Place Management: Practice and Principles in NSW

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Abstract

This paper examines the nature of place management, its rationale and its development in NSW. The evolution of place management is symptomatic of fundamental changes in public sector management. A number of community programs have been developed utilising a place management approach. One of the contentious issues is that of evaluating the effectiveness of such programs in the context of where many of the objectives are long term and linked to community values.

Key words: place management; community development; third way

Introduction

From a focus on the fundamental organisational structure of government, the concept of place management has been articulated through public policy and applied to social and economic disadvantage. In Australia, successive governments’ public sector restructuring agendas have resulted in a changing state and civil relationship and the creation of new forms of governance (For example: Stewart-Weeks 1998; Stewart-Weeks 2000; Botsman and Latham 2001; Mant 2002). Within the discourse, the themes of Mant (1998) and Latham (1998), related to deconstructing centralised government guild-based hierarchical command and control management structures and multiple regulatory systems in favour of decentralised governance and the adoption of new financial management approaches. This process structurally realigns vertically disconnected service provision with the horizontal public expectations and needs for the delivery of services (Latham 1998; Mant 1998).

Whilst retaining the notion of structural change, the focus grew to encompass the nature of the management processes and the organising principles required to design and deliver welfare services. Place management provides an overarching framework to deliver variations on whole-of-government and whole-of-community approaches on a spatial basis. This new direction also recognised the diversity within place-based approaches and how these approaches may be represented on a continuum or spectrum (Stewart-Weeks 1998). However, this diversity could be said to be mostly a reflection of government’s design for a particular intervention, where place does not entirely determine the nature of the approach; the approach in many instances is a top-down decision.

Multiply place-based approaches exist, for example: natural resource management; environmental management; physical infrastructure maintenance management; and urban and land management. However, whilst providing conceptual support these approaches were not the subject of this research except to the extent that local government place-based planning in urban and land management is generally regarded as informing the fundamental elements of the place management approach in Australia. The interdependence of effective place management with effective place-based planning is, or at least should be, a crucial element of local government social planning policy. The paper reveals
the Australian origins of place management in land and urban management, unpacks the concept of management in place management and outlines the construction of place management within the NSW Government.

The article reviews the concept of place management, discusses the nature of place management initiatives in NSW and examines the assessment of place management projects. The approach taken is one of providing an overview of the subject that is drawn from the literature on place management and from the reviews and reports on place management projects in NSW.

The Concept of Place Management
The development of place-based policy delivery has been driven by the demands on government to respond to the transforming confluence of globalisation, economic rationalism and managerialism. These transforming influences have manifested in the appearance, pronounced in some places, of inter-spatial disparities; places that are socially and economically disadvantaged relative to other places. Place-based policy delivery is usually an adjunct to mainstream or aspatial policy delivery and seeks to specifically respond to relative disadvantage through a reconfiguration in the relationships between the economic sectors and civil society.

Place-based policy refers to the planned provision of physical and social infrastructure and services in places relative to local and regional requirements. Place management is a community participatory approach that seeks to engage the collaborative endeavours of cross-sectoral stakeholders. Public management reform in New South Wales contains elemental parallels with New Labour’s Third Way community initiatives in the UK and comprehensive community initiatives in the USA. Underscoring the focus for change in community renewal or regeneration has been:

A complex array of social, political, economic and technological factors [which] have conspired to fuel a new and compelling search for better ways to revive and strengthen communities in cities, towns and regions. (The Albany Consulting Group 2002:2).

Place management is the articulation of spatially-based policy and provides a framework for community participation. Community participation, whether in developed or developing countries, arises from the inability of the respective political systems ‘…centralization and bureaucratic control…’ to meet the public’s needs (Narine 1986:105).

Place management is a term common to, and appropriate in, both a physical and social context. In the physical context, it may refer to management of the natural or built environment, e.g. land, public places, public infrastructure. In Australia, the concept has been acknowledged as originating within
local government planning; land and urban management. This paper focuses on place management
within the social context. The interrelationship of the physical environment, particularly the built
environment, can have important implications for the social context of place management initiatives.

Origins in Place-Based Planning: Examples of Land and Urban Management in NSW
Within Australian literature, Mant (1998;2000;2002) is recognised as having articulated the
fundamental propositions informing the place management concept, albeit originally from a land and
urban management perspective (see Latham 1998; Stewart-Weeks 1998; Randolph 1999; Green and
provided local government increased flexibility to organisationally restructure and adopt ‘…outcomes
management…’ through specifically created divisions with designated authority and responsibility
(Gillen 2004:214). That is, systemic change to the guild structured agencies in which traditional
hierarchical silo organisation structures operated with an input and/or output system focus thereby
restricting the creation and effectiveness of improved outcomes (Mant 2002). Following Mant’s
model, an outcomes management approach has been adopted by several local councils; e.g. Fairfield,
Camden and Parramatta (Gillen 2004).

Considered through the lens of government, place management is an efficiency mechanism with which
to increase government’s management effectiveness. The structural and procedural complexity of
traditional, hierarchical, command and control guild structures in government limits the capacity for
risk-taking and focuses attention on outputs rather than outcomes. This traditional approach leads to
covert organisational identification and public recognition of accountability and responsibility for
fiscal and program management. Place management has the potential to align with strategic planning
in the management of cities, towns and catchments in terms of current government structures and
systemically changed structures arising from the transforming government and civil relationship.
(Mant 1998).

Defining both place and the role of the place manager would consolidate accountability and
responsibility for budget and outcomes enabling management to implement financial mechanisms,
such as contracts and performance management, and engage with both internal and external providers.
Ultimately, the engagement of competitive mechanisms in a purchaser/provider model would reform
the guild structures and associated regulatory systems. This process enhances the efficiency of the
organisational output and the effectiveness in provision of a sustainable objective for the output. The
uniformity of Australian metropolitan and suburban development has been supported through the
legislative provisions of the NSW Environmental Planning and Assessment Act 1979 resulting in a
proliferation of multiple and unintegrated development control systems based upon sequential
application processes utilising standard formulae. Operationally, centralising development control
systems and administration around the concept of *place* is necessary to achieve integrated design of quality places supported by transparent responsibility and accountability systems. The *effectiveness* of integrating these systems and utilising one development application supports the view that ‘… all places are important and deserving of buildings and activities that respond to place rather than formula.’ (Mant 2000:59).

**The Nature of Management in Place Management**

Stewart-Weeks (1998) referred to the management in place management as:

… the idea that, within whatever is the appropriate definition of place, the authority to, determine outcomes, set policy and spend money and other resources to achieve… outcomes is vested in the person or organisation looking after the “place”… At the least… it is sensible to define place management as a spectrum of institutional possibilities for addressing the basic task of public governance and management. (Stewart-Weeks 1998:4).

From an urban management perspective, place is considered to be ‘… where the consequences end up.’ (Mant 1998:24). The role of the Place Manager should be outcome focused and exercised either through real power and resources or depending on the function of other place participants through negotiation and facilitation. However, the majority of NSW state and local government remains guild or input based and to-date most place manager positions with outcome responsibilities have fulfilled a facilitator role within predominantly input-based organisations and with possibly limited budgets and pre-determined objectives and performance measures, although the latter being advantageous when interacting with traditional input organisations. A limited number of stand-alone and one-off place management schemes have been successful, mostly owing to senior management accessibility and associated perceived or vested levels of place manager power. However, over time traditional input organisations, sensing a loss of power and prestige, may raise ‘concerns about the distortion of resources from areas where there are no place managers…’ (Mant 1998:26).

**Whole of Government Initiatives and Place Management**

Place management initiatives have increasingly dominated both metropolitan and regional Australia policy and planning agendas, however it is sometimes unclear as where these initiatives fit within the wider policy framework. In Australia, the complex nature of regional socio-economic issues, particularly within rural communities, has presented a challenge to traditional government departmental structures and program-driven interventions. In response to these challenges, and similar to the United Kingdom, Australia has seen an uptake of *whole-of-government* approaches premised on greater collaboration of public sector agencies within and between different levels of government.
and community (Simpson, Wood and Daws 2003; Ryan and Walsh 2004). Measures undertaken overseas are variously referred to as *joined up government* in the United Kingdom and *horizontal management* in Canada and New Zealand. In Australia, *whole-of-government* has also been referred to as *integrated or collaborative government* (Edwards 2002:56).

Premier’s Department of NSW (Premier’s), acting as the lead agency, initially managed place management initiatives in NSW. Premier’s managed these ‘…collaborative and strategic…’ community initiatives through the *Strengthening Communities Unit* which delivered the initiatives through the *Strengthening Local Communities Strategy* in which:

…projects aim to better integrate the services of NSW Government agencies in local communities, whilst building the capacities of these communities to effectively resolve their own social and economic problems. (NSW Government 2005b:4).

The objective of integrating services is achieved through a *whole-of-government* and *whole-of-community* approach, designed to positively impact community well-being and strengthen capacity. The *Strengthening Local Communities Strategy* (SLCS) for instance engages with local government, business, community and multiple government agencies through a range of related SLCS initiatives: Drugs and Community Action Strategy; Drugs and Community Information Strategy; International Year of Volunteers 2001; Migration Heritage Strategy; Partnerships for Youth Initiative; Capacity Building for Non Government Organisations (NGOs) Project (NSW Government 2005b:4).

Additionally, SLCS initiatives integrate with the planning and service delivery initiatives of both local and regional groups; *Regional Co-ordination Management Groups* and the *Regional Service Delivery Program*. At the local level, place management initiatives are considered ‘complementary’ with local government social community planning (NSW Government 2005b:6). However, critical of actual community engagement, Randolph suggested the initiatives were more ‘…total of government…’; acknowledgment of government’s lack of internal capacity to effectively respond to local socio-economic problems (Randolph 1999:6).

The nature of collaboration between government agencies has been referred to as ‘operational partnership arrangements’ which in some circumstances may also extend to include the business sector (Homel 2005:361). Randolph (1999) acknowledged the value during the implementation phase of a whole of government approach as opposed to a departmental silo approach. However, Randolph further questioned whether the lack of clarity between government sectors in the level and degree of partnership with the community has resulted in place management being ‘…criticised as simply being a “top-down” answer to specific problems in target areas’ (Randolph 1999:6).
Place Management and the NSW State Government

The conceptualisation, development and implementation of place management initiatives to respond to issues arising from social and economic disadvantage are primarily located within the domain of the NSW State Government. For example: Kings Cross–Wooolloomooloo Place Project; Cabramatta Place Project; Redfern-Waterloo Place Management Project; The Windale Place Management Project; The Booragul/Bolton Point Place Management Project; The Moree Place Management Project; and The Wentworth Place Management Project. The spatial differentiation of these programs is often firstly geographically determined and, in some cases, then centred round communities of interest. For example Both the Kings Cross–Wooolloomooloo Place Project and the Cabramatta Place Project were project focused on drug related crime activity within suburban localities. The lead agency in all cases, at the time, was Premier’s Department of NSW, which sought to promote public sector management of these place-based project initiatives. These initiatives, originally overseen and coordinated by NSW Premier’s Department, involved the collaborative effort of multiple State agencies and may also involve various stakeholder participants including federal government agencies, local government, non-government organisations and community groups.

The key to NSW Premier’s Department coordination of a whole of government approach to policy development and service provision is ‘Collaboration…We pull together the right agencies and the required resources to tackle the more complex jobs…’ (http://www.premiers.nsw.gov.au). The following outlines how place management evolved within NSW Premier’s Department and particularly in a regional context. Strategic Projects Division (SPD) is a division of the NSW Premier’s Department. Established in 1996 the divisional role of the SPD is to strengthen regional inter-agency collaboration. The SPD achieves this by leading and facilitating coordination through the identification of opportunities for project based strategic initiatives and the development of cooperative relationships and strategic partnerships at local and regional levels with key stakeholders in the public, private and community sectors. These initiatives are designed to deliver real and enduring benefits and may be located within: economic development; infrastructure; environmental sustainability; and social development (Government 1998; NSW Government 1999; NSW Government 2002, refer Strategic Projects Division).

To enhance the capacity of the SPD to deliver on the Government’s commitment, the SPD in:

- 1997-1998: integrated the Office of Rural Communities and the Regional Communities Consultative Council (RCCC), previously located in the Department of Agriculture, into the SPD’s Office of Regional Communities (ORC) (Government 1998). Effective 1 July 2003, the
RCCC transferred to the new Ministry for Rural Affairs and has responsibility for advising both the Premier and the Minister for Rural Affairs (NSW Government 2003).


One of the responsibilities of the ORC is the Regional Coordination Program (RCP) providing a coordinated focus to strategy development and implementation between multi-government agencies at a regional level. Underpinning the RCP is a spatial based approach to regional policy and in 1997-1998 the RCP, originally limited to two state regions, expanded to cover all of regional NSW. The RCP assigned ten (10) senior officers from the Premier's Department as regional coordinators covering both metropolitan and regional NSW. (Government 1998, refer Strategic Projects Division).

In 2000/2001, the RCP also required the establishment within the 10 regions of a Regional Coordination Management Group (RCMG) primarily comprising Premier's Department Regional Coordinators, and NSW State agency regional managers. The RCMG identified disadvantaged communities and through this process Community Renewal Initiatives have been developed from which place management initiatives have been undertaken. In order to facilitate these approaches Premier's took the coordinating role.

The purpose of the Strengthening Communities Unit was to enhance the focus of whole of government and whole of community effort in strengthening communities by coordinating community strategies including place management initiatives. The Strengthening Local Communities Strategy (SLCS) represents government working with the local community ‘…in a more collaborative and strategic way’ (NSW Government 2001b:56).

**NSW Place Management Projects**

It was through the SLCS in 1997 that the Premier’s Department sought to promote public sector management of spatially-based project initiatives by creating the first place management projects in Kings Cross/Woolloomooloo and Cabramatta with the objective to ‘…integrate government and community responses to key issues.’ (NSW Government 2001b:57). An evaluation of the Kings Cross 2-year pilot program concluded that the program had achieved significant and diverse results and that place management was an effective model and will be continued to December 2000 (NSW Government 1999). However, in their assessment of evaluation strategies for NSW place management projects, The Albany Consulting Group (2002) questioned what evidence existed that previous evaluations into the Kings Cross and Cabramatta Place Projects had any impact or brought change on
the process of place management undertaken by the NSW Government. This represented a challenge to both the commitment and purpose of place management initiatives (The Albany Consulting Group 2002:18). Various other urban and rural/regional place management projects have been instigated through SLCS since 1997. Where initial funding for these place management projects has ceased, funding from strategies such as the Community Solutions and Crime Prevention Strategy have been used to further extend these place-based initiatives.

Evaluating Place Management Initiatives

Findings by The Albany Consulting Group (2002) of their assessment of Australian and worldwide evaluation strategies, that may be adopted for evaluating NSW Government place management and community renewal projects, indicated some basic insights:

- **Initial project design is critical.** The lack of a detailed framework outlining the linkages between the initial problem, the nature of the intervention proposed and the outcomes or results intended provides little, if any, basis for evaluation.

- **Cost of initial project design.** Effective project design is expensive as initiatives are usually ‘…designed to have complex, systemic and linked results within a community…’ but invariably are short-term projects designed to respond to long-term systemic community issues (The Albany Consulting Group 2002:6).

- **Purpose of Evaluation.** Clear and concise reasons for conducting the evaluation are essential including direction on post-evaluation strategy; how and what will happen after the evaluation.

- **Methodological difficulties.** The assessment highlighted the ‘…difficulties in conducting rigorous and credible evaluations of the more complex, interconnected types of place or community renewal projects.’ (The Albany Consulting Group 2002:6). Edelman (2000) had earlier suggested that compounding the evaluation process was the fact that current approaches, ‘…dominated by “positivist” or “scientific” methodologies…’ are unable to adequately account for the complexities of social issues. These approaches, by requiring ‘…uniformity, standardization, and quantitative operationalization of variables…’, may challenge the essential characteristics of effective social initiatives (Edelman 2000:15).

- **Theory based evaluation.** Projects were recommended to ‘…reflect an underlying “theory of change” or assumed logic and linkages to guide what to evaluate, when, where and how.’ (The Albany Consulting Group 2002:6). Edelman (2000), commenting on comprehensive community initiatives in the USA, suggested theory-based evaluation alternatives utilising multiple methods whereby outcomes and measures are negotiated with community participants provide valuable qualitative narratives to assist with analysing the success of outcomes which are ‘…not related to action in simple linear relationships…[and]…must approach outcomes obliquely by connecting process to outcome.’ (Edelman 2000:19).
• **Soft targets.** Many of the evaluation processes neglect or give superficial attention to evaluating the social type dimensions of a project, for example: trust; cohesion, confidence; inclusion, and concentrate on ‘...physical changes, service delivery improvements and better coordination between government agencies.’ (The Albany Consulting Group 2002:6).

• **Nature of place management.** The research indicated that there was either unclear or no agreement as to whether place management is ‘...a form of issues management, a product to obtain a relatively quick fix...[or]...a process, a distinctive way to approach governance and public management.’ (The Albany Consulting Group 2002:6).

• **Community inclusion.** Where the community is included in all phases of the evaluation, it will have credibility and reliability; although concerns regarding the potential downside to community participation were also noted.

According to NSW Treasury, at national accounts level there is ‘...no aggregate outcome construct...’ but rather efficiency measures ‘...related to aggregate measures of output...’ Similarly, at lower levels performance measures are expressed: ‘...in terms of the efficiency with which outputs are produced.’ (NSW Treasury 2001:32). The underlying premise, whether in individual or comparative organisational studies, is that ‘...output is “caused” by their activity in converting inputs.’ (NSW Treasury 2001:33). Measuring outcomes is not straightforward. Production theory in economics does not distinguish between outputs and outcomes and further in performance assessment of public sector agencies ‘...production of outputs is only a means to an end, where the end is a desired outcome.’ (NSW Treasury 2001:33). Private sector organisations on the other hand, relate the objective to the sale and profit taking on outputs. For-profit private sector organisations do not distinguish between outputs and outcomes. Therefore, measuring outcomes, according to NSW Treasury, given the extensive external environmental factors outside of public sector agency control and the multi-dimensional nature of outcomes, would suggest the theoretical mathematical conversion of inputs or outputs into outcomes ‘...would in general appear to be a little shaky.’ At best, measuring outcomes may ‘gauge progress’ but would be unsuitable to ‘diagnose performance’ (NSW Treasury 2001:33).

**Conclusions**

The concept of place management has been appropriated by the political domain and however defined place management simply deconstructs as an expression of organising principles; a public display of power and purpose. Place management initiatives in NSW have been engaged as adjuncts to mainstream or aspatial programs and compensate at the local level for consequences predominantly originating from upper levels; the macro-level. Place-based approaches, like place management, are inherently constrained by the space within which they are located and the external and macro-level factors must remain the responsibility of upper-levels of government.
The NSW Government has engaged with place management as one component of a coordinated strategy to support local communities through whole-of-government and whole-of-community approaches. In conjunction with other Strengthening Local Communities Strategy initiatives, the purpose has been to address social, economic and environmental issues by strengthening local community capacity to undertake a proactive role in problem resolution. From a regional perspective, the Office of Regional Communities through the Regional Coordination Program and the Regional Coordination Management Groups have coordinated and aligned multi-government agencies at a regional level.

Place management initiatives constitute approaches that spatially define issues of social and economic disadvantage. There are important issues surrounding the nature of management in place management programs and evaluating the effectiveness of the various programs. There are issues surrounding engagement and methods of assessment for programs that have many non-financial and non-quantifiable outcomes. Another challenge is that despite the intention towards engagement and decentralisation, the projects in NSW were centrally co-ordinated and effectively managed from the “top”. Ultimately, place management does represent a challenge for state governments to accommodate a different system of service delivery and community engagement while at the same time accommodating traditional governance structures.

References


