equity on these boards is seen to be addressed by the counting of women and men as representing gender diversity (DOTARS, 2005). In this research neither the women nor the men questioned the gendering of regional development policy or its governance. Shortall (2002 p. 168) confers that regional development policy is not deconstructed to reveal 'who is in control and what type of gender ideology they adopt'. Critique of these deep seated issues by board members is not apparent in this research.

Despite sustainability appearing in policy documentation in WA, sustainability was not included in board members descriptions of regional development. Rather, when board members raised sustainability as a goal for regional development it was to diminish it as a realistic goal, calling it a *//joke//*. Berger (2003 p.230) suggests that regional development policy continues 'putting a premium on economic expansion as the favoured approach which is and will be at odds with stronger sustainability principles'. This hierarchy, the economic presiding over social needs (Beer, Haughton, & Maude, 2003; Shortall, 2004) and sustainability concerns, is in fact how regional development is being considered by board members, with economic and business activity considered the priority in regional development activities.

When board members enter the boardroom of a regional development agency they know they are becoming part of the government's machinery and despite wearing the cloak of political appointment, board members in both states admit that the actions of government are often at odds with what they see as required in their region. This is a frustrating experience, for example *//I still see governments withdrawing and major providers still*

withdrawing//. There is a sense of helplessness that is also expressed as a waste of board members time and experience. Alternatively, where there is population increase and pressure for growth, board members' sense of the way forward may not be in line with government perspectives. For example, board members identified that the largest impact on regional development would require expenditure on infrastructure. One board member reflects on his board experience *//no government wants to risk regions telling the government...in a coherent and united way what they need, because that government might be expected to deliver//*. With the meaning of regional development not constructed within the board, the view of the board dismissed and rather delivered by government, the concern becomes that the board is a token board. This tokenism was more openly stated in NSW where the boards lack a legislative framework, clarity about the role of the agency and indeed how the board fits within the agency.

Within this research one chairperson identified that pursuing the creation of shared understanding in the task of regional development is a requirement for the board. This is a region struggling to maintain population and business activity through drought and other socio-economic adjustments. It seems that spending time in face to face board meetings is particularly central to developing this shared language and meaning (Nahapiet, Gratton, & O'Rocha, 2005). Despite expressed uncertainty this board had embarked upon a learning exercise, engaging with local government to build a picture of the possibilities for the region. However Bentley and Gibney (2000 p. 221) identify the risk for such a board as being 'initiative fatigue'. This is the tension between policies being imposed on the regions and the need for 'innovative and catalytic behaviour if regional economies are to be helped' (Bentley & Gibney, 2000 p. 221). In this instance, board members resort to identifying the role of the board by the projects that are fundable and politically defensible, unable to address the deeper seated issues within their regions without the support of the government for deep change. This is the tension for board members when confronting issues in their region, they question *//how can we turn the tide?//*.

While it has been noted previously that redistributive aspects of regional development and inclusion were not raised by board members, consideration of the beneficiaries of regional development activities was also not raised by board members. Jessop (1997 p.31) describes this as a systemic weakness in the official discourses of regional development which suppress 'consideration of class, gender and race'. Schippers (2007) argues that it

is in fact race, class and gender that is used in the construction of who is deserving of government funding. While some board members allude to this complexity *//I am reconciled to the issues being far more difficult and complicated, such that we can't provide a total solution//* there is no apparent strategy for bringing these issues onto the main stage of regional development.

In summary, board outcomes are constrained by short term funding cycles attached to political favour and deep seated issues of inclusion/exclusion and redistribution are eliminated from sight. While these issues may be known, silence prevails.

(v) Self help and government help

In the literature review, self help regional development was identified as a major discourse within regional development policy. The promulgation of this policy sets up an interesting paradox for board members for knowing and learning when 'doing it for ourselves' is the mantra. When entrepreneurialism and self help are seen to be the elixir for all regional ills, anything short of this becomes forbidden territory; such as expecting the government to deliver services or amenities. Yet the risks associated with this trend towards greater flexibility and competitiveness are absorbed at the individual level (Everingham, Cheshire, & Lawrence, 2006; Herbert-Cheshire & Higgins, 2004; MacLeod, 2000). Consistent with the findings of Tonts (2005) and Haslam McKenzie and Tonts (2005), board members openly talk about the need to do things for themselves *//if we don't do it nobody will//* and a sense of despair is apparent in many of the interviews in those regional areas where declining populations and business activity is receding, despite their efforts to "do it for themselves".

For board members, not only are they managing this individualisation for themselves, but they are required to make sense of it for the quality of life of others in their regional location. Macleod (2000 p.222) describes this as the extraordinary demand being placed on individuals to 'stage-manage' themselves, their connections and their economic future. As regional development discourses continue to be crafted with this individualisation in mind, this self help approach is ordained as a rightful approach, and board members feel assailed of the opportunity to express, even within their boardroom, an alternative view. As board members take hold of their place in the future of their regions they are, at the same time, absorbing the risk of failure, relieving governments of the public face of regional failure (MacLeod, 2000).

The notion of self help regional development seems particularly appealing to those board members who articulate the desire to learn more about regional development. However, within these conversations are measured statements about the need to push along activities in one's own community; government expectations about job creation and weighing up what is realistic and what isn't. On the one hand, board members find the notion of endogenous development appealing (it resonates with a non-metropolitan persona of stoicism and fighting the elements), depicting a sense that if you want to *//progress your own community you had to ...find ideas and meet people//*. On the other hand, board members describe this approach clashing with the role imposed on board members with funding priorities established outside of the region, regional development projects provided as templates and resources limited to where *//the votes are//*. The reality, according to Tabart, Fulton and Clark (2001), is that self help regional development is generally not accompanied by resources and accordingly will not deliver grand results.

In summary, 'knowing' and 'learning' is held in tension for board members as long as the discourse of self help excludes robust policy that encompasses a major role for government in developing the regions.

(vi) Thinking parochially and acting regionally

In both WA and NSW it is apparent that board members are active in their regions, involved in a complementary range of activities. For the majority of the men in this research they readily described their appointment emanating from their political connections. While they did not describe their political aspirations so openly, they see themselves operating in the political sphere and this spans beyond their community. In stark contrast women board members were more likely to refer to their community to describe their concerns about jobs for their children and regional well-being *//forget the economic development, unless we are doing the quality of life stuff, unless we are focussing on the people, we are wasting our time//*. Little and Jones (2000 p. 628) describe the 'modus operandi of rural economic policy is becoming increasingly "masculine" in style and direction'. On one board this presented as annoyance with the women on the board who were perceived to be 'stuck' on the needs of their own communities *//I know I annoy the hell out of people...I sound parochial...but when you come from a certain area and you see that nothing is happening here//*.

However board members generally struggle to locate this 'regional identity' as a site for regional development with such diverse needs. Board members work within the artificial construction of their regions, adding to their sense of uncertainty. For some board members, this is territory that they know well, and their loyalty is to a valley, or a township or an organisation. A sense of exasperation by some board members with the minutiae of localities is seen to reinforce the nebulousness of locating activities to produce positive outcomes. This offers a possible explanation for the confusion in the research as to whom do board members feel accountable. The answers ranges from the minister, the Chair, fellow board members and the community *//I still feel accountable to the community, the regional community, which is strange because it is an artificial region, there is no community of spirit//*.

How the notion of the region translates to strategic planning is also identified by board members as being enigmatic when other agencies, such as local government, the federally funded Area Consultative Committees, Catchment Management Authorities and state government Planning Departments are operating independently and are *//not singing from the same song sheet//*. The broader concern is that it is difficult to create some kind of consensual agenda for a region when the region is structured to meet administrative requirements, as opposed to an authentic regional identity (Beer, Maude, & Pritchard, 2003).

This following quote from a chairperson of one of the boards eloquently sums up the tension between believing in one's own place and working towards a broader area. It could equally be seen to represent a conversation about power relations entangled in gender, class and race.

//It is very, very difficult to get a regional focus. It is very parochial – parochial is good in that there is passion and community pride, it is bad in that 'this is ours – it is not negotiable' – and you hold onto it to the death and it is literally, in too many cases, the death//.

In summary, this final aspect of knowing and learning touches upon the layers of complexity in identity formation, as regional players, board members act out their gender, class, race and place identities.

Concluding comments

The boundaries to knowing and learning are limitless; however within these boards it is tightly controlled. In NSW it is designed to be at the grace of the bureaucracy, in WA, it is better served by a larger staff set who are skilled and resourced. Ultimately the boards are of service to their political masters. It is difficult to have an expansive meaning of regional development when conversations are restricted by infrequent meetings; imposed discourses; funding priorities; ministerial appointments and regional boundaries are not shared across agencies and jurisdictions. It seems that knowing and learning will only be expanded and new ways of operating considered if the boards are freed from ministerial agendas and able to learn how to set the agenda within their own region.

7.2.2 Power to Act, Politicisation and Patronage

'Power is 'both so useful and so empty' (Latour 1986)

The power to act, politicisation, and patronage is the second creative tension acting upon regional development governance. Board members in both states express major concerns about the capacity of the board to make decisions about their regions. In NSW this is succinctly defined by board members as an act of tokenism *//it's a sham and it shouldn't go on ...or it should become something useful//*. Boards in NSW are defined by the paucity of resources, a lack of policy and legislative framework and control by the bureaucracy and the minister. However despite WA boards being Statutory Authorities, with detailed legislation, resources and staff, a significant number of board members in WA also expressed concerns about the control of their political masters over the work of the board *//the minister would have said, 'a' and 'b' are unacceptable, you'll come back to me with 'c' and 'd', so I can choose 'c'//*. It seems that political interference is considered part of the course of this board work *//if the minister doesn't agree, he just ignores the board's advice//*. Some board members discuss this as a fact of board life, however when a board member's values or political party allegiance is at variance to that of the government, then board members are more likely to describe political dynamics negatively and succinctly, as political interference.

Shortall and Shucksmith's (2001 p.125) research into rural development in Scotland and Northern Ireland verifies that effectiveness in regional development relies on clarity in the

way in which entities link to government structures so that ‘roles are clear, and power is formal and legitimized’. Where this clarity is lacking, possibilities in the area of partnerships are also limited. In the absence of clarity, the risk is that these entities become self serving, the ‘replacement of the elected by the selected’ with few safeguards and accountability processes (Shortall & Shucksmith, 2001 p.130). If these boards are to develop good governance, then transparency and accountability are required as well as the ability to collaborate with a broad spectrum of people (Benn & Dunphy, 2006). Political patronage, whereby favour is provided ‘on the basis of partisan affiliation’ abrogates transparency, accountability, legitimacy and repels the participation of those within the region who don’t concur with party politics (Carbert, 2003 p. 170).

This tension is examined by exploring three areas, represented in the following diagram. The first is the extent to which power has shifted in this form of governance (New Regionalism, Old Regionalism); the second considers whose interests are being served in these regional development governance arrangements (Serving political masters, community and self), and finally what does transparency mean in this context (Transparency and invisibility). This external governance or regional governance is not seamlessly stitched together. One can ask, as do some board members, why is this area of governance allowed to be dysfunctional *//I really felt very close to writing to the minister...I didn’t because...he knows it’s a joke//?*

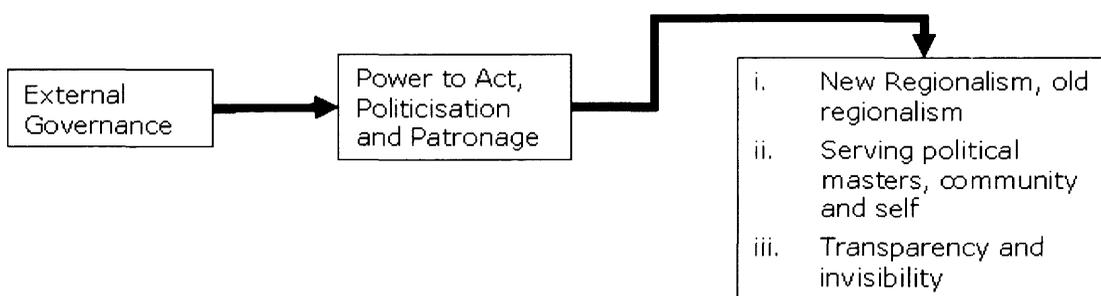


Diagram 7.5: Creative tension ‘Power to Act, Politicisation and Patronage’

(i) New Regionalism, old regionalism

To what extent has New Regionalism filtered into the way in which board members see their role and their agency? Only one board member used the words 'New Regionalism' to identify the lauded transition to a new knowledge economy (Rainnie and Grant 2005). Board members did not refer to their region as now competing globally, rather the competition focuses on neighbouring regions. The most significant part of New Regionalism that has resonated with some board members is the sense that regions hold the key to their own future. Here the neo-liberalist foundations are evident (O'Neill 2005) and the networks and alliances in operation throughout the regions could be seen to reflect the socially embedded nature of the economy (Granovetter 1985, Morgan 2005) *//forget the economic development...we are focussing on the people//*. However this level of clarity was not widely apparent, with economic goals overstepping social considerations. From the stories of these board members the shift to governance and New Regionalism has clearly been overstated (Healey, 2006).

While the region has been elevated in vernacular, our regions continue to be geographically diverse and physically large. In NSW, the regions range from 1,834 square kilometres to 147,142 square kilometres; in WA regions range from 5,648 square kilometres to 771,276 square kilometres. It is simplistic to suggest that New Regionalism should promote tacit knowledge based on proximity, trust and social interaction as the key to regional futures. Rather than board members describing a proactive strategy to address regional disparities, board members struggle to make sense of their own regional identity. *//Artificial//* is how board members describe the imposition of regional boundaries.

Conversely Amin (1999) argues that New Regionalism increases the vulnerability of regions which are struggling to determine a future, as what continues to be overlooked is the influence of the macro-economic framework on a region's future. Board members living in regions that are struggling clearly identify this paradox, *//the shift of the population out of the regions is a direct result of the way the economy is going...I can't see how we can turn the tide//*. Furthermore, board members in this research are well aware of the political nature of the economy *//state level politics is ...not going to pay too*

much attention to the regions, there's no votes, so that's a pretty awful position to reconcile//.

Theoretically, New Regionalism heralds a high level of connectivity and institutional thickness where joined up leaders and organisations work towards the region's development. However in this research rather than a rich panorama of players focused on the improvement of conditions within a regional location, in many of these boards, board members focus on buck passing between layers of government, disagreement between agencies (often based on personality clashes) and political manoeuvres. Amin (1999) warns of institutional sclerosis setting in, where the desired thickness is replaced by elite coalitions, blocking the distribution of resources and opportunities. The 'capillary forces' of power identified by Tickell and Peck (1996 p. 601) suggests the maintenance of board positions for those who pay political homage to the government.

Morgan (2005 p.45) argues that it is important not to confuse formal power with the power to transform, which he sees occurring with the cooption of the 'lower echelons'. However the capacity to transform is not how these board members describe their role. For the numerous agencies involved in this regional palimpsest, the lack of clarity about roles and responsibilities has been well documented (Beer, Maude, & Pritchard, 2003; Brown & Collits, 2005; Rainnie & Grobbelaar, 2005) but reflected in this research are the low expectations that board members have for resolution or regional co-operation.

In both NSW and WA board members identified that when development within a region was being considered developers went straight to the minister for support and approval; such is the role of large scale capital in regional development (Lovering, 1999). In NSW the Department of State and Regional Development was described by one Chairperson as convening meetings in Sydney with developers and then chartering a plane to fly in developers to view sites within a region without referring to the board. Board members did not suggest partnerships with the private sector were part of their purview. Rather, a number of board members suggested that their involvement on the board provides a *//listening post//* for their employer or business roles outside of the board.

In summary, this aspect of New Regionalism, old regionalism suggests that the shift to New Regionalism has been overstated and that it is business as usual in the regions, with

the business elite doing deals with government for development *in* the regions (Lovering, 1999).

(ii) Serving political masters, community, and self

Cheshire (2006) extends Tickell and Peck's capillary metaphor to describe the way in which power is observed to pulsate through communities. Rather than power being positioned in a single entity, in this case the ministers and government departments, Cheshire (2006 p. 25) sees 'power as a strategy: exercised not held'. This research confirms that regional board members appear to connect with this broader exercise of power. These boards are part of this governmentality, fed by self help as a discursive practice, designed to allow power to exist at a distance. Cheshire (2006 p. 32) describes this as 'instrumentalising an individual's capacity for self-government so that he or she freely shapes his or her own conduct in a way that is consistent with particular socio-political objectives'. This is an entanglement, the way in which board members serve their political masters, their communities and self.

Appointment to these regional development agency boards in NSW and WA is described openly as a political process. It means that those appointed are placed in these positions to support the work of the minister and the government. This is consistent with a number of academics who have researched the power geometries of regional development boards (Bentley & Gibney, 2000; Brenner, 2002; Hughes, 1998; Tickell & Peck, 1996). Hughes (1998 p.618), in researching regional development boards in Wales, found that the power of the minister to make appointments to the board is multi-dimensional; it comes with the 'threat of lessening co-operation on other matters of importance', uncertainty of budget allocations; and the danger of being ignored and having advice extinguished. A board member in NSW who did not re-nominate for a board reflects this dilemma *//not to renew but.. not to rock the boat too much...not to write to the minister and tell him that I thought it was a joke and .. a waste of taxpayers' money//*.

By way of explanation for the tight control of regional development agencies in the United Kingdom, Hughes (1998) explains that governments and ministers resent the high profile of these agencies. However in these two state funded frameworks the profile would not be considered by the board members to threaten the profile of the government and ministers. This confers with Brenner's (2002) findings that the power geometry in regional governance is kept safe; indeed this is safe territory where interests are protected

and change resisted. While this may overstate the tight control by government, it leaves regional development boards in a state of limbo, uncertain about their power to affect change. Hughes (1998) suggests that electoral gains to be had from the activities of regional development agencies can be identified to who collects the attributions of success when they occur, which was reflected in NSW with respect to government announcements of funding *//whenever anything is announced...the government takes over//*.

Hughes (1998 p. 617) found that ministers responsible for making appointments to regional development agency boards in the United Kingdom, overstate the independence of the board to make decisions about the region's development as 'the influence of the board is relatively insignificant'. In this research, the boards each had examples of incidents where the minister exerted power over the boards, being requested to abandon one area of interest and pursue another; being directed to deliver a certain result; the minister removing a CEO without allegedly consulting the Chairperson or the board are examples, being directed to attend an Administrator's meeting for a firm in liquidation. Despite clearly articulated legislation in WA, whereby the minister has inscribed in the legislation the capacity to instruct the board to operate in a certain way; board members perceive ministerial behaviour as interference. The Uhrig Report (cited Kalokerinos, 2007 p.18) identified that when the minister communicates directly with the CEO without the Chairperson of the board present; the minister will 'detract from the board's ability to provide effective management oversight'. Indeed this is the case, where board members discussed the possibility of resigning their board role *//if the ministers' got no confidence in the CEO, he certainly has no confidence in us as a board because we haven't heard from him//* because of the lack of communication from the minister prior to terminating the employment of the CEO.

In NSW the boards are administered by the NSW Department of State and Regional Development and the minister despite the fact that this is not inscribed in legislation. This administration is described by board members as control. This control comes with not clearly articulating the role of the board or the role of the board members; it seems that obscurity enables the minister to provide instruction in an ad hoc way. This is the space that is filled with ambiguities and complexities. If the board is made up of local representatives who are chosen for their ability to perceive and drive regional development activities in their region, this often becomes a point of contention.

Conversely when there are board members keen to advance their political career or profile in the region, then they seem more tolerant of the process as they understand that the rewards for their involvement are not contained within the work of the board; rather they are by virtue of their association with other board members and the minister.

One of the realities to emerge from the research is that the community and the board members judge the success of the board in being able to procure funds for the region. This is consistent with the findings of Beer, Haughton et al (2003; Beer, Maude, & Pritchard, 2003) that board members are aware of playing a 'game' in a political environment, like jumping through the hoops, in order for the regional development agency to be a conduit for government funding. If the government is promoting marketing or clustering, then that is what the board will seek to do. In Chapter Two this was identified as the replication of regional solutions, in contrast to what could be expected for endogenous development.

In this research, men were significantly more likely than the women to identify their appointment as resulting from their political connections. Grant and Rainnie (2005) found that men in their research saw their role in regional governance as consistent with their assumed broader political role in the region. However, apart from the appointment processes both men and women were savvy to the political tribes within the boardrooms and both described ways to work with these machinations. The political nature of appointments continues to remind the community that it is the political masters who are to be served by these boards. These findings are consistent with the outcome of research conducted by Edwards in 2003 into Commonwealth Boards in Australia. Edwards (2006 p. 7) reported that 'the integrity of the system' of appointment was eroded by the hidden and political nature of appointing 'mates' with 'little due process' (p. 8). Edwards' (2006; Edwards & Clough, 2005; Edwards, Nicoll, & Seth-Purdie, 2003) extensive research points to the absence of merit based appointment and independence of the boards, instead the presence of patronage and political bias is rife.

Board members are not elected and say that this compromises the legitimacy of the agency (Beer, Haughton, & Maude, 2003; Shortall & Shucksmith, 2001). Board members find themselves in the position where they neither have legitimacy bestowed from the ministers or the bureaucracy and or by the community. Cheshire (2006) suggests that despite the board being of governmentality, the effect of politicisation is that

the board is weakened by these low levels of legitimacy that would be required for it to be considered a serious player in regional development. In describing similar outcomes for Commonwealth boards, Edwards (2006 p.12) concludes that the federal government must consider 'whether it wishes to have more capable members of public sector boards, and whether it wants to address public cynicism about cronyism in appointments'. This requirement resonates for the governments of NSW and WA to declare their political will to overcome similar perceptions.

In summary, the grip that holds the board in favour of the political masters does not appear to encompass community needs. Rather it risks the outcome that all who can be served is oneself. It is apparent that this dynamic prohibits the achievement of legitimacy for the board, and possibly the agency, in the eyes of the community.

(iii) Transparency and invisibility

This third area considers transparency as a key feature of accountability in these regional boards. In WA despite the structural support of legislation and resources, board members say that the community does not understand their role, or even know they exist. Added to this, board members in WA say that the Commission is less legitimate because the board is not elected (despite one third of the Commission members being from local government). In NSW, board members report their own invisibility, with regional members unable to distinguish between the role of the regional development agency, the Chamber of Commerce, the Area Consultative Committee, local government, Tourism and Industry based groups. In both states, board members lament on the difficulty in obtaining co-operation between these agencies at the local level. This is the local and government level politics that is seen to be a major inhibitor of a planned approach to regional issues (Beer, Haughton, & Maude, 2003). Announcements of funding offer one form of visibility to the board and agency. This is consistent with Beer, Haughton et al (2003) findings that the regional development agency's role in the regions was seen to be the procurement of funding, even if the funding programs were not deemed relevant to the region *//all of the sudden the Department has an interest in clusters, so if you want to get some money out of the department you go for clusters// or //do a skills survey//.*

The cost to the community is that there is no overall strategic plan; rather the level of competition between agencies almost becomes the focus of attention. Attempts to build a vision are met with this reality *//we are in danger of developing a vision for the whole*

region that one of the local governments might not accept and that's their right to do that because the Development Commission doesn't have the power//. The boards in WA and NSW are open to vested interests *//there were a number of projects that I view as unfinished business that I wanted to make sure was on the agenda and were really pushed//.* The more invisible the work of the board, the more open it is to vested interests or the meaning of regional development being created by the most powerful regional players (Douglas, 2005; Lovering, 2001; MacLeod & Goodwin, 1999). Where dominant interests are being served by membership of these boards (paradoxically even where there appears to be limited power and resources for the board to do work), the board moves further away from the possibilities that those subaltern groups within the region may be part of creating a new future, such as *//the exclusion of Aboriginal people from these development processes//.*

The lack of transparency about the work of the boards, particularly in NSW, results in this kind of boardroom reflection *//there's probably more than half [the members of the board] that just like being a member of a state government board...they have political aspirations...they don't really take it that seriously, I don't think they do virtually anything from meeting to meeting//.* When board members are asked 'to whom do they feel accountable?' the majority of board members in both states said they feel accountable to the minister who appointed them and the Chairperson and other board members. This closed circuit for accountability is enabled by the invisibility of the boards within the regions. It is as Brown and Duguid (1991 p.42) describe, that board members are 'held accountable to the map, not to the road conditions'. While board members may have performed suitably in the role as per the legislation in WA, the question is whether these board members build on their knowledge to create new opportunities in their regions? Huse (2005) proposes that accountability is the key to bridging the gap between board members' values and the way in which they perform the task of regional governance. In order to pursue accountability further, it would require an exploration of board member behaviour, opening the black box into decision making, and the interactional dynamics inside and outside the boardroom (Huse 2005). This is an important area for further research.

This aspect of power in the board, transparency and invisibility, highlights how political processes frame the work of the board. Both women and men talk and think in political terms, they are aware of the constraints within which they operate; they seem more likely

to accept that their power to act is curbed, they are aware of the need to respond to ministerial demands and expectations. Decision making is known to be constrained. One board member describes *//our combined views even if we'd have jumped up and down and said, listen, that development has got to happen, it wouldn't have happened, the decision that was made was not an environmental decision, it was a political decision//*. If decision making were truly levelled to the people able to decide and enact change at the location of greatest meaning, then there would be a different picture of regional development agencies. The question is what it would take for the boards to be well respected and able to act with the interests of the region? It would initially take a legislative base that constitutes the board. But more importantly, it takes legitimacy, credibility and transparency within the appointment process. It takes courage to expose difficulties and for the minister to wear wrath from other powerful members of the community. It takes the capacity to deconstruct what powerful groups in the community stand for; it takes an uncovering of vested interests and courage to see beyond this.

In summary, Louis Brandeis (cited Barrett, 2004), a Supreme Court Justice in the United States famously remarked 'sunlight is the most powerful of all disinfectants'. It is clearly time to bring transparency and visibility to these boards and break perceptions of the nexus between politicisation and patronage that is hidden from view.

Concluding Comments

To extend the over-riding metaphor of this thesis, exploring power in this research through paradox is like attempting to stitch a quilt in the middle of a muddy paddock! The difficulties in trying to keep it presentable when it really is exceedingly muddy portray the messiness of power, politicisation and patronage operating within these boards. There are board members in both states who describe their disorientation when coming onto these boards. These are most likely to be board members who thought they could make a contribution to regional development in their communities *//I tried but the whole machinery of that regional board process is not designed to produce any outcomes//*. These boards are part of the 'capillary force' of power in the regions (Tickell & Peck, 1996 p 601), and yet they are not powerful as entities *//control is centralised, so as to not risk the region telling the government what to do//*. The boards are both tightly and loosely controlled when necessary, but mostly they are controlled by the forces of political power and diminished by perceptions of politicisation and patronage.

7.2.3 Different-ness and Likeminded-ness

Clearly articulated and palpable in the interviews with board members is the desire of board members to meet in a congenial, positive manner *//people don't give up their time to raise their blood pressure//*. The way in which the boardroom group dynamics occur will have a major influence of the effectiveness of the board (Ingley & van der Walt, 2003; Pye & Pettigrew, 2005) *//you can have a confluence of likeminded individuals with energy levels and skills that make one era more effective than another era//*. In corporate governance language this desire for closeness with other board members is board cohesion, an attraction between board members delivering a desire to work together (Forbes & Milliken, 1999). But even more profound in these boards is an articulated desire for likeminded-ness *//the board meetings were fun because you went there with the intention to do something with likeminded people//*. There is a reported low level of conflict on these boards (some board members suggest that this is because there is limited power and resources to challenge decision making); that many board members knew each other prior to coming onto the board and that there are a number of interlocking memberships of other community groups, agencies and local councils.

Amidst the political context and competing discourses described in the previous two creative tensions, this likeminded-ness stands to contrast the board experience. To fully understand this process of board cohesion, the black box of the boardroom would need to be observed over time. However this was not possible in this research, therefore the articulation of likeminded-ness is a marker of a dynamic. The collected comments build a picture of the importance of the social interaction; building knowledge about the region, interlocking boardrooms, increasing one's profile and even staving off the loneliness felt by some in living a regional life *//I thought I might have got something more personally out of it [being on the board] but I don't think that that's really there other than the satisfaction of the company//*. This is, as Tickell and Peck (1996) described, a homosocial environment. Comfort with the way decisions are made is a reflection of the likeness *//we all drive the same sort of cars//*.

Many of the stories told by board members describe the many and varied linkages that board members have with each other. The regional location often means that board members know each other prior to coming onto the board, and then they are often connected in other board roles as well. There is a strong expression for the need to keep

the contact with other board members friendly, avoiding conflict because *//people do not want to come here to raise their blood pressure//*. However Misztal (2002 p.32) suggests that high levels of social capital can ‘foster nepotism and exclusion; cohesive groups made of strong ties can obstruct innovation and access for non-members’. Within these boards is concealed a sense of different-ness.

Despite the acclamations of likeminded-ness within some of the same interviews, there were in others those who identified as feeling different to others on the board. This ranged from feeling different because of perceptions of worthiness for the role, to different-ness as an expression of self-identity. Comments like *//I'm not a farmer//I'm the only small business owner//everyone else has a tertiary qualification//there are many board members who have private means//*. ‘Private’ in this instance refers to those board members who are judged to have personal wealth and can afford the time (tending to be retired) to participate on the board without having to maintain a business or be allowed time off as an employee.

This research supports the findings of Rainnie and Grant (2005) showing that these board members are extremely attached to their board roles for different reasons. For some board members it is an expression of who they are, their identity as a business person, a community helper, a powerbroker, a player. The role can present an opportunity to be of service to the community, or it can be more instrumental by way of increasing a personal or business profile. In exploring this creative tension of Different-ness and Likeminded-ness, two specific areas will be examined as shown in the diagram below. The first, ‘Fringe dwelling and belonging’ explores the emotional connection between board members in more detail. The second is ‘The new, old elite’ as Shortall and Shucksmith (2001) found that those involved in regional development decision making were often existing power holders within their communities who show a reluctance to critique the power system that has delivered their position from which they are likely to benefit emotionally, if not in any other pecuniary way.

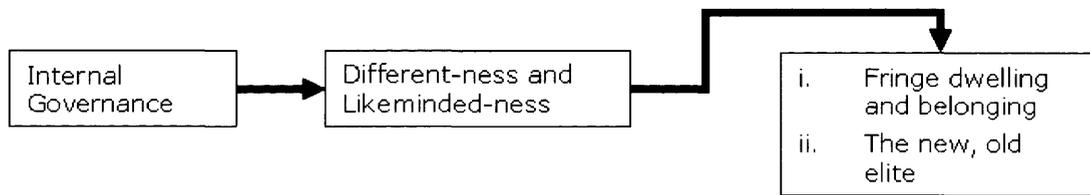


Diagram 7.6: Creative tension “Different-ness and Likeminded-ness”

(i) Fringe dwelling and belonging

When the same board member portrays their board experience as *//I believe Regional Development Boards are dead in the water//* and then says *//the intellectual stimulation that those people [board members] provide...we concoct new ideas and we co-operatively network...its fair to say they're a good bunch of friends in essence//*, internalised contradictory perceptions are being portrayed. While belonging must be nuanced to particular boards in different regional contexts, it seems that this is a powerful discourse perpetuated within these researched boards as a way of reducing ambiguity for the role itself. Alvesson and Willmott (2002 p. 631) describe the rules of such a discourse as ‘a network of meanings and guidelines for ‘getting by’ in ambiguous, politically charged social settings’. At the same time these rules can meet resistance or cause discomfort with other self-identities that may arise from belonging to other communities of practice and the boardroom can become an expression of resistance. This could account for those board members who draw sharp comparison to the legitimacy that they feel from being a local government councillor for example.

When this WA board member talked about how difficult it was for the regional development agency to make a difference in the region, he described himself as different because he was not agricultural, he was not a local, he talked about loneliness in the region and then he said *//you feel that are actually achieving something together//*. A sense of belonging on the board is entangled with place belonging. While this has been phrased by some board members as descriptions of parochialism in others (on the board), this too shows that ‘personal experiences are at the heart of place creation’ and also play an important part in identity creation; ‘a sense of belonging ‘giving meaning to ones’ life’ (Davenport & Anderson, 2005 p.627). The insight offered from Alvesson and Willmott

(2002) is to see the discursive aspects of these boardroom descriptions as movement towards identity regulation in order to open possibilities for transformation. Research by Naples (1997 p.80) in rural Iowa, United States of America revealed that, contrary to expectation of rural closeness, a sense of 'outsider-ness' was prevalent in social patterns, closely linked to gender, household form, class and race.

Beneath a sense of social comfort within the boardroom *//everyone is of the same mind//* or *//everyone on the board drives a reasonable car//*, even some of this majority also talk about feeling that they do not belong on the board. There were several women and younger men who referred to their appointment differently, often using humour to downplay their appointment. These board members talked about likeminded-ness but also identified themselves as being on the fringe of the board role. Comments such as these *//they got a bit of lemon when they bought me in//I don't have a degree, and sometimes I feel as though people don't put weight on what I'm saying//I was sort of seen as the minister's boy//they [other board members] came from the part of society that makes more decisions than anybody...I've started off from a poor background//*. These board members did not refer directly to their class and gender by way of explanation. Again Naples (1997) found that those who felt like outsiders did not openly voice their 'feelings with others who they perceived were more connected to the "community"', so fragile is the impression management of belonging.

Revealed in this research is a silencing of gender by both the men and the women with most references to gender being along these lines *//it's a lot more fun with women on the board//* (Brandth & Haugen, 1998). Schippers (2007) argues that the construction of others, in particular people from minority racial or ethnic groups, working and poorer classes as undeserving or problematic, is a sign of the enactment of hegemonic gender practices of both women and men. Indeed there are a number of salient issues constructing fringe dwelling in this research. The boards are a symbol of 'whiteness', described as a 'powerful backdrop to the construction of community in rural towns' and in particular economic development (Naples, 1997 p.82). The rationale for placing 'upper and middle class, white men and women higher in social status than others and rendering the gender practices of others as illegitimate' relates to the construction of worthiness (Schippers, 2007 p. 99). In this way difference is based on values, moral and social problems.

The expressed delight about likeminded-ness in this research also suggests that regional board members seek ways to express their identity in different contexts, outside of their own communities. As an example, one board member here describes a sense of alienation from a small community and the expression of self through board work has been significant. This board member says *//there are times in my own community where I have had to walk away. I have had to decide not to commit the energy because it is just too fraught with pain. It is just too much pain and that is the irony of it. You can work at this level and make such a difference. You can walk in the corridors of government and have a conversation that makes a difference whereas in your own community with your own people who you spend time with and most want to make a difference for, it is just so incredibly frustrating//*. This is an area that warrants further exploration.

Ingley and Walt (2003) suggest that one of the strategies of those who believe that they are in the minority (in this sense on the fringe of masculine or feminine hegemony or cultural diversity) is to attach themselves to those perceived as being the majority. This is an attempt to exert more influence on the overall outcomes and increase the perception of their similarity, rather than emphasising their marginal status. In the regional context, board members are more likely to know each other, may have shared other board roles, increasing exposure to these subtle ways of operating.

Trust is repeatedly described by board members as an essential ingredient to boardroom interaction. Trust is also upheld in the literature as central for 'effective knowledge creation and sharing in networks' (Abrams, Cross, Lesser, & Levin, 2003 p.65). Although this has only received cursory examination here, what is clear is that board members value the informal socialising as a way of building their interpersonal connection.

As a final comment on 'fringe dwelling and belonging', skilful chairing is revered in these boards as making or breaking group processes. Where board members described the chairperson as building cohesion through leadership, this person takes on the 'role of guardian of group goals' (Forbes & Milliken, 1999 p.6). Good chairing and a good relationship between the Chair and the CEO are seen by Edwards and Clough (2005) to be critical issues to the success of boards generally. In NSW it was apparent that this relationship suffered under the strain of unclear roles, poor resources and interpretation of responsibilities of the agencies. In WA, the Chair and CEO relationship had the added flavour of the CEO being responsible directly to the minister.

In summary, board members seek belonging within the board, despite feelings of fringe dwelling within their own communities or even on the board itself. This research confirmed that attachment to meeting with likeminded others matters.

(ii) The new, old elite

Those boards, located in higher growth, peri urban areas were more likely in this research to contain board members who considered themselves to be ‘players’ in the region. The players are men and women who have a multiplicity of complementary board roles, often local government, some corporate, some federal government based. Their presence is referred to as ‘natural and legitimate’ (Pini, 2006 p. 403), and is more likely to be defined by their business connections, access to capital, and friendship (Tickell & Peck, 1996). At the same time there is an awareness among these board members that big business developers are not in their midst, rather that these economic developers operate on a grander scale with direct access to ministers (Lovering, 2001). However the flow of power within the region touches those within these boards through the ‘capillary force’ of networked power (Tickell & Peck, 1996 p. 601). McAreavey (2006 p. 97) describes the empowerment game as allowing ‘one area of influence to be traded off another’. Being a part of this network paradigm (Morgan, 1997) limits board members’ desire to openly critique the power system that has delivered their board position. *//Not to rock the boat//* as this may limit resources coming into a region, but also it is likely to push a person onto the fringe, maybe more emotionally than financially (Shortall & Shucksmith, 2001).

Consistent with the findings of Grant and Rainnie (2005), the men in this research were more likely than the women to describe their governance role as one of participating in the political arena. Cochrane (1998 p. 2125) suggests that men tend to ‘show off their power’ as part of the interview process, aware of the gaze of the interviewer (Collinson, 2003). When a board member talks about using the board to deal with *//unfinished business//* in the region, they appear powerful. How this converts to actions is unknown and maybe even ‘highlights the difficulty of judging the status’ of these board members as local elites (Cochrane, 1998 p. 2128). Moreover, these boards may reflect Bock and Derkzen’s (2006 p.236) findings that the ‘traditional actors easily outplayed the newcomers in political knowledge and tactics’.

The board members interviewed in this research did not express an awareness of exclusionary practices that may be privileging some members of the community above others through their activities. The distribution of funding (in WA) and the seeking of project funding (in NSW) appears to be gender, class and race blind (Blake & Hanson, 2005; Bock, 2004; Rainnie, 2005; Rees, 2000; Smyth, Reddel, & Jones, 2005) and not aimed towards redistributive objectives, particularly within the current discourse of self help regional development (Grant & Rainnie, 2005). Shortall and Shucksmith (2001) cite the work of Commins and Keane (1994) which shows that where development agencies have not been active in seeking to broaden the involvement of the regional people, the tendency is that resources drift to those who are currently undertaking enterprises. However this may be overstating the capacity of the board to tackle the issue of social inclusion. In NSW the tasks of the board are so prescribed by the bureaucracy, limited to the administration of short term projects. In WA the issue of inclusion has been equated to the tripartite membership of the board being community, ministerial and local government. It seems in both states, responsibility to deliver on socially inclusive practices has been pushed down to the paid staff of the agencies.

To be a board member one is most likely to be connected with the government of the day *//I rang a Labor Party apparatchik and said I'd like to be on it//*. A board member is also more likely to be aged over 60 years, retired and/or a local government councillor. Only two women identified themselves as being part of the rural women's networks. Shortall (2004 p 118) identifies that the reason for this may be that the women's sector is 'impecunious' and seen to be 'social activity by women for women' thus excluded from the regional development work which is more recognised.

In summary, these board members tend to be the local elites, they operate in a homosocial environment, reproducing from political appointments, assuming political interference and achieving what seems possible, in terms of political approval for their regions.

Concluding Comments

Bentley and Gill (2000 p 220) identify that one of the greatest threats to new ways of seeing problems within regions are the 'long standing views and deep-rooted partisan expectations'. Despite contextual differences between boards and regions, board members self-describe as a collection of likeminded individuals focused on a region's

future. In doing this they downplay their different-ness and play out a consensus-based dialogue. The danger of this, according to Benn and Dunphy (2006), is that deep differences in regional development perspectives are silenced at a time when regions most need to consider the complexity of their circumstances and diverse opportunities.

7.3 Conclusion

To 'hold up the mirror to the process' with the hope of showing how board members make sense of regional development governance is an important starting point (Peck & Tickell, 2002 p. 400). Working with paradoxical findings means 'resisting the desire to over-rationalise and oversimplify the complications of organisational life – and learning to explore the natural ebb and flow of tensions' (Lewis, 2000 p.774). The creative tensions within this research build 'analytical strength' and display the complexities and messiness of these board roles (Edwards & Wajcman, 2005 p. vi). The virtue in describing this messiness is that board members can then find space within the structure to create new meanings in their boardroom experience (Edwards & Wajcman, 2005). Many board members are drawn to this involvement as an act of goodwill and in the effort to make positive contributions to their communities and yet find themselves hindered in their capacity to make a contribution. In the final chapter the consequences of these creative tensions for regional development governance is summarised. This chapter concludes with a list of questions for consideration by board members engaged in regional development governance and identifies scope for further research.

CHAPTER EIGHT: CONCLUSION

'A paradox framework entails staying with that complexity to explore its dynamics and possible implications' (Luscher, Lewis, & Ingram, 2006 p.500)

8.1 Introduction

When Beer, Maude et al (2003 p.158) reported that regional development practitioners pointed to the board as a major impediment to organisational effectiveness, it became clear that little was known about these board members and how they viewed their role. The contribution of this research is to examine the way in which these board members themselves describe their regional development governance role. Through this analysis it emerged that board members struggle to make sense of this role; some board members even suggest that the role is not designed for effectiveness.

This research has benefited from the high response rate from board members (averaging 82% of board members) from each of the six boards selected. The qualitative research design has enabled the board members experience to surface, in its variability and its commonalities. The interviews with board members have been central to the theoretical abstraction emerging from complex and contradictory patterns. The interview has been more than 'the optimisation of techniques and the minimisation of bias' (Alvesson, 2003 p.13); as the interviewer I have 'engaged in the interactional co-construction of the interview's content' (Gubrium & Holstein cited Rapley, 2004 p.20). Semi-structured interviews have been used here to search for what is visible in this boardroom experience and what is hidden. The stories of the board members have enriched our understanding of the complexity of regional development board membership. The metaphorical quilt has provided a 'vehicle' for this analysis to bring together the narratives of board members and the literatures to build a picture of the layers upon which the board experience rests and its' inherent tensions (Daniel, 2000 p. 323). In this next section I outline the contributions of this research more generally, and then explore the consequences of the creative tensions identified, before briefly considering the limitations of the research, the scope for further research and my final conclusion.

8.2 Contribution of this research

This research has collected perspectives from current regional development boards to reflect the ways in which these board members interpret and practice regional development governance. It is revealed here that there many perspectives. The role is not uniformly interpreted and performed as shown in Chapter Five where board members talk about the same tasks of regional development but in different ways. This analysis portrays the interpretations of board members about regional development as a woven concept with the content (weft) and the process (warp) inter-connecting to show the complexity of creating a shared understanding of regional development. By categorising board members perspectives as prescriptive, integrative, degenerative and facilitative insights are gained into how the constructed concept of regional development is interpreted.

By stitching a metaphorical quilt through this research, I have drawn together disparate literature and perspectives through the interviews to present my interpretation of the research question. This metaphor invites other interpretations and does not seek to portray one truth. The importance of describing the paradox in these board experiences is that contradictions appear throughout the descriptions given about these board roles. In particular, I have highlighted the creative tension evident through their stories, as captured by 'knowing and learning', 'the power to act, politicisation and patronage' and 'different-ness and likeminded-ness'. Some board members appear to benefit from the challenge of the role, and there are other board members who see the role as paralysing. The challenge in raising paradoxical findings that Luscher, Lewis and Ingram (2006) forecast is to resist the rush to apply a solution. The way that this challenge is taken up here is to describe the consequences of regional development governance continuing to operate the way it has been described by board members in this research.

8.3 The consequence of 'knowing and learning' for regional development governance

*'The deepest systems we enact are woven into the fabric of everyday life'
(Senge, Scharmer, Jaworski, & Flowers, 2004 p.234)*

When **knowing and learning** about regional development cannot be identified clearly within the boardroom, rather 'knowing' about regional development is constructed outside of the boardroom and even external to the region; board members know that it is a political instrument to implement government perspectives. This disjuncture between the collective human capabilities of the board and imposed priorities results in a sense of underachievement in many aspects of regional development governance.

The consequences of knowing and learning being conceived as something external to the human capabilities of the board members are far reaching. It means that board members are not engaged in building a shared understanding of regional development within the boardroom. These conversations do not appear to occur; rather meaning is attached to the funding of projects. The consequence is that boards do not have a robust hold of regional development meanings for their particular region; rather they fall beholden to external 'experts' or government policy which are perceived to hold the key to their regional development activities. In effect board members are frozen out of building capacity for their own region. This is paradoxical, that the people who may be in a position to assist their region are, in fact, hamstrung by their membership of a regional development board.

What board members learn about is their region, they travel and converse with people around their region and this is an enjoyable and informative exercise, for self and others. While they are learning about how the region works and meeting other people, they are aware, particularly in NSW, that the work of the board is sidelined and trivial to developing the region. However, as long as regional boundaries are dictated and constructed across local, state and federal lines, regional activities will appear to derive from the good fortune of personalities who are able to work co-operatively, and political actors in places where they are able to exert influence to deliver funding into a region.

The replication of regional solutions for regions results in the commodification of regional development; it is no longer connected to the situated, lived regional needs that board members know. At the same time, board members know that they cannot deliver

broad sweeping regional development without the assistance of government; they are in effect stuck. As long as 'knowing and learning' are tightly controlled by government perspectives, then the entrenched nature of disadvantage developing in regional spaces can be disregarded and the changing economic conditions in agriculture and regional enterprises reframed to be an instance of global adjustment (Nischalke & Schollmann, 2005).

If the boards' 'knowing' was to be unleashed, then there would need to be conversations about how to settle perceptions of parochialism, and the actions of large scale capital in the region. Dewees, Lobao et al (2003) suggest that if communities were able to 'decision make' their regional futures then there would be engagement in research to understand the impact of different development strategies over time. One particular aspect that would elevate the boards know-how is whether 'community agency leads to better local economic fortune, or whether larger economic forces are the ultimate correlates to economic well-being' (Deweese, Lobao, & Swanson, 2003 p.203). Furthermore, the consequence currently is that board members know regional development as 'projects' established by short term funding cycles. They have not been able to operate beneath this to uproot political favour in preference for the deep seated issues of inclusion and redistribution and the role of the government in the region's future.

When uncertainty about what difference an agency can make in a region is coupled with what is perceived to be political interference at the board level, board members are likely to report the boardroom experience as tokenistic. It seems that unless this reality of competing interests and political and administrative constraints are voiced, skilled and committed board members will continue to feel under-utilised in these board roles. For these boards to deliver good governance, the creation of in-depth and shared understanding of regional development and the work of the board seems fundamental.

8.4 The consequence of 'power to act, politicisation and patronage' for regional development governance

'The exercise of power is not simply a relationship between partners, individual or collective; it is a way in which certain actions modify others'
(Dreyfus & Rabinow, 1982 p.219)

The consequence for regional development governance of this creative tension, the **power to act, politicisation and patronage** is that the capacity of the board to act for deep change in regional issues is dissolved. Where the work of the board and the agency is politicised, it is hamstrung by the minister's needs for favour within the electorate and government. Where the boards are used to advance political careers (of board members or of their family members) then the boards are less likely to provide fearless advice to ministers. Rather, the work of the board will be clipped and restrained to maintain the favour of those vested interests. This tension contains significant scope for reform that 'could help restore and protect public confidence in the governance of public institutions' (Edwards, 2006 p.21-22).

As a consequence, these agencies lack the legitimacy to represent and act in their regions. As long as the boards are seen to be puppets for the government, they will not be taken seriously by other organisations, particularly those entities that are governed by elected representatives. The boards will be seen to be compromised to build capacity in the regions and/or to advocate for improved service delivery. The perversion is that these boards become paralysed by patronage rather than the regional development issues at hand (Putnam, 1993).

With the board's goals unclear yet managed to meet political imperatives, lines of responsibility obfuscated and ministerial appointment processes concealed, these boards will continue to limp along and be seen by some of their own board members as tokenistic or illegitimate. These boards will be described as delivered to regions for political consumption only. As long as this practice of regional development governance continues, there will be a self-fulfilling intent towards regional development policy which is pallid or indeed palliative in nature (Wanna & Withers, 2000). The consequence is cynicism by some, opportunity of personal gain and advancement for others and an overwhelming sense of waste.

Regional development requires close attention paid to the institutional framework for the delivery of regional benefits. Where New Regionalism has been exaggerated in delivering improved outcomes for the regions, in its place is the maintenance of a weak system with low levels of accountability to the regions which are being served. Rather governments are struggling 'to identify the most efficient and acceptable mechanisms for regional development' or are they (Everingham, Cheshire, & Lawrence, 2006 p. 146)? Some board members are alert to these weaknesses and suggest that it is a system kept deliberately weakened and ineffectual.

8.5 The consequence of 'different-ness and likeminded-ness' for regional development governance

'The boundaries relating to relationality, naturalization and collective attributions are brought into play in a dialogical sense with social position leading to naturalized, collectivized and relational hierarchization and unequal resource allocation' (Anthias, 2001 p.635).

The consequence of **different-ness and likeminded-ness** being conceived in this way on these boards is that board members are bound by an internal culture that calls for the boardroom experience to be pleasant, almost sanitised of conflict or challenging decision making. Those appointed are more likely to work with consensus rather than dissensus which would shine the light on the deeper issues of the domination of economic perspectives, inclusion, power and whose interests are being served by the work of the board.

Both the men and women raise the desire for likeminded-ness on these boards. It is as if power is pulsated through individuals by virtue of their membership of these boards. There is reluctance to critique this system. The consequence is that in this homosocial environment (Kanter, 1977), on the surface that is, the reproduction of political appointments, assumed political interference, reflected worthiness keeps issues of inclusion out of the spotlight. The consequence of rejecting different-ness is that there will not be renewal, new ideas and practices and inclusion of those who already live and work on the fringe in the regions. This is despite some board members concealing their own perceptions of their fringe dwelling reality. Such is the sense of disengagement that can advance upon the persona of board members who no longer feel accountable to their

communities; rather their accountability is tied to a personal connection to the minister. The retention of these boards as homo-social environments for white, Anglo-Saxon, older board members with private means disconnects these boards from the majority of those living within the regions.

The compelling story from the consequences identified in this research is that these board members will continue to under-achieve in these regional development governance roles unless major changes are made. This research suggests that if board members are to realise their capacity and contribute their human and social capital to regional development outcomes in their region, then there is a requirement to expose the inadequacies of the appointment processes and the management of these boards as it has been reported by board members. If the boards are to be an important component of the government's strategy for engagement with regions then there needs to be transparency in the appointment processes, so that the political nexus which de-legitimises the boards is exposed. Without major changes occurring, board members will continue to report that their work is ad hoc and project based, invisible to the community, and that the board and the agency lacks legitimacy within their region.

8.6 Limitations of this research and scope for further research

Ideally this research would have drawn on the whole population of board members, and would not have been limited by the use of a sample of regional development board members from six regional development agencies in WA and NSW. However given there were 205 members of thirteen Regional Development Boards in NSW and nine Regional Development Commissions in WA in 2006, this wasn't feasible within the time frame or resources of the thesis. Further, without being able to observe the interactional dynamics of the boardroom, and the way in which the reported political connections and influence are brought to bear on conversations, it is not possible to evaluate the 'blackbox' of boardroom behaviour (Forbes & Milliken, 1999). While the board members revealed some aspects of their boardroom experience, I acknowledge that this may be limited. There is scope for further research to observe a number of regional development board meetings to examine these interactional dynamics.

Where board members talked about the benefits of their involvement on the board, being what they have learned about regional development it was also not possible within this

research to pursue the way in which this reported increase in personal knowledge and connection benefits the communities to which board members' belong. Further research could seek to map these connections more fully to determine how robust (or not) the linkages may be as conduits of information or other regional benefits.

Further research could also focus on working with a number of boards in an action learning way to engage board members in reviewing their understanding and behaviour within regional development governance. This process could engage board members in self-reflective practices to address the paradoxical nature of these findings in order to build board effectiveness. One of the options for addressing these paradoxes is to make the tension more visible through active questioning of the Regional Development Boards and Commissions.

However, 'as the need for reflection and deeper learning grows, the pressures against that need being fulfilled grow too' (Senge, Scharmer, Jaworski, & Flowers, 2004 p.221). The risk in translating contradictory and paradoxical findings into questions is to 'flatten' the depth of concern for the issues raised in this research and to under-estimate the resistance to pursuing change in this arena. Without deeper analysis of the role of the state in maintaining this political nexus for board membership, deeper change within the boardroom will be stultified. The following table provides a list of questions, which emerged from my analysis, which may provide a process for the debate to occur. This list is not exclusive, but indicative of the sorts of prompts that may help to make explicit the complexity and inherent tensions within the regional development governance role.

Questioning the nature of Regional Development Governance	Creative Tension
<ol style="list-style-type: none"> 1. What is regional development 'in' the region and development 'of' the region? 2. What does the board know about regional development and what does it need to learn? 3. What is the role of the board and the agency in the region? 4. How will the board create meaning of regional development in this region? 	<p>Knowing and Learning</p>
<ol style="list-style-type: none"> 5. What is the capacity of the board to bring about regional development in the region? 6. To whom are board members accountable? 7. What is the nature of the connection of board members with the minister, local Member of Parliament and departmental officers? 8. What is political interference in the work of the board? 9. What resources are available to the board for regional development activities? 10. What is the basis for appointment onto the board and how transparent is the appointment process? 	<p>Power to Act, Politicisation and Patronage</p>
<ol style="list-style-type: none"> 11. Who is included on this board and who is excluded? 12. In what ways are board members connected with each other outside of this boardroom? 13. Whose interests are being served by the work of the board? 14. How will this board balance the need for board cohesion with the need for dissent? 	<p>Different-ness and Likeminded-ness</p>

Table 8.1: Questions for regional development governance reflection

8.7 Conclusion

As noted at the start of this chapter, when Beer, Maude et al (2003 p.158) reported that regional development practitioners pointed to the board as a major impediment to organisational effectiveness, it became clear that little was known about these board members and how they viewed their role. The contribution of this research is to examine the way in which these board members themselves describe their regional development governance role. Through this analysis, it became clear that there is no uniform sense-making by these board members. Rather, regional development emerged as a woven concept with the content (weft) and the process (warp) inter-connecting to show the complexity of creating a shared understanding of regional development. By categorising board members perspectives as prescriptive, integrative, degenerative and facilitative we gain a richer understanding of how the constructed concept of regional development is interpreted by board members.

Furthermore, board members do not see themselves as a part of a new order of New Regionalism nor do they appear to consider who may be excluded in the practice of regional development governance. Board members see themselves and their board role as highly politicised, from the appointment processes to the funding processes within the boardroom. While board members have openly discussed the weaknesses they perceive in their regional development governance role, they have also identified what they have gained personally from the role. These roles present the opportunity to build connections with other board members, ministers and government, and regional communities. Board members generally enjoy the board experience, counteracting loneliness for some, meeting with likeminded individuals is invigorating and learning about how government and the regions works expanding ones' knowing and profile. Yet paradoxically, board members see government firmly steering the course for regional development. With ministers appointing board members and retaining control over policy, priorities and spending, board members are cognisant of the power dynamics in regional development governance. Board members confirm that the big decisions are not made within the board and generally not within the region, but closer to the lap of the bureaucracy and government ministers.

The preference in this research has been to describe the boardroom experience by its paradoxical nature, with the contradictory findings described as creative tensions. In this way the imperfections and competing demands of the boardroom experience are exposed. While this approach delivers a more nuanced comprehension of the board roles, it does not excuse the need for improvement or reform. In this way, this conclusion has highlighted the consequences of these paradoxes remaining unchecked. For example, without conversations occurring within the boardroom to deepen an understanding of regional development in its origins, directions and implications, then the boards will continue to be dominated by an economic perspective and a preference for project based interventions. Until the appointment process is made more transparent and accountable the work of the boardroom will continue to be seen by its own members as ad hoc and compromised. Those outside of the board room are most likely to see these roles as the domain of the politically well connected and board members will continue to report that the work of the board and indeed the agency is invisible and illegitimate.

APPENDICES

APPENDIX ONE

LETTER TO WA BOARD MEMBERS



New England Business School

Faculty of Economics, Business and Law
University of New England
Armidale NSW 2351 Australia
Telephone +61 2 6773 2201 Facsimile +61 2 6773 3148
Internet: www.ncbs.une.edu.au
email: ncbs@unc.edu.au

1 September 2005

Ms/Mr XXXXXXXX
XXXXXXXXXXXX
NSW/WA

Dear XXXXXXXX,

Re: Regional Development Governance Research

We are writing to invite you to be part of groundbreaking research into Government boards which deliver regional development governance in Western Australia (WA) and New South Wales (NSW). As a board member/ chairperson of the (insert name of the board) WA Regional Development Commission your views are critical in being able to represent accurately how the Commissions are currently operating.

The research team comes from the University of Western Australia, Curtin University of Technology and the University of New England in NSW and has been funded by the Australia Research Council with industry partners of the WA Department of Local Government and Regional Development, the NSW Department of State and Regional Development and NSW Office for Women to do this important research. While there has been considerable talk about corporate boards, little attention has been paid to the contributions made by government boards, particularly regional development boards or commissions and how they operate.

This first stage of the research aims to produce a clear picture of the people who undertake these important board roles on behalf of their communities, and how these boards function. Through highly confidential interviews either face to face or by telephone the research team will build this picture of the workings of the boards. While this is the first stage of a three year project your involvement now will shape the way in which the research project develops. The results of this research will be made directly available to you.

In this stage we will be conducting interviews with board members from a selected group of regional development boards and commissions in NSW. and WA. The WA Department of Local Government and Regional Development provided the research team with your contact details. We are now contacting you to ask you to participate in this interview stage. It is expected that the interview will take between 45 and 60 minutes of your time (either face to face or by telephone) and be conducted by one of the four researchers listed at the end of this letter.

You must be assured that the confidentiality of your responses will be respected. While the interviews will be tape recorded for ease of collection, the transcriptions will not identify participants and the tapes will be destroyed after analysis. Data from the interview will be kept for a period of 5 years in secure files and then destroyed. Responses will be confidential and no responses will be identifiable. Publications that result from the research will ensure that participants are unidentifiable. Of course you are under no obligation to participate in this study. However we hope that you see the importance of this project and that you are willing to participate. If so could you please return the attached consent form in the enclosed reply paid envelope and we will telephone you to make an appointment for an interview.

We would be very happy to answer any questions you may have about the study. Our contact details are:

Associate Professor Alison Sheridan	Telephone:	(02) 67732304
New England Business School	Email:	asherida@une.edu.au
University of New England		
ARMIDALE NSW 2351		

Associate Professor Fiona McKenzie	Telephone	(08) 92661087
Australian Housing and Urban Research Institute (Western Australia)		
Curtin University of Technology	Email:	f.mckenzie@curtin.edu.au
78 Murray St		
PERTH WA 6000		

Professor Leonie Still	Telephone	(08) 64882946
Graduate School of Management	Email	lstill@gsm.uwa.edu.au
University of Western Australia		
35 Stirling Highway		
CRAWLEY WA 6009		

Ms Lou Conway	Telephone:	(02) 67733919
New England Business School	Email:	mconway@une.edu.au
University of New England		
ARMIDALE NSW 2351		

This study has been approved by the Human Research Ethics Committee of the University of New England (Approval No. HE05/151 valid until 28 July 2006). Should you have any complaints concerning the manner in which this study is conducted, please contact the Research Ethics Officer at the following address:

Research Services	Telephone	(02) 67733449
University of New England	Facsimile	(02) 67733543
Armidale NSW 2351	Email	ethics@une.edu.au

We look forward to hearing from you.

Yours sincerely,

Associate Professor Alison Sheridan

LETTER TO NSW BOARD MEMBERS



New England Business School

Faculty of Economics, Business and Law

University of New England

Armidale NSW 2351 Australia

Telephone +61 2 6773 2201 Facsimile +61 2 6773 3148

Internet: www.nebs.une.edu.au

email: nebs@une.edu.au

1 September 2005

Ms/Mr XXXXXXXX
XXXXXXXXXXXX
NSW/WA

Dear XXXXXXXX,

Re: Regional Development Governance Research

We are writing to invite you to be part of groundbreaking research into Government boards which deliver regional development governance in Western Australia (WA) and New South Wales (NSW). As a board member/ chairperson of the (insert name of the board) NSW Regional Development Board your views are critical in being able to represent accurately how these boards are currently operating.

The research team comes from the University of Western Australia, Curtin University of Technology and the University of New England in NSW and has been funded by the Australia Research Council with industry partners of the WA Department of Local Government and Regional Development, the NSW Department of State and Regional Development and NSW Office for Women to do this important research. While there has been considerable talk about corporate boards, little attention has been paid to the contributions made by government boards, particularly regional development boards and how they operate.

This first stage of the research aims to produce a clear picture of the people who undertake these important board roles on behalf of their communities, and how these boards function. Through highly confidential interviews either face to face or by telephone, the research team will build this picture of the workings of the boards. While this is the first stage of a three year project your involvement now will shape the way in which the research project develops. The results of this research will be made directly available to you.

In this stage we will be conducting interviews with board members from a selected group of regional development boards and commissions in NSW and WA. The NSW Department of State and Regional Development provided the research team with your contact details. We are now contacting you to ask you to participate in this interview stage. It is expected that the interview will take between 45 and 60 minutes of your time and will be conducted by one of the four researchers listed at the end of this letter.

You must be assured that the confidentiality of your responses will be respected. While the interviews will be tape recorded for ease of collection, the transcriptions will not identify participants and the tapes will be destroyed after analysis. Data from the interview will be kept for a period of 5 years in secure files and then destroyed. Responses will be confidential and no responses will be identifiable. Publications that result from the research will ensure that participants are unidentifiable. Of course you are under no obligation to participate in this study. However we hope that you see the importance of this project and that you are willing to

participate. If so could you please return the attached consent form in the enclosed reply paid envelope and we will telephone you to make an appointment for an interview.

We would be very happy to answer any questions you may have about the study. Our contact details are:

Associate Professor Alison Sheridan	Telephone:	(02) 67732304
New England Business School	Email:	asherida@une.edu.au
University of New England		
ARMIDALE NSW 2351		

Associate Professor Fiona McKenzie	Telephone	(08) 92661087
Australian Housing and Urban Research Institute (Western Australia)		
Curtin University of Technology	Email:	f.mckenzie@curtin.edu.au
78 Murray St		
PERTH WA 6000		

Professor Leonie Still	Telephone	(08) 64882946
Graduate School of Management	Email	lstill@gsm.uwa.edu.au
University of Western Australia		
35 Stirling Highway		
CRAWLEY WA 6009		

Ms Lou Conway	Telephone:	(02) 67733919
New England Business School	Email:	mconway@une.edu.au
University of New England		
ARMIDALE NSW 2351		

This study has been approved by the Human Research Ethics Committee of the University of New England (Approval No. HE05/151 valid until 28 July 2006). Should you have any complaints concerning the manner in which this study is conducted, please contact the Research Ethics Officer at the following address:

Research Services	Telephone	(02) 67733449
University of New England	Facsimile	(02) 67733543
Armidale NSW 2351	Email	ethics@une.edu.au

We look forward to hearing from you.

Yours sincerely,

Associate Professor Alison Sheridan

APPENDIX TWO

CONSENT FORM FOR PARTICIPANTS



New England Business School

Faculty of Economics, Business and Law
University of New England
Armidale NSW 2351 Australia
Telephone +61 2 6773 2201 Facsimile +61 2 6773 3148
Internet: www.nebs.une.edu.au
email: nebs@une.edu.au

Project: Study into Regional Development Governance
Persons responsible: Associate Professor Alison Sheridan, Professor Leonie Still,
Associate Professor Fiona Haslam McKenzie and Ms Lou
Conway

I have read the information contained in the letter from the research team and any questions I have asked have been answered to my satisfaction. I agree to participate in this activity, realising that I may withdraw at any time. I understand that my responses will be recorded and transcribed. I agree that research data gathered for the study may be published, provided my name and other identifying features about my position and location are not used. I understand that Ms Conway will be writing her PhD from the research data and that any publications will not identify participants. I agree that the researchers can telephone me to make an appointment for an interview.

.....
Signature

.....
Date

.....
Telephone number

.....
Email address

Please return this form to the researchers in the enclosed self addressed envelope

Thank you

APPENDIX THREE

INTERVIEW QUESTIONS FOR BOARD MEMBERS

Human Capital

1. Personal Details
 - Age/ gender/ marital status and dependents/education?
 - How long have you lived in this region?
 - How do you describe yourself in living where you do (regional/rural/remote)?
2. Professional/ work/board history
 - Qualifications/work history/previous board roles?
 - How long have you been on this board?
 - How were you appointed to the board?
 - Do you sit on other boards/committees/advisory groups?
3. Personal contribution
 - What do you bring to the board?
 - What made you want to be involved with this Board?
 - How do you see yourself in the role as a Board member?
 - What do you achieve in this role for yourself, the board and the community?
 - What holds you back in this board role?
 - Will you seek re-nomination onto this board?
4. Knowledge base
 - What are the main drivers for development in this region?
Economic vs. social?
 - Where do you draw your knowledge from in your board role?
 - Are there other resources that you have access to that you bring to the board?

Structural Capital

1. Board processes
 - How often does the board meet?
 - Does the Board have a strategic plan? How is the strategic plan developed? Who is involved in developing the plan?
 - How are agendas established?
 - How was it made clear to you what the role of the board is?
 - Does everybody on the board have the same view of what the board is there to do?
2. Board dynamics
 - Do you feel that your skills are utilised on the board?
 - How active are you on the board? Do you initiate new ideas on the board?
 - What has been the impact of having more women/men on this board? Has this had any impact on the board's decision making or performance?
 - Who does the talking on this board?
 - How are decisions made on the board?

- How much outside interference and influence is there on the board? How often is the board overridden? Are there times when you have felt that this board is a token board?
 - Are there factions, or does the board make decisions as a whole? Who travels to meetings together?
 - Does the board have the right blend of people?
3. Board functions
- How would you describe the chairing of the board?
 - How do you judge the success of the 'Board'? Does the board do this collectively?
 - What is the Executive Officer's role? Does the chairperson mentor the Executive Officer?
 - Does the board clarify what is a board role and what is management's responsibility?
 - What is your role on the board? Did you choose (or were there elections) to be on a committee within the 'Board'? Which one did you choose and why?
 - How does the board represent itself in the community – who does the officiating at functions and community events?

Social Capital

1. Relationships within the board
- Who are the influential board members?
 - Who gets 'heard' on the board? / How well do you think you are heard in meetings?
 - What is the level of trust among the board members?
 - Did you know the other board members before you came onto the board? Please describe these relationships?
 - Who has input into what the priorities are?
2. Relationships between board and management
- How would you describe the relationship between the board and the management?
3. Relationships between board and other organisations
- What are the other decision making bodies that have the most influence in this region?
 - How does the community make sense of the role of the Board?
 - With whom does the board develop partnerships? Who initiates these partnerships?
 - What networks do you draw on for the board?

APPENDIX FOUR

TREE NODES AND FREE NODES

Name

Issues +

Name	Sources	References
Accountability	17	23
Barriers to board work	10	19
Bureaucracy and RD	31	102
Businesses	14	25
Drivers of RD	19	29
Economic and social	27	54
Elites and power	9	19
Environmental	15	29
Gains from involvement	42	89
Gender diversity	43	103
Gendered knowing, doing	32	108
Getting on the board	36	63
Inclusiveness	35	68
Knowledge creation	34	58
Legitimacy of RDA	16	29
Low profile	32	58
+ Meaning of Regional Dev't	45	195

Name Sources

achievable	6
business	19
complexity	11
diversity of industry	11
image	13
integrative view	22
jobs	9
physical location	7
population growth	8
Prescriptive-ness	13
projects	12
self help	8
services and amenities	13
something that binds	6
stability	3
stemming decline	5
uncertainty	22
Motivations for involvement	19
Parochialism	19
Personal costs to involvement	4
Planning	6
Politicisation	49
Strengths and weaknesses	29
Tokenism	13

Context +

Name	Sources	References
Defining features	32	178
Local Government	25	63
Regional adjustment	6	12
Regional competition	4	5
+ Regional identity	44	135

Sources

Name

		administrative region	0
		barriers to thinking regionally	4
		benefits of being regional	2
		parochialism	1
		second grade living	0
		sense of place	2
		social connection	2
Structural Capital			
	Name	Sources	References
	Board communication	38	76
	Board induction	18	28
	Board outcomes	44	104
	Chairing	42	100
	Governance	18	30
	Meetings	4	7
	Regional co-ordination	29	59
	Resources	22	39
	Role of board	49	222
	Staff	37	93
	Strategic planning	15	27
Human Capital			
	Name	Sources	References
	Personal background	56	209
	Sameness difference	27	46
	Self-identity	43	143
	Use of skills	25	38
Social Capital			
	Name	Sources	References
	Community involvements	11	16
	Influential group	8	17
	influential members	37	64
	Networks	24	53
	Trust	27	36
Narratives			
	Name	Sources	References
	Good quotes	35	105
	Metaphors	7	13
	Suggestions	3	3
	Surprises	8	13

References

- Abrams, L., Cross, R., Lesser, E., & Levin, D. (2003). Nurturing interpersonal trust in knowledge-sharing networks. *Academy of Management Executive*, 17(4), 64-75.
- Agnew, J. (1999). Regions on the mind does not equal regions of the mind. *Progress in Human Geography*, 23(1), 91-96.
- Agnew, J. (2000). From the political economy of regions to regional political economy. *Progress in Human Geography*, 24(1), 101-110.
- Allen, K.-E. (2002). The social space(s) of rural women. *Rural Society*, 12(1), 27-44.
- Alston, M. (1995). *Women on the Land. The Hidden Heart of Rural Australia*. Sydney: University of New south Wales Press.
- Alston, M. (1999). *Surviving in Rural Communities: A Blueprint for the New Millennium*. Paper presented at the Country Matters Conference.
- Alvesson, M. (2003). Beyond neopositivists, romantics, and localists: a reflexive approach to interviews in organizational research. *Academy of Management Review*, 28(1), 13-33.
- Alvesson, M., & Deetz, S. (2000). *Critical Management Research*. London: Sage.
- Alvesson, M., & Skoldberg, K. (2000). *Reflexive Methodology*. London: Sage Publications.
- Alvesson, M., & Sveningsson, S. (2003). Managers doing Leadership: The extraordinary of the mundane. *Human Relations*, 56(12), 1435-1459.
- Alvesson, M., & Willmott, H. (2002). Identity Regulation as Organizational Control: Producing the Appropriate Individual. *Journal of Management Studies*, 39(5), 619-644.
- Amin, A. (1999). An Institutional Perspective on Regional Economic Development. *International Journal of Urban and Regional Research*, 365-378.
- Anderson, J. (1999). One Nation or Two? Securing a Future for Rural and Regional Australia. Retrieved 2 June, 2005, from www.ministers.dotars.gov.au/ja/speeches/1999/as1_99.htm
- Anthias, F. (2001). New hybridities, old concepts: the limits of 'culture'. *Ethnic and Racial Studies*, 24(4), 619-641.
- Argent, N., & Rolley, F. (2000). Lopping the Branches: Bank Branch Closure and Rural Australian Communities. In B. Pritchard & P. McManus (Eds.), *Land of Discontent*. Sydney: UNSW Press.
- Barrett, P. (2004). Corporate Governance - a more private public sector. *Presentation to MBA Governance students at the Macquarie University Graduate School of Management* Retrieved 9 January 2008, from http://www.anao.gov.au/uploads/documents/Corporate_Governance_A_More_Private_Public_Sector1.pdf
- Beer, A. (2000). Regional Policy and Development in Australia: Running Out of Solutions? In B. Pritchard & P. McManus (Eds.), *Land of Discontent* (pp. 169-194). Sydney: UNSW Press.
- Beer, A., Clower, T., Haughton, G., & Maude, A. (2005). Neoliberalism and the Institutions for Regional Development in Australia. *Geographical Research*, 43(1), 49-58.
- Beer, A., Haughton, G., & Maude, A. (2003). *Developing Locally. An International Comparison of Local and Regional Development*. Bristol: The Policy Press.
- Beer, A., & Maude, A. (1996). Effectiveness of State Frameworks for Local Economic Development. *Report for the Southern Development Board, Adelaide, the*

- Department of Manufacturing Industry, Small Business and Regional Development and the Local Government Association of South Australia.*
- Beer, A., & Maude, A. (2002). *Local and Regional Economic Development Agencies in Australia (Report Prepared for the Local Government Association of South Australia)*
- Beer, A., & Maude, A. (2005). Governance and the Performance of Regional Development Agencies in Australia. In R. Eversole & J. Martin (Eds.), *Participation and Governance in Regional Development*. Aldershot: Ashgate.
- Beer, A., Maude, A., & Pritchard, B. (2003). *Developing Australia's Regions*. Sydney: UNSW Press.
- Benn, S., & Dunphy, D. (2006). Towards New Forms of Governance for Issues of Sustainability: Renewing Relationships between Corporates, Government and Community. *Electronic Journal of Radical Organisation Theory*, 9(1), 1-29.
- Bentley, G., & Gibney, J. (2000). *RDAs and Business Change*. Aldershot: Ashgate
- Berger, G. (2003). Reflections on Governance: Power Relations and Policy Making in Regional Sustainable Development. *Journal of Environmental Policy and Planning*, 5(3), 219-234.
- Blake, M., & Hanson, S. (2005). Rethinking innovation: context and gender. *Environment and Planning A*, 37, 681-701.
- Bobko, P. (1985). Removing Assumptions of Bipolarity: Towards Variation and Circularity. *Academy of Management: The Academy of Management Review (pre-1986)*, 10(1), 99-108.
- Bock, B. (2004). *Gender and new rural governance: theory and practice of rural women's inclusion in policy making*. Paper presented at the IRSA World Conference for Rural Sociology, Trondheim.
- Bock, B., & Derkzen, P. (2006). Gender and Rural Development Budgets. In B. Bock & S. Shortall (Eds.), *Rural Gender Relations* (pp. 224-237). Wallingford: CABI Publishing.
- Borelli, G., & Kendall, M. (2004). *Board Effectiveness*. UK.
- Brandth, B., & Haugen, M. (1998). Breaking into a Masculine Discourse Women and Farm Forestry. *Sociologia Ruralis*, 38(3), 427- 442.
- Brandth, B., & Haugen, M. (2005). Doing Rural Masculinity - From Logging to Outfield Tourism. *Journal of Gender Studies*, 14(1), 13-22.
- Brenner, N. (2002). Decoding the Newest "Metropolitan Regionalism" in the USA : A Critical Overview. *Cities*, 19(1), 3-21.
- Brown, A. J., & Collits, P. (2004). *When the wicked meets the vicious: addressing long-term problems of capacity and legitimacy in Australian Local and Regional Governance*. Paper presented at the RMIT/ASSA Workshop on Participation and Governance for Regional Development, Hamilton, Victoria.
- Brown, A. J., & Collits, P. (2005). Regional Governance and Regionalism in Australia. In R. Eversole & J. Martin (Eds.), *Participation and Governance in Regional Development: Global Trends in an Australian Context*. Aldershot: Ashgate.
- Brown, J. S., & Duguid, P. (1991). Organizational Learning and Communities of Practice: Towards a Unified View of Working, Learning, and Innovation. *Organization Science*, 2(1), 40-57.
- Brown, J. S., & Duguid, P. (2001). Knowledge and Organization: A Social-Practice Perspective. *Organization Science*, 12(2), 198-213.
- Brush, L. (2003). *Gender and Governance*. Oxford: Sage.
- Bryant, L. (2003). Gendered Bodies, Gendered Knowledges. *Social Science Computer Review*, 21(4), 464-474.
- Cairns, M. (2003). *Boardrooms that Work*. Sydney: Australian Institute of Company Directors.

- Campbell, H., & Bell, M. M. (2000). The Question of Rural Masculinities. *Rural Sociology*, 65(4), 532-546.
- Carbert, L. (2003). Above the Fray: Rural Women Leaders on Regional Development and Electoral Democracy in Atlantic Canada. *Canadian Journal of Political Science*, 36(1), 159-183.
- Carpenter, M., & Westphal, J. (2001). The strategic context of external network ties: Examining the impact of Director appointments on board involvement in strategic decision making. *Academy of Management Review*, 44(4), 639-660.
- Cavaye, J., Blackwood, B., Lawrence, G., Paton, S., & Windle, J. (2002). *Sustainable Regional Development: the Stalled Agenda, and the Way Forward*.
- Charmaz, K. (2000). Grounded Theory. In N. Denzin & Y. Lincoln (Eds.), *Handbook of Qualitative Research*. Thousand Oaks: Sage.
- Charmaz, K. (2006). *Constructing Grounded Theory*. London: Sage.
- Cheshire, L. (2006). *Governing Rural Development*. Aldershot: Ashgate.
- Cheshire, L., & Lawrence, G. (2005). Re-shaping the state. In V. H. a. G. Lawrence (Ed.), *Agricultural Governance: Globalization and the new politics of regulation* (pp. 35-49). Abingdon: Routledge.
- Chia, R. (2003). From knowledge creation to the perfecting of action: Tao, Basho and pure experience as the ultimate ground of knowing. *Human Relations*, 56(8), 953-981.
- Cochrane, A. (1998). Illusions of Power: interviewing local elites. *Environment and Planning A*, 30, 2121-2132.
- Collinson, D. L. (2003). Identities and Insecurities: Selves at Work. *Organization*, 10(3), 527-547.
- Collits, P. (2004a). Book Review of 'Government Interventions in Pursuit of Regional Development: Learning from Experience'. *Sustaining Regions*, 3(2), 44-45.
- Collits, P. (2004b). Policies for the Future of Regional Australia. *European Planning Studies*, 12(1), 85-97.
- Connell, R. W. (2005). Change among the Gatekeepers: Men, Masculinities, and Gender Equality in the Global Arena. *Signs: Journal of Women in Culture and Society*, 30(31), 1801-1825.
- Crago, H., Sturmey, R., & Monson, J. (1996). Myth and Reality in Rural Counselling. *Australia New Zealand Journal of Family Therapy*, 17(2), 61-74.
- Daniel, J. B. (2000). Function or Frill: The Quilt as Storyteller in Toni Morrison's *Beloved*. *The Midwest Quarterly*, 41(3), 321-329.
- Davenport, M., & Anderson, D. (2005). Getting from Sense of Place to Place-Based Management: In Interpretive Investigation of Place Meanings and Perceptions of Landscape Change. *Society and Natural Resources*, 18, 625-641.
- Dehler, G., Welsh, A., & Lewis, M. (2001). Critical Pedagogy in the "New Paradigm". *Management Learning*, 32(4), 493-511.
- Dempsey, K. (1992). *A Man's Town: Inequality Between Women and Men in Rural Australia*. Oxford: Oxford University Press.
- Department of Local Government and Regional Development. (2003). *Regional Western Australia - A Better Place to Live*.
- Department of State and Regional Development. (2004a). *Strategic Plan 2004 - 2007*.
- Department of State and Regional Development. (2004b). *Strong Regions, Strong Futures (Regional Development in NSW)*.
- Department of State and Regional Development. (2005). *Regional Development Boards - Information Booklet and Nomination Form*.
- Department of State and Regional Development. (2006). *2005-2006 Annual Report*.
- Dewar, M. (1998). Why State and local economic development programs cause so little economic development. *Economic Development Quarterly*, 12(1), 68-88.

- Deweese, S., Lobao, L., & Swanson, L. (2003). Local Economic Development in an Age of Devolution: The Question of Rural Localities. *Rural Sociology*, 68(2), 182-206.
- Douglas, D. (2005). The restructuring of local government in rural regions: A rural development perspective. *Journal of Rural Studies*.
- Dreyfus, H., & Rabinow, P. (1982). *Michel Foucault: Beyond Structuralism and Hermeneutics*. Brighton: The Harvester Press.
- Edgar, D. (2001). *The Patchwork Nation*. Sydney: Harper-Collins.
- Edwards, M. (2006). *Appointments to the Public Sector Boards in Australia*. Canberra.
- Edwards, M., & Clough, R. (2005). *Corporate Governance and Performance: An Exploration of the Connection in a Public Sector Context*. Canberra: University of Canberra.
- Edwards, M., Nicoll, G., & Seth-Purdie, R. (2003). *Conflicts and Tensions in Commonwealth Public Sector Boards*. Canberra: National Institute for Governance, University of Canberra.
- Edwards, P., & Wajcman, J. (2005). *The Politics of Working Life*. Oxford: Oxford University Press.
- Epps, R. (1999). *Survival of the fitter? New firms and the competitive advantage imperative: the scenario in two inland NSW regional centres.*, University of New England, Armidale.
- Everingham, J.-A., Cheshire, L., & Lawrence, G. (2006). Regional renaissance? New forms of governance in non-metropolitan Australia. *Environment and Planning C: Government and Policy*, 24, 139-155.
- Eversole, R. (2003a). Managing the Pitfalls of Participatory Development: Some Insight from Australia. *World Development*, 31(5), 781-795.
- Eversole, R. (2003b). Value-Adding Community? Community Economic Development in Theory and Practice. *Rural Society*, 13(1), 72-86.
- Eversole, R., & Martin, J. (2005). *Participation and Governance in Regional Development*. Aldershot: Ashgate.
- Flannery, M. (2001). Quilting: A Feminist Metaphor for Scientific Inquiry. *Qualitative Inquiry*, 7(5), 628-645.
- Florida, R. (2000). *Competing in the Age of Talent: Quality of Place and the New Economy*. Pittsburgh: R.K. Mellon Foundation.
- Fontana, A., & Frey, J. (2000). The Interview. In N. Denzin & Y. Lincoln (Eds.), *Handbook of Qualitative Research*. Thousand Oaks: Sage.
- Forbes, D., & Milliken, F. (1999). Cognition and Corporate Governance: Understanding Boards of Directors as Strategic Decision-Making Groups. *Academy of Management Review*, 24(3), 489-505.
- Fulop, L., & Brennan, M. (2000). A National Study of Regional Development Organisations (REDOs) in Australia. *Australasian Journal of Regional Studies*, 6(2), 197 - 218.
- Fulop, L., & Wiggers de Vries, M. (1997). *Regional Economic Development Organisations (REDO) in NSW - A Preliminary Study*: National Committee on Regional Co-operation Secretariat.
- Gerritsen, R. (2000). The Management of Government and its Consequences for Service Delivery in Regional Australia. In B. Pritchard & P. McManus (Eds.), *Land of Discontent*. Sydney: UNSW Press.
- Goodwin, M. (1998). The Governance of Rural Areas: Some Emerging Research Issues and Agendas. *Journal of Rural Studies*, 14(1), 5-12.
- Goodwin, M., & Painter, J. (1996). Local governance, the crises of Fordism and the changing geographies of regulation. *Transactions of the Institute of British Geographers*, 21, 635-648.

- Granovetter, M. (1985). Economic Action and Social Structure. *American Journal of Sociology*.
- Grant, J., & Rainnie, A. (2005). The Hidden Role of Gender Exclusion in Regional Development Agencies. In R. Eversole & J. Martin (Eds.), *Participation and Governance in Regional Development*. Aldershot: Ashgate.
- Hammond, K. (2007). *Beyond Rationality*. New York: Oxford University Press.
- Haslam McKenzie, F. (2003). *Economic Restructuring and Regional Development in the Central Wheatbelt of Western Australia*. University of Western Australia, Perth.
- Haslam McKenzie, F., & Tonts, M. (2005). The Re-emergence of Regional Policy and Planning in Western Australia. *Planning, Practice & Research*, 20(2), 201-219.
- Hatton, E. J. (1999). Questioning correspondence: An Australian woman's account of the effects of social mobility on subjective class consciousness. In C. Zmroczek & P. Mahony (Eds.), *Women and Social Class - International Feminist Perspectives* (pp. 211-224). London: UCL Press Limited.
- Haughton, G., & Counsell, D. (2004). Regions and sustainable development: regional planning matters. *The Geographical Journal*, 170(2), 135-145.
- Healey, P. (2006). Transforming Governance: Challenges of Institutional Adaptation and a New Politics of Space. *European Planning Studies*, 14(3), 299-320.
- Herbert-Cheshire, L., & Higgins, V. (2004). From risky to responsible: expert knowledge and the governing of community-led rural development. *Journal of Rural Studies*, 20, 289-302.
- Hillman, A., & Dalziel, T. (2003). Boards of Directors and Firm Performance: Integrating Agency and Resource Dependence Perspectives. *Academy of Management Review*, 28(3), 383-396.
- Houghton, K., & Strong, P. (2004). *Women in Business in Rural and Remote Australia* (Report for Rural Industries Research and Development Corporation).
- Huberman, M., & Miles, M. (2002). *The Qualitative Researcher's Companion*. Thousand Oaks: Sage Publications.
- Hudson, R. (2005). Region and place: devolved regional government and regional economic success? *Progress in Human Geography*, 29(5), 618-625.
- Hudson, R. (2007). Regions and Regional Uneven Development Forever? Some Reflective Comments upon Theory and Practice. *Regional Studies*, 41(9), 1149-1160.
- Hughes, J. T. (1998). The Role of Development Agencies in Regional Policy: An Academic and Practitioner Approach. *Urban Studies*, 35(4), 615-626.
- Huse, M. (2005). Accountability and Creating Accountability: a Framework for Exploring Behavioural Perspectives of Corporate Governance. *British Journal of Management*, 16, S65-S79.
- Ibarra, H. (1992). Homophily and Differential Returns: Sex differences in Network Structure and Access in an Advertising Firm. *Administrative Science Quarterly*, 37(3), 422-448.
- Ingle, C. B., & van der Walt, N. T. (2003). Board configuration: building better boards. *Corporate Governance*, 3(4), 5-17.
- Janesick, V. (1994). The Dance of Qualitative Research Design. In N. Denzin & Y. Lincoln (Eds.), *Handbook of Qualitative Research*. Thousand Oaks: Sage.
- Jessop, B. (1997). The Entrepreneurial City. In N. Jewson & S. MacGregor (Eds.). *Transforming Cities*. London: Routledge.
- Johnson, P. (2004). Shared thinking and interaction in the family business boardroom. *Corporate Governance*, 4(1), 39-51.
- Kalokerinos, J. (2007). *Development in the Role of the Chair in the Private and Public Sectors*. Canberra: University of Canberra.
- Kanter, R. (1977). *Men and Women of the Corporation*. New York: Harper & Row.

- Keating, M., & Loughlin, J. (1997). *The Political Economy of Regionalism*. London: Frank Cass & Co Ltd.
- Kenyon, P. (2005). *Good Enough Never Is*.
- Koro-Ljungberg, M. (2001). Metaphors as a way to explore qualitative data. *Qualitative Studies in Education*, 14(3), 367-379.
- Legendijk, A. (2006). Learning from Conceptual Flow in Regional Studies: Framing Present Debates, Unbracketing Past Debates. *Regional Studies*, 40(4), 385-399.
- Leblanc, R., & Gillies, J. (2004). *Improving Board Decision-Making: An Inside View*. Paper presented at the Company Directors Conference, Port Douglas, Queensland.
- Lewis, M. (2000). Exploring Paradox: Toward a More Comprehensive Guide. *Academy of Management Review*, 25(4), 760-776.
- Liepins, R. (1998). The Gendering of Farming and Agricultural Politics: a matter of discourse and power. *Australian Geographer*, 29(3), 371-388.
- Liepins, R. (1998). Fields of Action: Australian Women's Agricultural Activism in the 1990s. *Rural Sociology*, 63(1), 128-157.
- Little, J. (2001). New rural governance? *Progress in Human Geography*, 25(1), 97-102.
- Little, J. (2002). *Gender and Rural Geography*. Essex: Pearson Education Ltd.
- Little, J., & Austin, P. (1996). Women and the Rural Idyll. *Journal of Rural Studies*, 12(2), 101-111.
- Little, J., & Jones, O. (2000). Masculinity, Gender and Rural Policy. *Rural Sociology*, 65(4), 621-639.
- Lockie, S. (2000). Crisis and conflict: Shifting Discourses of Rural and Regional Australia. In B. Pritchard & P. McManus (Eds.), *Land of Discontent*. Sydney: UNSW Press.
- Lovering, J. (1999). Theory Led by Policy : The Inadequacies of the 'New Regionalism' (Illustrated from the Case of Wales). *International Journal of Urban and Regional Research*, 23, 379-395.
- Lovering, J. (2001). The Coming Regional Crisis (And How to Avoid It). *Regional Studies*, 35(4), 349-354.
- Luscher, L., Lewis, M., & Ingram, A. (2006). The social construction of organizational change paradoxes. *Journal of Organizational Change*, 19(4), 491-502.
- Lynn, M. (2005). Communities, Regions, States: Accountabilities and Contradictions. In A. Rainnie & M. Grobbelaar (Eds.), *New Regionalism in Australia* (pp. 181-195). Aldershot: Ashgate Publishing Company.
- Mackenzie, F. (1994). Is Where I Sit, Where I Stand? The Ontario Farm Women's Network, Politics and Difference. *Journal of Rural Studies*, 10(2), 101-115.
- MacKinnon, D. (2002). Rural governance and local involvement: assessing state - community relations in Scottish Highlands. *Journal of Rural Studies*, 18, 307-324.
- MacKinnon, D., Cumbers, A., & Chapman, K. (2002). Learning, innovation and regional development: a critical appraisal of recent debates. *Progress in Human Geography*, 26(3), 293-311.
- MacLeod, G. (2000). The learning region in an age of austerity: capitalizing on knowledge, entrepreneurialism and reflexive capitalism. *Geoforum*, 31, 219-236.
- MacLeod, G., & Goodwin, M. (1999). Space, scale and state strategy: rethinking urban and regional governance. *Progress in Human Geography*, 23(4), 503-527.
- Maloutas, T., & Pantelidou Malouta, M. (2004). The Glass Menagerie of Urban Governance and Social Cohesion: Concepts and Stakes/Concepts as Stakes. *International Journal of Urban and Regional Research*, 28(2), 449-465.
- Markusen, A. (1999). Fuzzy concepts, scanty evidence, policy distance : The Case for Rigour and Policy Relevance in Critical Regional Studies. *Regional Studies*, 33(9).

- Martin, R. (2001). Geography and public policy: the case of the missing agenda. *Progress in Human Geography*, 25(2), 189-210.
- Mason, J. (1996). *Qualitative Researching*. London: Sage.
- Maude, A. (2004). Regional Development Processes and Policies in Australia: A Review of Research 1990-2002. *European Planning Studies*, 12(1), 3-26.
- Maude, A., & Beer, A. (2000). Regional Development Agencies in Australia. *Town Planning Review*, 71, 1-24.
- Maude, A., & Beer, A. (2004). Reforming the Structure of Regional Development Agencies in Australia. *Sustaining Regions*, 3(2), 29-34.
- Mawson, J. (2000). Whitehall, Devolution and the English Regions. In G. Bentley & J. Gibney (Eds.), *Regional Development Agencies and Business Change*. Aldershot: Ashgate.
- McAreevey, R. (2006). Getting Close to the Action: The Micro-Politics of Rural Development. *European Society for Rural Sociology*, 46(2), 85-103.
- McGrath-Champ, S. (2005). The New Regionalism and Employment Relations in Australia. In A. Rainnie & M. Grobbelaar (Eds.), *New Regionalism in Australia*. Aldershot: Ashgate.
- Misztal, B. (2002). Trusting the Professional. In M. Dent & S. Whitehead (Eds.), *Managing Professional Identities*. London: Routledge.
- Mitroff, I. (1983). Archetypal Social Systems Analysis: On the Deeper Structure of Human Systems. *Academy of Management Review*, 8(3), 387-397.
- Monk, J. (1999). Gender in the Landscape. In K. Anderson & F. Gale (Eds.), *Cultural Geographies* (Vol. 8, pp. 153-172). Malaysia: Longman.
- Morgan, K. (1997). The Learning Region: Institutions, Innovation and Regional Renewal. *Regional Studies*, 31(5), 491-503.
- Morgan, K. (2005). Sustainable Regions: Governance, Innovation and Sustainability. In A. Rainnie & M. Grobbelaar (Eds.), *New Regionalism*. Aldershot: Ashgate.
- Morgan, K. (2007). The Polycentric State: New Spaces of Empowerment and Engagement. *Regional Studies*, 41(9), 1237-1251.
- Morse, J., & Richards, L. (2002). *Readme First for a Users Guide to Qualitative Methods*. Thousand Oaks: Sage.
- Nahapiet, J., & Ghosspal, S. (1998). Social Capital, Intellectual Capital and the Organizational Advantage. *Academy of Management Review*, 23(2), 242-266.
- Nahapiet, J., Gratton, L., & O'Rocha, H. (2005). Knowledge and relationships: when co-operation is the norm. *European Management Review*, 2, 3-14.
- Naples, N. (1997). A Feminist Revisiting of the Insider/Outsider Debate. In R. Hertz (Ed.), *Reflexivity & Voice*. Thousand Oaks: Sage Publications
- Nardi, P. (2006). Sociology at Play, or truth in the pleasant disguise of illusion. *Sociological Perspectives*, 49(3), 285-295.
- New South Wales Consolidated Acts. (2004). Regional Development Act 2004 - Sect 3. Retrieved 2 July 2005, 2005, from http://www.austlii.edu.au/legis/nsw/consol_act/rda2004214/s3.html
- Newman, P. (2000). Changing Patterns of Regional Governance in the EU. *Urban Studies*, 37(5-6), 895-908.
- Nicholson, G., & Kiel, G. (2004). A Framework for Diagnosing Board Effectiveness. *Corporate Governance*, 12(4), 442-460.
- Nicholson, G., & Kiel, G. (2004a). Breakthrough board performance: how to harness your board's intellectual capital. *Corporate Governance*, 4(1), 5-19.
- Nischalke, T., & Schollmann, A. (2005). Regional Development and Regional Innovation Policy in New Zealand: Issues and Tensions in a Small Remote Country. *European Planning Studies*, 13(4), 559-579.

- O'Neill, P. (2005). Institutions, Institutional Behaviours and the Australian Regional Economic Landscape. In A. Rainnie & M. Grobbelaar (Eds.), *New Regionalism in Australia*. Aldershot: Ashgate.
- Peck, J., & Tickell, A. (2002). Neoliberalizing Space. *Antipode*, 380-404.
- Pike, A., Rodriguez-Pose, A., & Tomaney, J. (2007). What Kind of Local and Regional Development and for Whom? *Regional Studies*, 41(9), 1253-1269.
- Pini, B. (2005). The Third Sex: Women Leaders in Australian Agriculture. *Gender, Work and Organization*, 12(1), 73 -88.
- Pini, B. (2006). A critique of 'new' rural local governance: The case of gender in a rural Australian setting. *Journal of Rural Studies*, 22, 396-408.
- Pini, B., Brown, K., & Ryan, K. (2004). Women-only networks as a strategy for change? A case study from local government. *Women in Management Review*, 19(6), 286 - 292.
- Plowman, I., Ashkanasy, N., Gardner, J., & Letts, M. (2003). *Innovation in rural Queensland: Why some town prosper while others languish*. Brisbane: University of Queensland.
- Powell, G., & Graves, L. (2003). *Women and Men in Management* (3rd ed.). Thousand Oaks: Sage.
- Pritchard, B. (2005). Unpacking the Neoliberal Approach to Regional Policy: a Close Reading of John Fairbairn's 'Economic policy for Rural and Regional Australia'. *Geographical Research*, 43(1), 103-112.
- Pritchard, B., & McManus, P. (2000). *Land of Discontent*. Sydney: UNSW Press.
- Punch, K. (1998). *Introduction to Social Research*. London: Sage.
- Punch, M. (1994). Politics and Ethics in Qualitative Research. In N. Denzin & Y. Lincoln (Eds.), *Handbook of Qualitative Research*. Thousand Oaks: Sage Publications.
- Putnam, R. (1993). The Prosperous Community [Electronic Version], Spring 1993, 1-6. Retrieved 4 October 2005 from <http://xroads.virginia.edu/HYPER/DETOC/assoc/13putn.html>.
- Pye, A., & Pettigrew, A. (2005). Studying Board Context, Process and Dynamics: Some Challenges for the Future. *British Journal of Management*, 16, S27-S38.
- QSR International. (2006). NVivo 7. Doncaster, Victoria.
- Raco, M. (2000). Assessing community participation in local economic development - lessons for the new urban policy. *Political Geography*, 19, 573-599.
- Rainnie, A. (2005). Regional Development Policy and Social Inclusion. In P. Smyth, T. Reddel & A. Jones (Eds.), *Community and Local Governance in Australia*. Sydney: UNSW Press.
- Rainnie, A., & Grant, J. (2005). The Knowledge Economy, New Regionalism and the Re-emergence of Regions. In A. Rainnie & M. Grobbelaar (Eds.), *New Regionalism in Australia*. Aldershot: Ashgate.
- Rainnie, A., & Grobbelaar, M. (2005). *New Regionalism in Australia*. Aldershot UK: Ashgate Publishing Ltd.
- Rapley, T. (2004). Interviews. In C. Seale, G. Gobo, J. Gubrium & D. Silverman (Eds.), *Qualitative Research Practice*. London: Sage.
- Rees, T. (2000). The learning region? Integrating gender equality into regional economic development. *Policy and Politics*, 28(2), 179-191.
- Ritchie, J., & Spencer, L. (2002). Qualitative Data Analysis for Applied Policy Research. In M. Huberman & M. Miles (Eds.), *The Qualitative Researcher's Companion*. Thousand Oaks: Sage.
- Robbins, S., Millett, B., & Waters-Marsh, T. (2004). *Organisational Behaviour*. Frenchs Forest: Pearson Education.

- Sallard, O., & Davies, A. (2006). *Directions in Regional Policy in OECD Countries: The New Focus on Competitiveness*. Paper presented at the Growing Regions Conference, Brisbane Australia.
- Schippers, M. (2007). Recovering the feminine other: masculinity, femininity and gender hegemony. *Theory and Society*, 36(1), 85-102.
- Seale, C. (2004). Quality in Qualitative Research. In C. Seale, G. Gobo, J. Gubrium & D. Silverman (Eds.), *Qualitative Research Practice*. London.
- Senge, P., Scharmer, O., Jaworski, J., & Flowers, B. S. (2004). *Presence Human Purpose and the Field of the Future*. Cambridge (Massachusetts): The Society for Organizational Learning Inc.
- SGS Economics and Planning. (2002). *Regional Business Development Literature Review*. Melbourne: Commonwealth Department of Transport and Regional Services.
- Sheridan, A. (2002). What you know and who you know: "Successful" women's experiences of accessing board positions. *Career Development International*, 7(4), 203-211.
- Sheridan, A., Pini, B., & Conway, L. (2006). Modestly staffed and modestly resourced: an exploratory critique of women's entry to rural and regional governance. *Rural Society*, 16(3), 271-282.
- Shortall, S. (2002). Gendered Agricultural and Rural Restructuring: A Case Study of Northern Ireland. *Sociologia Ruralis*, 42(2), 160-175.
- Shortall, S. (2004). Social or Economic Goals, Civic Inclusion or Exclusion? An Analysis of Rural Development Theory and Practice. *Sociologia Ruralis*, 44(1), 109-123.
- Shortall, S., & Shucksmith, M. (1998). Integrated rural development: Issues from the Scottish experience. *European Planning Studies*, 6(1).
- Shortall, S., & Shucksmith, M. (2001). Rural Development in Practice: Issues arising in Scotland and Northern Ireland. *Community Development Journal*, 36(2), 122-133.
- Silverman, D. (2000). Analyzing Talk and Text. In N. Denzin & Y. Lincoln (Eds.), *Handbook of Qualitative Research*. Thousand Oaks: Sage.
- Smyth, P., Reddel, T., & Jones, A. (Eds.). (2005). *Community and Local Governance in Australia*. Sydney: UNSW Press.
- Sonnenfeld, J. (2002). What makes great Boards Great. *Harvard Business Review*, 80(September), 106-113.
- Sorenson, A. (1998). Interfacing regional development policy and practice. *Australasian Journal of Regional Studies*, 4(1), 5-14.
- Sorenson, A., & Epps, R. (1996). Leadership and Local Development: Dimensions of Leadership in Four Central Queensland Towns. *Journal of Rural Studies*, 12(2), 113-125.
- Still, L. (2006). *Corporate Elders*. Crawley: University of Western Australia Press.
- Stimson, R. (2006). *Measuring the Performance of Australia's Regions: What are the Drivers of Endogenous Growth*. Paper presented at the Growing Regions Conference, Brisbane Australia.
- Stimson, R., Baum, S., & O'Connor, K. (2003). The Social and Economic Performance of Australia's Large Regional Cities and Towns: Implications for Rural and Regional Policy. *Australian Geographical Studies*, 41(2), 131-147.
- Strauss, A., & Corbin, J. (1998). *Basics of Qualitative Research*. Thousand Oaks: Sage.
- Sundaramurthy, C., & Lewis, M. (2003). Control and Collaboration: Paradoxes of Governance. *Academy of Management Review*, 28(3), 397-415.
- Tabart, T., Fulton, A., & Clark, R. (2001). Taking the future in their hands: Local development practice around the world. *Rural Society*, 11(1), 5-21.
- Teather, E. K. (1998). The Double Bind: Being female and being rural: A comparative study of Australia, New Zealand and Canada. *Rural Society*, 8(3), 209-221.

- Tickell, A., & Peck, J. (1996). The Return of the Manchester Men: Men's Words and Men's Deeds in the Remaking of the Local State. *Transactions of the Institute of British Geographers*, 21(4), 595-616.
- Tonts, M. (2005). Government Policy and Rural Sustainability. In C. Cocklin & J. Dibden (Eds.), *Sustainability and Change in Rural Australia* (pp. 194-211). Sydney: University of New South Wales Press.
- Tonts, M., & Haslam McKenzie, F. (2005). Neoliberalism and Changing Regional Policy in Australia. *International Planning Studies*, 10(3-4), 183-200.
- Townsley, N. (2003). Review Article: Looking Back, Looking Forward. Mapping the Gendered Theories, Voices and politics of Organization. *Organization*, 10(3), 617-639.
- Uhrig, J. (2003). *Review of the Corporate Governance of Statutory Authorities and Office Holders*. Canberra: Commonwealth of Australia.
- van der Walt, N., Ingley, C., & Diack, G. (2002). Corporate governance: Implications of ownership, performance requirements and strategy. *Journal of Change Management*, 2(4), 319-333.
- Wanna, J., & Withers, G. (2000). Creating capability: combining economic and political rationalities in industry and regional policy. In G. Davis & M. Keating (Eds.), *The Future of Governance: Policy Choices*. Sydney: Allen and Unwin.
- Ward, K., & Jones, M. (1999). Researching local elites: reflexivity, 'situatedness' and political-temporal contingency. *Geoforum*, 30, 301-312.
- Wenger, E. (1991). *Communities of Practice*: Cambridge University Press.
- Western Australian Consolidated Acts. (1993). Regional Development Commissions Act 1993. Retrieved 3/03/2005
- Westphal, J. (1999). Collaboration in the boardroom: behavioural and performance consequences of CEO-Board Social Ties. *Academy of Management Review*, 42(1), 7-24.
- Woods, M. (2005). *Contesting Rurality*. Aldershot: Ashgate.
- Woolcock, M. (1998). Social Capital and Economic Development: Towards a Theoretical Synthesis and Policy Framework. *Theory and Society*, 27(2), 151-208.
- Woolcock, M., & Narayan, D. (2000). *Social capital: Implications for development theory, research and policy*. Washington.