Understanding stakeholder interactions in urban partnerships

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A B S T R A C T

This paper aims to better understand urban partnerships through the nature of the interactions between their stakeholders. Following a review of approaches to stakeholder arrangements in urban partnerships, which draws on a variety of literatures, including strategic management, public administration, urban studies and geography, the paper presents results of an action-case study undertaken in an urban partnership context – namely, Houldsworth Village Partnership (HVP) – within the Greater Manchester region of the UK. The findings begin by classifying HVP stakeholders along broad sectoral lines, before moving to examine, through a thematic analysis of data, the influences on their interactions in terms of 'process enablers' and 'inhibitors'. This leads to a schema, whereby HVP stakeholder interactions are conceptualized on the dual continua of attitude and behavior. The schema provides a theoretical contribution by offering an understanding of stakeholders' dynamic interplay within an urban partnership context, and a means of classifying such stakeholders beyond their individual/organizational characteristics or sectoral affiliations.

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1. Introduction

Over the last 20 to 30 years, partnership working, as a means of marshaling different stakeholders from the public, private and voluntary sectors to plan and implement regeneration initiatives, has become a key strategy for many urban areas as they attempt to respond to global economic restructuring (Dicken, 2015). In terms of the resulting structure of urban political institutions, partnerships and partnership-like entities have been identified as part of a broader transition from *government* to *governance* (Goodwin and Painter, 1996). For cities, this shift has been conceptualized from various perspectives, including urban growth coalitions (primarily in a US context — see Molotch, 1976), new policy networks and urban regimes (see Bassett, 1996). Notwithstanding their differences in emphasis, these theoretical approaches each acknowledge the range of actors involved in urban governance, and there has been a substantial literature which seeks to analyze the composition of urban partnership organizations. Indeed, within this journal alone, discussion of partnerships or partnership-like arrangements within cities across the globe, and their constituent stakeholders, has been a topic of perennial interest (Jain, 2003; Baud & Dhanalakshmi, 2007; Lowe, 2008; Ng, Wong & Wong, 2013; Jung, Lee, Yap & Ineson, 2014; Chou, Tserng, Lin & Huang, 2015). This interest is mirrored across

a number of disciplines, such as geography, politics, public administration, tourism and urban studies (see, for example, Bailey, Bake & McDonald, 1995; Hastings, 1996, 1999; Carley, Chapman, Kirk, Hastings & Young, 2000; Roberts & Sykes, 2000; Carter, 2000; Diamond, 2001; Hemphill, McGreal, Berry & Watson, 2006; Whitehead, 2007; Timur & Getz, 2008).

This substantive body of work has been concerned with a number of issues; most notably the dimensions and 'architectures' of urban partnership governance *structures* that provide the processual or ideological contexts for the interactions of the multiple stakeholders within (see, for example, Baud & Dhanalakshmi, 2007; Coaffee & Healey, 2003; Whitehead, 2007). Others have suggested that urban partnership working is characterized by lifecycle modes, through which governance structures may develop and evolve (Lowndes & Skelcher, 1998). Indeed, within a UK urban context, Cochrane (2000: 536) argues that partnership collaboration for tackling urban problems is something "each new policy generation seems condemned to rediscover and identify [...] anew".

By contrast, there has been little research on the *interactions* of the stakeholders involved in such partnerships, both in terms of their attitudes towards the partnership arrangement itself, and their behavior towards other stakeholders. This is surprising on two counts. First, as demonstrated below, stakeholder interactions have been examined within the broader strategic management literature. Second, the lack of research in this area seems even more notable when considering Hemphill et al.'s (2006: 60) assertion – with reference to earlier work by Purdue (2001) and Hastings (1996) – that government seems less

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interested in the nature of urban partnership organizational arrangements, and more concerned with the "interaction and dynamic" between partners per se.

Acknowledging this lacuna, our paper takes an action–case approach involving observation of, and interviews with, stakeholders to examine their interactions within an urban regeneration partnership located within the UK's Greater Manchester conurbation. The key contribution of the paper is in its development of a conceptual schema, which offers an understanding of stakeholder interactions within this partnership. In particular, building on the ideas of Brand and Gaffikin (2007) in their extensive critique of collaborative planning approaches, our schema indicates that stakeholders in urban partnership arrangements might be encouraged to engage in a more pragmatic form of 'smart pluralism', guided by compromise (resonant with game theory), rather than in 'coercive dominance'. This may require some decoupling of stakeholders' attitudes towards an urban partnership's objectives from their behaviors towards other stakeholders within that given partnership arrangement.

Drawing on a broader strategic management literature, we begin by briefly considering how stakeholders might be classified in terms of their interaction, and consider the relevance of this in urban partnership contexts. To help set the context of the paper, we then discuss contrasting perspectives on urban partnership arrangements, ranging from those that see these as a panacea for addressing urban problems and implementing programs of urban regeneration and renewal, to more critical viewpoints, which view urban partnerships as little more than a cover for preserving existing hierarchies of stakeholder arrangements. The final part of the literature review considers how urban partnership stakeholders might be classified and concludes by recognizing a need to understand such stakeholders in terms of what they *do* rather than what they *are*, emphasizing the salience of the stakeholder interaction focus in our paper.

The subsequent methodology section details the research context and the action–case approach employed. Broadly, an action–case combines aspects of case study (Yin, 2013) and action research (Shani & Pasmore, 1985; Coghlan & Brannick, 2005). For this paper, the lead researcher had access to the various partnership stakeholders in her capacity as a Knowledge Transfer Partnership (KTP) Associate employed by one of the main stakeholders (for further details see: www.ktponline.org.uk). The findings begin by classifying stakeholders within our case along sectoral and vested interest lines, before moving to examine, through thematic analysis of data, influences on their interactions in terms of 'process enablers' and 'inhibitors', before developing from this a schema of stakeholder interactions. The paper concludes by discussing the importance of *dynamic* stakeholder interactions in urban partnership contexts, making the case for future work to be done in this field.

2. Stakeholder arrangements and urban partnerships

2.1. Defining and classifying stakeholders

Most definitions and classifications of stakeholders emanate from the strategic management literature and are embedded within a firm-centric view of the world. Early efforts are found in the seminal work of Freeman, who identified a stakeholder as "any group or individual who can affect, or is affected by, the achievement of the organization's objectives" (1984: 46). By the 1990s, stakeholder definition and classification became more sophisticated, focusing on various criteria through which the importance of stakeholders to a given organization could be ascertained. These interrelated criteria include relative power (Mitchell, Agle & Wood, 1997), and resource relationships in terms of inter-dependency and influence (Frooman, 1999; Savage, Nix, Whitehead & Blair, 1991). Developing this work, Savage et al. (1991) identify four key stakeholder types that emphasize the degree of interactive support a stakeholder exhibits for an organization: 1) the

supportive stakeholder (i.e. the 'ideal' stakeholder, who supports the organization's goals and actions); 2) the marginal stakeholder (who is neither highly threatening nor especially cooperative — although they have a stake in the organization and its decisions, they are generally not concerned about most issues); 3) the non-supportive stakeholder (i.e. high on potential threat, but low on potential cooperation, and who can be the most distressing for an organization); and 4) the mixed blessing stakeholder (who has an equal potential to threaten and cooperate).

Compared to a traditional shareholder perspective on commercial enterprises, in which the interests and benefits of the firm as a focal organization are prioritized, a stakeholder orientation implies more overtly bi-directional and mutually beneficial relationships between the organization and other stakeholders (although the organization itself is still arguably central to the purpose of such relationships). This can occur to the extent that there is "no prima facie priority of one set of interests and benefits over another" (Donaldson & Preston, 1995: 68). Consequently, there is potential for complex networks of stakeholder interaction to emerge, reflecting stakeholders' potentially diverse (Anheier, 2000; Clarkson, 1995; Freeman, 1984; Macedo & Pinho, 2006) and conflicting (Bruce, 1995; Dartington, 1996) interests; indeed, it is hard to imagine this would not be the case. There has, accordingly, been debate about whether organizational managers are able to satisfy all stakeholders equally (Strong, Ringer & Taylor, 2001). Such debates are particularly apposite with regard to the urban partnerships often seen in regeneration and renewal contexts (Paddison, 1997; Peck & Tickell, 1994). In comparison to perspectives emanating from the management literature, where the firm still holds at least some level of centrality in stakeholder activity, the major point of centrality for stakeholders in urban partnerships is the partnership itself — which is often a very diffuse and amorphous agglomeration of groups from public, private and voluntary sectors, with different ethea, mindsets, perspectives, *modus operandi* etc. This results in an additional level of complexity to any understanding of stakeholder activity and interaction in an urban partnership context.

2.2. Perspectives on urban partnerships

Urban partnership arrangements are strongly linked to a neo-liberal shift in ways of thinking about, organizing and managing urban space from the mid-1990s onwards, initially in Western contexts (Peck & Tickell, 1994; Paddison, 1997; Peck, 1995; Shutt, 2000), and latterly beyond (Baud & Dhanalakshmi, 2007; Chou, Tserng, Lin & Huang, 2015). The growing popularity of partnership working in urban contexts can be attributed to multiple interrelated factors, not least, a rise of critiques of the monolithic tendencies of big government, and its inability to respond in an agile enough fashion to an increasingly complex, fragmented and dynamic world (Brand & Gaffikin, 2007); global calls for more sustainable and integrated systems of urban governance from sources such as the 1992 United Nations Conference on Environment and Development (Baud & Dhanalakshmi, 2007); and political movements such as New Labor in the UK, which promoted partnerships as a way in which urban communities could play a more active role in shaping the destiny of their surrounding social and economic space for positive effect (Whitehead, 2007). Baud and Dhanalakshmi (2007) indicate that the emergence of such arrangements or 'instruments' in many countries has resulted in various terms being used to describe them, including 'multi-stakeholder arrangements', 'public–private partnerships' and 'urban forums'. This reflects what Harris (2003: 2542) has termed "an immensely complicated, variegated and non-standardized world of governance" where cities are concerned. Within a UK context specifically, such developments and shifts in thinking and practices relating to urban space have given rise to plethora of acronyms, reflecting a growing diversity of urban partnership forms: CDPs (Community Development Partnerships — see, Lowe, 2008), UDCs