The process of reviewing portfolio of Sustainable Development: a community interaction

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Abstract

Sustainable Development, as a concept, has been with us for a while now. Research communities (providers) have developed sophistication in understanding and approach to the field. Research funders (clients) have actively supported the topic area. In New Zealand, the dominant research provider for general science research, the Foundation for Research Science and Technology, has recently completed a round of consultation with stakeholders aimed at adjusting current priorities and strategies for sustainable development.

This paper examines the methods used by the Foundation to ensure consultation with stakeholders and categorises them according to the community interactions typology proposed by (Heywood et al., 2002). The analysis, undertaken by paper review and participatory action research, suggests that the approach is consultative/participatory but that the results could have been improved with a shift toward a more deliberative approach. This has implications for future change processes in the New Zealand research funding system, particularly with regard to the portfolio review of the Built Environment topic area.

Introduction

The Foundation for Research Science and Technology is a Crown entity that invests over $400 million per annum in research and development on behalf of the Government. They are the New Zealand Government’s principal purchaser of RS&T and manager of RS&T funds. “Through our purchases, we facilitate and catalyse others to act in ways that give life to the Government's science goals” (FRST, 2002b).

The Foundation requests proposals and invests in research by Crown Research Institutes (CRIIs), Research Associations (such as BRANZ – a well known research organization in the building sector), Tertiary organizations such as universities and polytechnics, and private providers. In the Built Environment portfolio and the Sustainable Development portfolio, the tertiary sector is poorly represented with existing grants.
The Foundation runs a complex process for managing their investments. These revolve around portfolios of research, such as the following which will invite proposals in 2002/3:

- Sustainable Development
- Built Environment
- Energy
- Biological Industries (Seafood, Animal and Biotechnology)
- Social - Public, Business and Economic Life
- Maori Development
- Impacts of New Technology

Each of these portfolios, which have been in place several years, are competitively awarded to research providers. However, the bulk of the funds in each portfolio only become available for reinvestment to new research providers at the end of a program of work – seemingly at intervals of four or five years. Funds are rolled-over from year to year within programs until a major review is undertaken.

In the current process of reinvestment, the FRST has chosen to review the portfolio objectives and issue change messages. These guide the applicants in their preparation of submissions. This paper describes the process of review followed in part of the Sustainable Development portfolio, **Sustainable Cities and Settlements** and correlates this process with similar processes in the same area of portfolio interest. These processes involve a high degree of community interaction and are mapped against the (Heywood et al., 2002) typology of community interactions.

**The process of review in Sustainable Development**

Different approaches have been taken to reviewing the different research portfolios towards establishing change messages. One of the more extensive reviews took place within the collective portfolios which make up Sustainable Development. These are:

- Sustainable Management - Sector-based
- Sustainable Management - Cross-sectoral
- Sustainable Cities and Settlements
- Maori and Sustainability
- Environmental Protection

The structure of the portfolios is indicated in the following figure (FRST, 2002a). The portfolio size was expected to be approximately $57.4 million.
One of the authors was a participant in the process of review of Sustainable Cities and Settlements.

The review of the portfolio of Sustainable Cities and Settlements took place in October 2002 following a consultation process (FRST, 2002c) in the months leading up to the review.

- The overall purpose of the review was to identify the:
  - directions in which sustainability portfolios need to advance
  - types of research needed to move in the new directions
  - desirable characteristics of future research investments.

The Foundation (FRST, 2002c):

- used external expertise to develop draft investment signals
- sought commentaries from independent stakeholder groups
- ran a public submission process during August 2002

The review processes were designed so the Foundation and interested parties could (FRST, 2002c):

- share ideas and debate issues relating to sustainability outcomes
- identify the desired characteristics and shape of future portfolios
- clarify priorities for RS&T, including some work to refine the existing Foundation strategies (SPOs — Strategic Portfolio Outlines)
- identify barriers to achieving outcomes
- help stimulate positive changes, (e.g. through new links, new ways of interacting and new capability), building on other initiatives where possible
• Identify investment processes that support these positive changes while minimising unnecessary disruptions.

The primary consultative process involved six, funded, groups around the country which worked to report on their recommendations for the review. The FRST also invited public submissions on their draft investment signals (change messages), and expert commentaries.

The work of the individual working groups was funded to the extent of a facilitator to run and report on the work of the groups. Members of the groups were not funded. The membership of the working groups varied, but was typically about 20 individuals. These attended discussion sessions involving approximately five full days plus time of reading, analysis and commentary. Clearly, while individual contributions varied enormously, total commitment was enormous – and may be estimated at approximately 500 to 1000 hours per working group. This equates to between $375,000 and $750,000 donated as free labour. (It is often noted that New Zealand has the cheapest research administration in the world, perhaps this typical donation from the research committee explains this). This donation is affordable by the research community because their research grants are fully costed – which results in a capacity to support such organisational costs as attending research management activities such as these. However it should be noted that this situation applies to existing recipients only – and thus the system adversely impacts on intending new participants in the funding.

**Concurrent processes**

In parallel with these processes, similar processes were run by stakeholder organisations. These included:

• the Ministry for the Environment (MfE); which invested in a whole-day facilitated process (plus cocktail party before) involving more than 100 people – once again a donation including their travel costs and accommodation (approximating $130,000).

• Research providers, which also invested in similar processes in order to be able to claim “validity” for their research submissions, as well as to promote cooperation. Once again these processes were provided at the cost of the research community and interested stakeholders without reimbursement from funding agencies.

**A Typology of Interactions**

To better understand the mechanisms being used in New Zealand, it is useful to apply a classification of typology to this type of interaction. One similar area which is well researched is in the area of public consultation in local government. Here, much work on classification of community and administration’s interactions rely on hierarchical models. However, (Heywood
et al., 2002) proposed a typology of community interactions. A classification by type avoids, to some extent, the hierarchical problem identified by (Martin, 1998) who, while employing his own hierarchy, criticises hierarchies as implying activities further up the hierarchy are better. There is an implied assumption as to idealised forms of interaction, and an implication that giving people more direct control and empowering them as a consequence is a 'good' thing of itself (Osborne, 1994). While in fact some may be better than others, the reasons would be very different from just their position on a hierarchy.

The literature identifies several different forms of interaction—suggesting a generic typology of interactions. There exist qualitative differences in the aims of each interaction type, and what constitutes best practice differs across types.

Any classification models raises issues of boundaries between categories, especially where some approaches fall into more than one category (Martin, 1998). Categories may be defined by specifying boundary conditions, or by defining central tendencies. The second form of category is one of type and is more useful where boundaries are indistinct and subtle distinctions exist due to nomenclature used, and where some characteristics may be shared by several types without being the distinguishing feature of the type. (Kluge, 2000) is useful in specifying conditions of type.

The proposed typology was drawn specifically from a local government context (Heywood et al., 2002). However, the typology may be taken as providing a generic model for how communities and their administrations’ managers interact with that community, including the interaction with stakeholders of research. These interactions are based on the following types of interactions:

- Consultative/ participatory;
- Technocratic;
- Reflective;
- Communicative;
- Deliberative;
- Representative;
- Facilitative; and
- Political (subsequent to Heywood, et al., 2002)

**Consultative/ participatory**

There are differences between consultation and participation. A definition of consultation that involves ‘asking people what they think of what you do’ is sufficiently narrow to be useful for classification purposes (Martin, 1998). Participation may be conceptually closer to Martin’s ‘Involvement’ which may also include elements of a further category of ‘Delegation.’

Definition of participation as referring to ‘public involvement in the process of formulation, passage and implementation of public policies’ (Parry et al., 1992) represents

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1 Hierarchy consists of Information provision, Consultation, Involvement and Delegation
the current distinction between the two interaction forms. (Arnstein, 1969) adopts a more cynical view bundling consultation with other token forms of interacting such as Informing and Placating. Vestiges of the bases of Arnstein’s cynicism are still evident but current definitions appear to reflect a genuine valuing of community inputs.

Consultation implies an *a priori* formulation of proposals before discussion with other parties, whereas participation’s inclusion of formulation within its definition indicates a much earlier engagement with conferees.

The impetus for consultation is frequently a need for improved and more responsive decision-making. Elected and employed officials, through a consultative interaction, look to the community to articulate its position which is then incorporated in decision-making. The impetus for participation is, frequently, to broaden the base of democratic processes and derive greater legitimacy for democracy as representing a wider range of views (DETR, 1998).

Local government consultative activities may range in level from whole of organisation to specific services (from a range of facilities) down to individual contexts.

Consultative/participatory practices are many and varied having been in use for some time. They include public forums and consultative documents (Martin, 1998; Marshall and Sproats, 2000; Lowndes et al., 2001); interactive IT mechanisms, surveys, and citizen panels (Martin, 1998; Lowndes et al., 2001); performance targets, community/area profiling and citizen juries (Martin, 1998); referenda (Lowndes et al., 2001); and newsletters (Marshall and Sproats, 2000). Some of these practices are attributed to other types of interactions – citizen juries (Lowndes et al., 2001) and communicative interactions.

**Technocratic**

In this interaction mode, achieving ends are the key measure of performance. An interaction mode favoured by the ‘Technical-Rational’ practitioner (Schön, 1983) a technocratic approach relies on the solving of tractable problems which requires agreement about ends, and an ability to name the things attended to and frame the context. The application of ‘expert’ technical (scientific) methods achieves a decisive solution.

Interactions rely on a clearly defined ‘need’ (ie. problem to be solved) and boundaries to the problem for an ‘expert’ solution to be delivered to a ‘grateful’ recipient. Dissemination of information (Martin, 1998) (Lowndes et al., 2001) and solutions are forms of interaction consistent with this approach, together with needs definition.

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2 Arnstein may have been ironic in this classification; however the hierarchy has achieved something of a normative status in planning circles.
Reflective
Reflective interactions are primarily a practitioner’s internalised learning (Schön, 1983). Through consciously raising ways of knowing, thinking, and reflecting on problems adaptive forms of interaction are achieved.

Communicative
Communicative interactions are a key theme in the work of (Forester, 1989) and (Healy, 1996), among others, who rely on (Habermas, 1984) for their philosophical foundation. These authors operate from the principle that ‘ourselves, our interests, and our values are socially constructed through our communication with others and the collaborative work this involves’ (Healy, 1996). Communication processes are crucial in this interaction, particularly ‘inclusionary argumentation’ where public discussion includes all members of a political community’s ways of knowing, valuing, and giving meaning (Healy, 1996).

The distinction between this and participation is difficult as communication is said to underpin conceptions of participatory democracy (Held, 1987) As cited by (Healy, 1996). Previous definitions of participation contained involvement and delegation, whereas communicative interactions emphasise communication processes and inclusiveness of various views.

Mapping stakeholders is an important part of communicative interactions. Deciding location and style of discussion are important practices as are developing strategies of discourse or argument now and ongoing (Healy, 1996). Other practices not specifically attributed to this interaction type, are drawn from Consultative/Participatory interactions, particularly those that contain high levels of community involvement.

Deliberative
( Forester, 1989) has gone on to propose ‘deliberative’ interactions as involving debate, public consideration of issues and public learning in a two-way iterative process. Deliberative interactions involve more than evaluation of efficiency. Rather, searching for multiplicity of values is required, as no single ‘vision’ can be correct, or complete. The difference between Deliberative and Communicative interactions is also unclear but, based on Forester’s definition, the Deliberative interaction highlights a multi-valency, that is, different methods at different times.

Deliberative interactions require attention to both substantive, technical issues and relationships between the parties who care about the issues (Forester, 1989). Deliberation must, at different times, involve expert knowledge, listening, encouraging creative solutions, through a structured process of participation, discussion, intervention, and decision making (Forester, 1989).

Focus groups, community plans, visioning exercises, user management, and citizens’ juries are specifically identified as Deliberative type practices (Lowndes et al., 2001) along with other previously mentioned practices, implemented to permit the two-way iterative learning of Deliberative interactions.
Representative
This type of interaction is based on electoral processes. It is unusual within governments of the Westminster style for management to be elected.

A representative acts in the interest of the represented, but may also act independently with discretion and judgement. Representatives are vested with interim responsibility. Ultimate responsibility is with the electorate via the ballot box (Pitkin, 1967). The ballot box is the supreme interaction.

Interaction practices may entail whatever is necessary to ensure representation – one-to-one meetings, attending public meetings, and media interactions, among others. Good interactions may provide an ethical dividend through claims of integrity based on reference to the constituency, a restoration of faith in the workings of representative democracy, and an enhancing of representative institutions by giving all parties a chance for voice (Bishop, 1999).

Facilitative
The Facilitative interaction builds community through ‘building political capacity – the capacity to make collective decisions amidst diverse and conflicting interests’ (Nalbandian, 1999). Community diversity is expressed at administration, representation and participation levels.

Interactions are process-orientated. Employed officials’ technical knowledge is required in problem solving with the community. Negotiations involve practices such as public hearings, discussion, deliberation, anticipating and fostering participation, and building structures of participation considered legitimate by the community. How business is conducted is as important as what is done.

Political
A political interaction type needs to be added to the typology outlined by Heywood et al. (2002). Political interactions are most usually, but not exclusively, by elected representatives seeking to further political ends. A variety of rhetorical devices and other means of persuasion, such as public relations (Harrison, 1999), feature as practices in this interaction type.

Observations on New Zealand Portfolio Review processes
Interactions in the interaction between the research managers and the research stakeholders can be tested against the typology above.

Consultative/ participatory
The mechanisms appear consultative. This appears genuine; however, there also is the possibility that Arnstein’s (1969) tokenism is evident with a certain degree of placating of powerful lobbyists and stakeholders taking place. Consultative rather than participatory because decision making takes place subsequent to such interaction and without further reference. The evidence
for this form of interaction may be seen in the stakeholder forums and the dissemination of information.

The interactions did not appear to extend beyond this rather simple level of consultation into the alternative forms identified.

**Technocratic**
The interactions were not on the surface technocratic, and certainly it was not intended that they be perceived as such. However in any situation where the final determination is made in isolation, such a perception may be valid.

**Reflective**
While not being internal in the sense intended by (Schön, 1983), the processes were largely internal to the professional stakeholders—all being experts in the field. The exception being the critical participation of Maori representation. This may have been partly in response to the requirements of the Treaty of Waitangi as well as to the interest of Iwi in sustainability issues.

**Communicative**
There is little to suggest that the interactions were communicative, although some effort was made to map stakeholders for inclusion in the processes and the methods have communicative elements. However the principle that ‘ourselves, our interests, and our values are socially constructed through our communication with others and the collaborative work this involves’ (Healy, 1996) does not underpin the methods – which remain therefore essentially Consultative/Participatory.

**Deliberative**
There is some evidence for deliberative methods, although it is not strong. The methods did involve Forester's (1989) expert knowledge, listening, encouraging creative solutions, through a structured process of participation, discussion, intervention, and decision making. These may have been in an attempt to develop multiplicity of values, however there is no real evidence of the required two-way process, despite the strong use of focus groups.

**Representative**
Representative processes were not used.

**Facilitative**
The interactions were facilitated but do not appear to also be facilitative. This conclusion is drawn from the lack of building of capacity for expression of diversity through the community. This view ignores however the fact that the key stakeholders were existing research fund recipients – and the need to

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3 "The Iwi today is the focal economic and political unit of the traditional Māori descent and kinship based hierarchy of: Waka (founding canoe); Iwi (tribe); Hapū (sub-tribe); Whānau (family)." SNZ (2000).
build capacity within such groups is low. But this highlights a problem in the interactions, because they used this existing expertise as a buffer – enabling the building of expertise amongst other stakeholders to be ignored. Potential new research providers without a commensurate ability to fund their interaction being an example.

Political
There must be a political element to the finalisation of the portfolio reviews, however there was none evident through the processes obervable.

Conclusion
It may be concluded that the interactions were essentially consultative/participatory. In the methods there were also elements of deliberative and facilitative, however overall these appear more to be methods rather than a philosophy of interaction.

References


