

**Going Local to Integrate Growth and Inclusion?
Cross-Sectoral Workforce Development Networks in Three Ontario Cities**

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Dramatic changes are occurring in the way social and economic processes unfold and city-regions have become new “strategic spaces” where public policy plays out “on the ground” (Bradford 2003, 2007). Cities are at once engines of economic growth and loci of social exclusion, and urban policymakers face the dual challenge of maintaining competitiveness while addressing growing social inequalities. Increasing income and spatial polarization in city-regions underscores the growing divide in urban labour markets between high-paying, ‘knowledge-intensive’ jobs and low-paid, contingent jobs, graphically illustrating that many people are “stuck on the wrong side of the new economy’s ‘talent divide’” (Bradford 2007: 3; see also Scott 2007). Integrating a broader cross-section of society into local labour markets not only has the potential to increase the available labour pool, but can also provide pathways out of poverty (Conway 2011; Hollenbeck and Hewat 2010). While the emergence of collaborative arrangements to address complex policy areas that cross policy sectors, scalar levels, and public and private spheres, is typically associated with European city-regions (OECD 2011; Van Den Berg, et al. 2006), there is increasing attention in Canada to alternative forms of cross-sectoral governance involving community-based actors (Lenihan 2012), the integration of social and economic policies (Action Canada Task Force 2012), the value of a ‘place-based’ approach to policymaking (Bradford 2008), and evidence that some cities have been experimenting with workforce development initiatives of their own (Bramwell 2012).

In the absence of coherent national and provincial labour market policies sensitive to local needs, however, municipal governments lack the resources and policy capacity to develop workforce development programs on their own and networks of public and private labour market partners have begun to collaborate to address local labour market problems. The involvement of new actors in the policy process, the subsequent blurring of public-private boundaries and the perceived fragmentation of local governmental authority has drawn attention to the role of local networks in the urban policymaking process in general (Pierre 2011, 2005; DiGaetano and Strom 2003; Hambleton 2003) and workforce development in particular (Giloith 2004a, 2004b, Clarke 2004; Clarke and Gaile 1998). Yet there has been insufficient analytical attention to the configuration and sustainability of these networks or to the nature of their linkages with each other and with the local state. Cross-sectoral collaboration between social and economic development interests is a complex governance challenge and an inherently *political* process (Clarke 2004; Chapple 2005; Rutherford 2001). With its emphasis on integrating economic efficiency and social equity considerations, workforce development provides a useful case through which to empirically examine how theoretical debates about collaborative governance and local networks play out ‘on the ground’ in local communities.

From a theoretical perspective, this paper combines insights from three different explanations for the role of networks in urban policymaking to build an analytical framework for examining the process of collaborative governance in iterative, inter-scalar and cross-sectoral ‘hybrid’ policy areas, dynamics which remain relatively unexplored in Canadian city-regions. The ‘New Localism’ emphasizes social learning processes that build trust among governmental and societal

network participants to shape local governance dynamics but pay insufficient attention to issues of power and discursive conflict and to questions of network representation, formation and sustainability. To address this conceptual gap, theories of urban governance draw attention to political tensions inherent in local governance, and network studies in public administration focus on the procedural and structural dimensions of cross-sectoral network formation, sustainability and performance.

From an empirical perspective, this research examines how municipal, private sector and community-based actors collaborate to address workforce development challenges in the three medium-sized Ontario cities of Ottawa, Hamilton, and Kitchener-Waterloo. It finds substantial variation in the inclusiveness and sustainability of these workforce development networks, and that the configuration of societal interests and the patterns of interaction between them had important effects on network sustainability. Three major conclusions can be drawn from these findings. First, not all cross-sectoral networks are equally viable and while they may form, some communities lack the underlying social dynamics to sustain them. Second, 'siloes' networks that address social and economic development problems independently of one another may be as sustainable as cross-sectoral ones. Finally, communities that have more auspicious social underpinnings for cross-sectoral approaches require the time and resources to build and sustain network capacity to function as intermediaries that facilitate skills matching for economic growth and poverty reduction in local labour markets. It is argued here, therefore, that variation in the organization of local societal interests and the patterns of interaction between them and with the local state *do* matter for urban and 'place-based' policymaking alike. There is no single network 'template' and communities need the autonomy to develop networks that make sense for their own particular needs. At the same time, ignorance of the political and discursive dynamics internal to local networks that form around complex and cross-cutting 'hybrid' policy challenges leads to suboptimal policy implementation and public administration.

The analysis proceeds in three parts. Part I provides a conceptual roadmap for understanding local workforce development as a 'hybrid' policy area requiring cross-sectoral collaboration, conceptualizing workforce development networks as intermediaries that link up social and economic development interests to match supply and demand in local labour markets, and describing the governance challenges involved. Part II draws insights from three theoretical approaches to the role of networks in local cross-sectoral governance, focusing on how patterns of conflict and cooperation between organized societal interests interact with structural and procedural dimensions to shape the inclusiveness and sustainability of local cross-sectoral networks. Part III details the empirical investigation of the inclusiveness and sustainability of workforce development networks in three Ontario cities, followed by a brief discussion of the theoretical and policy implications of these findings.

Part I - Shifting Scales to Integrate Growth and Inclusion? Local Workforce Development Networks as Intermediaries

Few policy areas ostensibly straddle the divide between economic and social policy as neatly as labour market policy, which “stands at the crucial nexus of efficiency and equity” and between “the associated imperatives to sustain growth and alleviate the maladies associated with market societies” (Haddow and Klassen, 2006: 277). Substantial variation in national labour market institutions across industrialized countries suggest, however, that some jurisdictions are more successful than others in straddling this divide (Thelen 2004; Crouch et al. 2001). While some have formally institutionalized structures that coordinate negotiations among labour market partners, jurisdictional tensions over policy responsibility and disagreements over the economic and social objectives of training and education underscore the conflictual nature of labour market policy in many others where “disputes about training are typically an aspect of wider disputes about industrial relations and about the direction of the economy” (Ashton and Greene 1996: 37). For example, analyses of the failure of past experiments with formal tri-partite and multi-level institutional arrangements to overcome an adversarial industrial relations system in Canada underscore how problematic assumptions about intergovernmental and stakeholder collaboration and consensus on labour market policy actually are (Sharpe and Haddow 1997; Tuohy 1992).

Yet an increasingly strong consensus is emerging within Canada and elsewhere that education and training programs are important policy tools to redress income polarization and facilitate the adjustment of labour markets to 21st century economic realities. This has been accompanied by a shift from the provision of short-term training programs narrowly targeted to unemployed working age adults to longer-term approaches to workforce development which refers to a more holistic approach to labour market policy that integrates a range of employment related policies and programs to deliver skills formation and upgrading systems that address skills mismatches in labour markets and increase the capacity of individuals to actively participate in the workforce throughout their working lives (Crouch et al 2001; OECD 2008).¹ Rather than ‘work-first’ approaches that place unemployed workers in low-skilled, contingent, and ‘precarious’ jobs, workforce development initiatives provide individuals with access to career pathways which lead to high quality, stable, ‘family-sustaining’ jobs, the most successful of which are targeted to local industrial sectors or clusters (Harrison and Weiss, 1998; Fitzgerald, 2004; Markusen 2004). Successful workforce development initiatives are based on partnerships between labour market actors that not only form “an expanded network that links disadvantaged workers with job

¹ To be effective, workforce development programs need to meet several important criteria: training must be of high quality and sufficient duration and provide career pathways to high quality, living wage jobs; a wide range of programs must be accessible to a majority of the labour force; and programs must match supply and demand sides of the labour market. Training programs require timely labour market information and regular collaboration among labour market stakeholders for planning purposes and to ensure that qualified workers are matched with jobs in firms that require their skills (Fitzgerald, 2004). In Canada, workforce development goes beyond provincially delivered adult training programs for unemployed adult workers funded under federal-provincial labour market agreements to incorporate a wider set of activities including immigrant integration, social security, labour, human capital formation, and economic development policy measures (Wood and Klassen, 2009).

opportunities, educational opportunities, and support services”, they also have the longer-term effect of improving employer demand by raising the general skill levels in local labour markets (Giloith, 2004b: 16; see also Conway 2011; Hollenbeck and Hewat 2010).

Based on the growing awareness that it is inefficient to train for jobs that do not exist in local economies, two aspects of workforce development are particularly salient to this empirical examination of cross-sectoral networks. First, because it refers to the broad policy context within which skills operate, and the wide range of actors and policy fields involved in skills formation, workforce development requires *cross-sectoral* policy and program integration, not just across government agencies and policy sectors, but also between public, private sector and community-based actors (Hall and Lansbury, 2006). Second, many labour market policies and programs are designed and delivered by higher levels of government the failure of standardized ‘one size fits all’ policies and the failure of formal collaborative efforts at other scalar levels suggest that cross-sectoral multi-stakeholder collaborations are most likely to succeed at the local level (Giloith 2004a; Melendez 2004; Clarke and Gaile 1998; OECD 2009). The OECD emphasizes ‘area-based partnerships’ to pursue the “overlapping community goals of social cohesion and employment and skills development” by co-ordinating local labour market initiatives with local economic development strategies (Giguère 2006: 23; see also Martin and Grubb 2001; Garmise 2009).

Cross-Sectoral Networks as Workforce Development Intermediaries

Networks are broad, stable mobilizations of key local state and societal interests.

Intermediaries are *cross-sectoral networks* that reach across boundaries to connect organized societal interests with each other and with local government.

Workforce development intermediaries bring together local labour market actors from both social and economic development sector to create long-term pathways to careers for workers to support local economic growth and poverty reduction.

Local workforce development focuses on the ways in which local government, the local business community, education and training institutions, community-based employment service providers, unions and other labour market actors collaborate to develop mechanisms to source, recruit, develop, and match skills in local labour markets (Harrison and Weiss 1998; Giloith 2004a, 2004b; Melendez 2004). The most successful workforce development networks act as “comprehensive, networked, and interventionist” intermediaries that are actively supported by the local business community, and match workers with jobs in local firms for which they have been properly trained (Loewen et al., 2005: 12; see also Benner 2003). Communities that have developed workforce development networks are reported to have a “richer and more complex network of services”, whereas communities where “broad community-based initiatives were not implemented, the impact of federal reforms has led to less inclusive and less efficient arrangements” (Melendez 2004, 2). In order to affect long-term change in local labour markets,

therefore, workforce development intermediaries need to be *inclusive* of labour market actors from both social and economic development sectors, and *sustainable* over time.

Inclusiveness and Sustainability in Workforce Development Networks: The Governance Challenge

There has been increasing attention to the spatial dimension of labour market policy, as well as the need to establish cross-sectoral collaboration between labour market actors for regional planning and program development (Giloith 2004; Bramwell 2012; OECD, 2009). Though cities in Canada have had little experience with these mechanisms, there has been a great deal of recent policy activism and experimentation with different models of local workforce development in cities across industrialized countries (OECD, 2009; Hall and Lansbury, 2006). This experimentation has been particularly robust in the U.S. where de-industrializing and other economically vulnerable cities and regions have been leveraging federal, state and local funding to explore alternative workforce development systems that meet both social and economic development goals, for example by providing career pathways for vulnerable workers in knowledge-intensive industries (McGahey et al. 2008; Walsh 2009; Garmise 2009; Lowe 2007). By itself, local workforce development is “not a complicated policy problem” and policymakers have learned much about what combinations of training, work supports, industry targeting and social service supports deliver results for both employers and workers. (Chapple 2005, iii). The development of career pathways to good jobs in local economies is possible where local labour market actors collaborate to develop them.

But herein lies the key governance challenge: the problem is not workforce development itself, but building and sustaining the networks to support it. Local workforce development initiatives are by definition cross-sectoral, requiring collaboration and active participation among both social and economic development interests. Collective action requires active and sustained commitment from all key partners but coordinating the interests and efforts of local labour market stakeholders is precisely the hard part. Workforce development “becomes complex when linked to economic development goals, particularly regional economic growth and competitiveness” (Chapple 2005, iii) because there is a large disconnect between the interests of “the hardest to employ and the mainstream economy”, and “bridging these worlds is an enormous challenge” (Giloith 2004b, 20). Business commitment to participation in local labor market planning is notoriously difficult to establish let alone sustain in the absence of a perceived incentive to cooperate (Culpepper 2003; Saunders 2008; Rutherford 2001). At the same time, the plethora of community-based actors and organizations that administer local labor market programs constitute their own bureaucracy that can be more concerned with perpetuating their own survival and deflecting change. As a result, long-term change can be constrained by “competing problem definitions and agendas and competition for resources” (Giloith 2004a, 23).

The active participation of diverse interests in collaborative activities, therefore, means that “workforce development issues are intrinsically governance issues”, where decisions must be

made by “interdependent, complex, loosely-linked actors and institutions with shared purposes but no shared authority”, underscoring “how problematic cooperation and collaboration among these actors and institutions will be” (Clarke 2004, 30-31). Workforce development is, therefore, an inherently *political* process, and the discursive ways in which issues are formulated and implemented “shapes the effectiveness and sustainability of these efforts” (ibid: 30). Because workforce development is a *local* collective action problem, attempts at policy reform “will ultimately fail” without “attention to local politics” (Giloth 2004a, 2). Yet Rutherford (2001: 1888) also emphasizes the macro-institutional context within which local workforce development systems operate, cautioning that “simply adopting the appropriate ‘soft institutions’ of stakeholder governance is by itself unlikely to overcome the historically “contradictory and conflictual nature of labour market governance” operating at higher scalar levels (for a similar argument see Ashton and Greene 1998).

In this way, workforce development brings into focus important questions and debates about networks and local governance. Political processes such as interest mobilization and coalition-building among diverse and often competing interests are precisely the hard part that assumptions about the capacity of local networks to address complex governance challenges tend to ignore (Liebovitz 2003; Lovering 1999). As Rutherford (2001: 1888) argues, assumptions about dynamics of “consensus and social capital” emerging in voluntary, multi-stakeholder networks “need to be explained and not assumed”. With its emphasis on cross-sectoral collaboration to integrate economic efficiency and social equity considerations, local workforce development provides an excellent example of a ‘policy hybrid’ through which to examine the theoretical debates about the role of networks in local governance.

Part II –Explaining Local Cross-Sectoral Networks: Three Theoretical Approaches

Governance in networks of state and non-state actors at all levels of government and across and within policy sectors marks a widespread and durable shift in state-society relations and “a corresponding shift in the center of gravity around which policy cycles move” (Jessop 1998: 32). There have been numerous recent efforts to capture theoretically new patterns of state-society relations and the evolving but still dominant role of the state in emerging forms of governance (see for example Osborne 2010; Bell and Hindmoor 2009). The New Localism assumes that trust-based collaborative dynamics among diverse actors will result through the social learning process and the exchange of ideas but its critics are much less sanguine and emphasize the potential for fragmentation, spatially uneven outcomes and the capture of networks by narrow interests. Important gaps in the literature remain when it comes to explaining how governance dynamics actually unfold at the local level and the emergence of new forms of collaborative governance in city-regions to address complex, cross-cutting ‘hybrid’ urban policy challenges (Sellers 2002; Savitch and Kantor 2002). The organization of local societal interests and how they interact with each other and with local government to solve complex problems that require collaboration to leverage political, knowledge and fiscal resources remains relatively unexplored. A better understanding of the role of networks in urban governance requires a more explicit

focus on how state-society linkages are created, what form they take, and how they are built and sustained.

This research compares local workforce development networks in Ontario as a way of examining how cross-sectoral networks of municipal, private sector and community-based actors collaborate to solve complex policy challenges. To guide the analysis, this research engages with three literatures that each provide a lens through which to view linkages between societal actors and the local state, going beyond simple mechanisms for citizen interest representation to examine the contribution of networks to urban policymaking. Taking a relational view of power as a starting point and focusing on the processes through which state and societal actors attempt to blend their resources to solve public problems, each approach offers insights into the patterns of cooperation and conflict emerging between local governmental and community-based actors in local governance processes.

The New Localism and Its Critics: (The Limits of) Knowledge Networks and Social Learning

Going beyond conventional analyses that focus on the formal institutions of local government to examine how the forces of globalization and decentralization shape the processes of regional social and economic development and the new forms of governance arrangements emerging as a result, several literatures can be grouped together under the somewhat loose term of the ‘New Localism’ (Bradford 2007). Sharing the core assumption that the exigencies of economic and social development are most effectively addressed at the local level, economic geography and urban political economy literatures emphasize policy approaches through which upper levels of government encourage and sustain different forms of innovative and inclusive local governance arrangements (Sellers 2002; Savitch and Kantor 2002). Advocates of a place-based approach to policymaking argue that due to their complexity, modern problems require “place-sensitive modes of policy intervention...constructed with knowledge of the particular circumstances in communities and delivered through collaborations crossing functional boundaries and departmental silos” (Bradford 2005, 4). Emphasizing the non-hierarchical and capacity building dimensions of local networks, this constructivist, and largely normative perspective argues that collaborative forms of governance based on knowledge exchange, social learning and “high trust, learning capacity, and networking competence” can enhance both the economic competitiveness and social cohesion of cities and regions (Cooke and Morgan 1998: 5).

While earlier iterations of the New Localism focused almost exclusively on facilitating firm-based growth and supporting the development of knowledge-intensive economic activities, more recent approaches have begun to emphasize imperatives of social inclusion and to argue that economic resilience also depends on community characteristics that promote strong neighbourhoods and social cohesion (Bradford 2007). Workforce development initiatives that integrate a broad cross-section of society into local labour markets not only increase the supply of human capital in a region, but also provide access to high quality employment that is critical to poverty reduction. Local and regional workforce development strategies that facilitate access

to skills training and employment opportunities for disadvantaged groups, and contribute to the larger process of economic growth by addressing skills shortages in city-regions are best understood in this context (Benner and Pastor 2011; Pastor et al. 2000). The New Localism emphasizes the exchange of ideas and insights that underpin local economic and social strategic planning processes, and isolates variables such as social capital and the boundary spanning civic leadership that builds bridges between different community actors and interests.

While this approach draws attention to novel forms of state-society relations and collaborative governance dynamics emerging in ‘hybrid’ policy areas that span social and economic spheres, it remains silent on three dimensions particularly salient to this discussion. First, assumptions that trust and collaboration will result from the social learning process underplays the notion of power and the potential for political conflict over the goals, norms and objectives of network governance, an analytical lens that leads to “overly optimistic conclusions about the feasibility of governing through networks” (Kjaer 2009: 143). Local cross-sectoral governance networks of state and societal actors are just as likely to be precluded by the competing interests and ‘institutional logics’ of network participants, as facilitated by trust, reciprocity and social capital (Friedland and Alford 1991; Clarke and Gaile 1998). While some observers underscore the difficulty of sustaining business participation in the absence of direct incentives with a short-term pay-off (Rutherford 2001; Culpepper 2003), others express concern that not all actors may have equal resources to assert their interests in network governance paving the way for the dominance of business interests in local networks (Davies 2005). It is also equally possible that closed and exclusionary networks function more efficiently than open ones, problematizing assumptions about the ability of trust and social learning to transcend political division, and raising concerns about the danger of the capture of local policy agendas by narrow interests (Davies forthcoming; Isett et al. 2011).²

² While it lies outside the scope of the current paper, an influential critique expresses concern over several dimensions of the New Localism, arguing that recent trends toward decentralization and devolution of policy responsibility downward to local governance processes has negative implications for regional social equity and local democracy (Davies, forthcoming; Geddes 2005; Peck and Tickell 2002). Critics of the New Localism argue that scale, or the location where governance arrangements are negotiated, is a socially constructed and politically contested process that is manifested in several different ways (Brenner 2004; Keil and Mahon 2009). For example, this critique underscores the potentially exclusionary nature of local networks, arguing that the inclusion of the private sector in local governance challenges local democracy by obscuring the lines of accountability for public decision-making and by compromising equitable representation, and that the dismantling of the Keynesian national welfare state and the devolution of social responsibilities downward to the local level privileges the interests of capital for market-led economic growth (Amin 1996; Davies 2005; Peck and Tickell 2002). Similarly, rather than improving the efficiency and effectiveness of policy and programs, local governance is seen as a device for managing cutbacks in public expenditure by shifting the responsibilities of the state on to the private and voluntary sectors and onto individuals for their own welfare (Considine 2001). Still another line of critique argues that putting the onus on city-regions to generate their own strategic approaches to social and economic challenges benefits those with substantial resources and economically viable industrial specializations, leaving more vulnerable places to compete in a ‘race to the bottom’ (Kearns and Paddison 2002).

While this approach emphasizes the multi-level nature of new governance arrangements and the role of upper level governments in providing supportive place-sensitive policy frameworks, it tends to underplay the role of the *local* state in collaborative governance, leaving little theoretical space for explaining how local governance processes unfold in the absence of supportive macro-institutional policy frameworks (Bramwell 2012). Finally, despite its emphasis on the knowledge transfer and social learning aspects of collaborative network governance, the New Localism offers few insights into the actual implementation and functioning of these types of networks ‘on the ground’. A better understanding of network-driven urban policy and program development in ‘hybrid’ policy areas requires closer empirical examination of the political, structural and procedural dimensions of local cross-sectoral networks (Emerson et al 2012; Bryson, Crosby and Stone 2006). The discussion now turns to urban governance theories for insights into local state-society relations and the political dimensions of local cross-sectoral networks, and to the public administration literature for insights into network formation, sustainability, and performance. Taken together, these insights inform the empirical examination of local workforce development networks that follows.

Theories of Urban Governance: Interests, Institutions and Networks

Giloth’s (2004) admonition that workforce development initiatives will not succeed without attention to local politics provides a useful entry point into an urban politics literature which draws attention to how organized societal interests and the local state build ‘governing coalitions’ to blend political and fiscal resources to shape the urban policy process (Stone 2005; Pierre 2005). While acknowledging the macro-economic and macro-institutional contexts within which cities operate, urban governance theorists isolate political choice as a key variable that accounts for variation in urban governance structures and outcomes (Pierre 1999, 2005; DiGaetano and Strom 2003; Lowdnes and Sullivan 2004). Focusing on network dynamics at the city-region level, urban governance theorists are interested in the process by which networks and coalitions of community-based actors and local government organize themselves to make collective strategic choices about how local economic and social processes should unfold (Pierre 1999, 2005; John and Cole 2000; Stone 2005). Clarke and Gaile (1998: 107) argue that locally-driven institutional design processes “structure the power relations of both state and market interests, sketch out the possibilities for participation and representation in local... policymaking, and shape the goals, preferences and prospects of contending groups”, which in turn influences “how effectively a city will anticipate and address its development needs”.

Local governance structures are shaped by the values and objectives of those who participate in the governance process, so the question of who governs is as important as the political objectives they pursue. Membership in local networks - who is involved and why and how they are involved - has critical implications for the formation and sustainability of cross-sectoral collaboration (Clarke and Gaile 1998; Safford 2009; John and Cole 2000). Theories of urban governance argue that norms and values embedded in local institutions are closely linked to political objectives and policy outcomes, and that different governance arrangements favour

different political objectives, organizational strategies and key participants (Pierre 2011, 1999). As Pierre (1999: 372) observes, there are “contending views even within cities about the purpose and goals of the city’s policies” because “different segments of the city and city administration tend to embrace different values”, making conflict over which structures to adopt just as likely as consensus. When inter-organizational tensions and internal cleavages arise over how social and economic processes should unfold, the different values, priorities, and political objectives of different segments of the local governance structure clash leading to “governance gaps” that leave public problems unsolved. Because “the political framework in which such issues are formulated and implemented shapes the effectiveness and the sustainability of these efforts”, much of the urban governance literature draws attention to the organization of societal interests and processes of coalition formation and ‘boundary-spanning’ civic leaders who seek to form durable alliances between them (Clarke 2004: 30). DiGaetano and Strom (2003: 376) find that “alliances of politicians, agency officials, and business leaders or development interests generally form around policy agendas of economic development and urban revitalization”, whereas “coalitions of government officials and community activists, in turn, unite around neighbourhood regeneration or social service policy”.

This analysis suggests that cross-sectoral collaboration in local networks cannot be assumed and remains an empirical question. By introducing interests, values, objectives and their attendant discourses into the analysis, theories of urban governance underscore the socially constructed, and therefore potentially contested, nature of local governance. Contributing several key variables to the study of local cross-sectoral networks, this approach calls attention to the organization of local social and economic development interests and the patterns of conflict and cooperation between them, the role of local government in supporting, mediating and leveraging these relationships, and the importance of ‘boundary spanning’ civic leaders who seek to build durable cross-sectoral coalitions between organized social and economic development interests. The strength of this approach is however, also its weakness; the emphasis on conflict and potentially competing institutional logics leaves insufficient conceptual space for the emergence of collaborative cross-sectoral networks. Durable coalitions between local governmental and societal actors, or ‘urban regimes’, do exist, but empirical research has focused almost exclusively on economic development efforts rather than more complex ‘hybrid’ policy areas like workforce development that require cross-sectoral and multi-stakeholder collaboration (Stone 1989, 2005). Perhaps most problematic, however, while theories of urban governance assume the relevance of networks, they do not treat them as discrete analytical constructs worthy of separate empirical investigation. To better understand the role of networks in collaborative governance, we need to ‘get inside’ local networks themselves.

‘Urban’ Public Administration: Cross-Sectoral Networks and the New City Management

Another theoretical approach to the role of networks in local governance underscores parallel conceptual shifts in studies of urban governance and public administration (Hambleton 2003; Kjaer 2009). The emergence of new forms of governance in city-regions is evidence of an

important shift in the traditional role of local government as a vehicle for public service provision to a more ambitious and visionary community leadership role. This expanded leadership role is, however, a challenging one, especially in large and fragmented urban regions where key resources and capacities tend to be in short supply (Tindal and Tindal 2009). Weak mayor systems, politically fractious councils and competitive inter-municipal structures, overlaid with weak fiscal and policy capacity, and the absence of macro-institutional policy supports constrain urban policymaking (Feiock 2009; Nelson and Svava 2012; Tindal and Tindal 2009; Smith and Stewart 2007). At the same time, as Hambleton (2003) observes, the way municipal services are organized and delivered has shifted from a narrow focus on contracting out for service delivery to the ‘New City Management’ which is concerned as much with innovative policymaking that leverages the capacity of public, private and community-based sectors as it is with the cost efficiency and effectiveness of public services. In this view, “coalition building with local economic and social interests as well as new approaches to community development” can improve municipal policy capacity by building the trust, social capital and access to local knowledge that facilitate collective problem-solving, better represent a broader cross-section of community interests, and mobilize diverse resources to address complex policy problems (Hambleton 2003: 147).

While research in a variety of disciplines indicates that networks can act as important tools for information sharing, problem-solving and capacity building, theoretical assertions that collaborative *cross-sectoral* networks enable public agencies to more effectively tackle complex or ‘hybrid’ policy problems have not been matched by empirical research on the degree to which they have developed in practice, how they are structured, or their impact on urban policymaking (Collinge and Srbljanin 2003; Agranoff 2005; Andrews and Entwistle 2010). Davies (forthcoming: 25) underscores the paucity of “detailed comparison revealing subtleties and variations in the modalities of the networks project”, pointing to the need for more in-depth comparative research on the different dimensions and attributes of local cross-sectoral networks. To map this new territory we turn to an emerging public administration literature on collaborative networks (Bryson, Crosby and Stone 2006; Emerson, Nabatchi and Balogh 2012; Silvia 2011; Provan and Kenis 2007). Recent attempts to develop multi-scalar models and causal explanations for the formation, sustainability and performance of collaborative ‘cross-boundary’ networks emphasize the iterative and evolutionary nature of network dynamics and draw attention to the key variables of network structure and process.

Observing that “cross-sector collaborations are more likely to form in turbulent environments” such as policy gaps that leave complex problems unsolved, Bryson, Crosby and Stone (2006: 46, 44) define cross-sectoral collaboration as “the linking or sharing of information, resources, activities, and capabilities by organizations in two or more sectors to achieve jointly an outcome that could not be achieved in one sector separately”. It is, however, one thing for a cross-sectoral network to form and quite another for it to maintain the momentum, membership, and internal cohesion to actually make and implement policy, and different variables are at play at different

stages of network development. Collaborative networks can be initiated with a combination of leadership, resources, and appropriate incentives, but must be *sustainable over time* to have impact on municipal policy outcomes. Network sustainability requires a complex interplay of structure and process. Emerson et al (2012) refer to “collaborative dynamics”, including leadership, values, motivations, resources, and trust that reflect both procedural and structural components of stable “collaborative governance regimes”. From a procedural perspective, deliberative processes facilitate the development of feasible common agendas, shared motivations, and agreed upon norms and rules that sustain the ‘principled engagement’ of key actors from different sectors and build capacity for joint action, drawing attention to the dominant discourse or *strategic focus* of network activity (Emerson et al. 2012; Bogason and Musso 2005). Because “the relative and combined power of the participants can enable or disable...collective courses of action”, the *inclusion* of diverse interests is a key structural factor in cross-sectoral collaboration. But inclusion can cut both ways; while normative theories claim that networks can cultivate trust among diverse groups of actors who are unaccustomed to working together (Emerson et al. 2012), other analyses emphasize the closed and impermeable nature, particularly of informal, networks (Isett et al. 2011). Institutional locus, resource base, degree of formalization, and permeability are structural factors that shape the inclusiveness of cross-sectoral networks (Provan and Kenis 2007).

Toward a Conceptual Synthesis: Theorizing Cross-Sectoral Local Networks

In summary, these three approaches to explaining the role of cross-sectoral networks in local governance each have theoretical strengths and weaknesses in accounting for how organized local societal interests interact with each other and with local government. The New Localism emphasizes the process of social learning and knowledge exchange that underpins the development of innovative and inclusive mechanisms and policy approaches that ‘join-up’ economic and social development ideas and interests, but tends to underproblematize local governance as contested terrain. With their analytical treatment of ‘governing coalitions’ and the challenges inherent in efforts to blend the resources of actors with different values, objectives and institutional logics to solve complex problems, theories of urban governance identify variables such as the organization of societal interests, or the *configuration* of local networks, the role of local government, and civic ‘boundary spanners’, but an emphasis on the static and siloed nature of local policymaking precludes the possibility for cross-sectoral collaboration and cannot analytically capture the more fine-grained dimensions and attributes of different networks. The public administration literature addresses this gap by introducing the dimensions of inclusion and sustainability in cross-sectoral networks, drawing attention to the variables of strategic focus, permeability, and network configuration, which refers to how the organization of local societal interests is manifested in network membership, into the analysis.

In summary, blending insights from the urban governance and public administration literatures allows empirical examination of the normative claims of the New Localism by focusing more concerted analytical attention on the organization of local societal interests, the role of local

government, ‘boundary spanning’ leadership, and procedural and structural dimensions of cross-sectoral network governance including strategic focus, permeability, and network configuration that are relevant to the understanding of the inclusiveness and sustainability of cross-sectoral networks in hybrid policy areas. As Kjaer (2009: 150) argues, “placing network analysis within an [urban] political economy context makes sense” because it introduces issues of power and inequality and allows researchers to “map...the interests at stake”, “make assumptions about their impact” and predict “whether equitable networking will be feasible in a specific context”. Underscoring the fact that assumptions about trust and reciprocity in governance remain an important empirical question, Kjaer also argues that mapping “the degree of formal and informal institutions in a region, especially between key stakeholders in a certain policy area” would make major contributions toward assessing the feasibility of networked forms of governance, and to accounting for successes and failures in urban governance (ibid: 150). Of particular salience to the following empirical discussion, Agranoff (2005) identifies local workforce development as a good case through which to examine networks and relations between key stakeholders in a complex cross-cutting policy area that requires cross-sectoral collaboration. The discussion now shifts to an empirical analysis of workforce development networks in three Ontario cities.

Part III - Ontario in Focus: A Comparative Analysis of Workforce Development Networks in Ottawa, Kitchener-Waterloo and Hamilton

Exacerbated by the recent recession, Canada’s industrial heartland continues to undergo intense restructuring processes. Cities in Ontario face increasingly serious labour market challenges and the co-occurrence of skilled labour shortages in key manufacturing and knowledge-intensive sectors, unemployment, and the aging of the labour force is expected to have critical economic and social consequences if skills mismatches remain unsolved (Conference Board of Canada 2007; Saunders 2008). Because it was the only province not to sign a federal-provincial Labour Market Development Agreement (LMDA) that devolved funding and responsibility for adult training to the provinces, Ontario’s workforce development efforts laboured in a policy vacuum for ten years from the mid-1990s to the mid-2000s, and has subsequently dabbled with incremental policy changes ‘at the margins’ rather than developing a coherent policy framework, leaving many labour market governance problems unresolved at a time when the province’s economy and society could least afford it (Klassen 2000; Bramwell forthcoming-a). This policy gap provides an excellent opportunity to study the emergence of locally-driven workforce development activities in the three medium-sized cities of Ottawa, Kitchener-Waterloo, and Hamilton, Ontario.

The empirical aspect of this research examines how cross-sectoral networks of municipal, private sector and community-based actors interact to solve complex policy challenges that cut across economic and social development fields. Because workforce development requires coordination between social development advocates who are concerned with employment and poverty-

reduction, and economic development advocates who are concerned with local economic growth, the most robust workforce development networks will integrate social and economic development goals (Giloith 2004a; Harrison and Weiss 1998; Melendez 2004; Clarke 2004). While previous research established that WFD networks did exist in all three cities *despite absence of supportive policy frameworks*, it remained silent on the internal dynamics of these networks (Bramwell 2012). Picking up on Rutherford's (2001) challenge to 'explain networks' outlined above, this research examines the extent to which these workforce development networks either replicate or overcome discursive tensions and divisions operating at higher scalar levels by examining their inclusiveness and sustainability. In particular, it asks whether local workforce development networks act as intermediaries that integrate social inclusion and economic growth considerations, or if the workforce development agenda is dominated by one set of interests over the other. The primary empirical question asks, therefore, if inclusive and sustainable cross-sectoral intermediary networks are possible. This requires an examination of the relationship between network configuration and sustainability.

Measuring Inclusion and Sustainability

Insights drawn from the three theoretical approaches to local networks discussed above suggest that there will be variation in the inclusiveness and sustainability of workforce development networks in each of the three cities according to the organization of societal interests and the patterns of interaction between them. The first stage in the analysis analyzes the *inclusiveness* of local networks by focusing on network configuration in each of the three cities which is characterized according to the organization of societal interests involved in workforce development, linkages with local government, boundary spanning civic leadership, strategic focus of network activity, and network permeability. Network configuration, however, only takes us part way in our understanding. While it suggests whether or not networks are inclusive of social and economic development interests, it tells us little about whether or not they are sufficiently sustainable over time to have an impact on local skills matching activities. The second stage of the analysis makes some initial observations about the relationship between network configuration and sustainability.

A: Predictor Variables

1. *The Organization of Societal Interests (Stone 1989, 2005; Pierre 1999, 2005; Clarke and Gaile 1998)*

This study is interested in the organization of societal interests in local cross-sectoral networks, and how the patterns of interaction between economic growth and social inclusion advocates shapes workforce development efforts. This indicator captures the level of organization of economic development interests focused on human capital and social development interests focused on employability and poverty reduction in each community.

2. *Linkages with Local Government (Agranoff 2007; Hambleton 2003; Tindal and Tindal 2009)*

Emerging theoretical approaches to the public administration of local governance networks underscore the importance of characterizing *local* state-society linkages and the impact of these linkages on municipal policy capacity. This indicator captures linkages between municipal governments and workforce development networks in the form of political support and funding for network activities.

3. *Boundary Spanners (John and Cole 2000; Silvia 2011; Safford 2009)*

Local civic leaders champion agendas, keep them salient to community decision-makers, and act as ‘boundary spanners’ who build linkages between different members of a community, and between local government and community actors to develop coalitions based on shared identities and interests. In this study, civic leadership is measured by the presence of local leaders who champion the workforce development agenda and seek to build linkages between economic and social development interests.

4. *Strategic Focus (Emerson et al. 2011; Clarke and Gaile 1998; Rutherford 2001)*

This element draws insights from the community power literature that emphasizes how some actors dominate urban political agendas and decision-making processes at the expense of others by shaping local dominant discourses. While this has been an important focus for urban political studies, particularly in the U.S., it has undergone comparatively little empirical analysis in networks studies. This study measures the strategic focus, or dominant discourse of network activities, by the relative focus of workforce development activities on human capital creation or poverty-reduction and employability issues.

5. *Network Permeability (Hambleton 2003; Isett et al. 2011; John and Cole 2000)*

Network permeability shapes the information-sharing and decision-making processes within which local networks operate by determining the composition of organizations that participate in a network. Networks may be closed and narrow, dominated by a small number of people with narrow agendas, or open and diffuse, with decision-making and strategic focus more broadly shared within a wider group. Open networks encourage the participation of any organization that wishes to join whereas closed networks seek to restrict membership.

B: Outcome Variables

1. *Network Configuration*

Network configuration refers to the patterns of interaction between different organized interests involved in local workforce development activities. In this study, network configuration is a summary observation that captures the overall patterns of interaction between economic and social development groups through cross-membership in workforce development networks in

each community. As such, it is a summary observation of whether or not workforce development networks are *cross-sectoral* or dominated by the interests of one group over the other.

2. Network Sustainability

Network sustainability refers to whether or not a network is durable over time and able to survive deliberative tensions and changes in leadership, municipal government administrations, membership and funding arrangements.

Research Findings

Table 1 provides a summary of key findings for each of the three cases which indicate that there is variation in the organization of societal interests, boundary spanning leadership, linkages with local government, strategic focus and permeability of networks, and the configuration and sustainability of local workforce development networks.

Table 7.2: Characterizing Inclusiveness and Sustainability in Workforce Development Networks

	Hamilton	Kitchener-Waterloo	Ottawa
Workforce Development Network	HR Matters	WRIEN CELC	Talentworks
Organization of Social Development Interests	Strong	Strong	Weak
Organization of Economic Development Interests	Weak	Strong	Strong
Boundary Spanning Leadership	Weak	Weak	Weak
Linkages with Local Government	Moderate	Weak	Moderate
Strategic Focus	Employment/ Poverty Reduction	Balanced	Human Capital for Economic Growth
Network Permeability	Open	Closed	Unclear
Network Configuration	Overlapping	Siloed	Polarized
Network Sustainability	Evolves	Sustained	Atrophies

Hamilton: The Evolution of Overlapping Networks

Arising out of a study commissioned by the Economic Development Department of the City of Hamilton to examine the implications of an aging labour force for the local economy, the workforce development network, HR Matters, was launched in 2003, as a multi-stakeholder

public-private sector initiative including representatives from business, education, government and employment service providers, charged with developing “a comprehensive human resource development strategy for the Hamilton community” (eEconomics 2002). The community is well served by numerous and well-networked social and employment service providers who describe themselves as “the usual suspects” because of their frequent and collegial interactions, but the local business community is not well-organized or adequately representative of the range of local private sector interests. Despite the initial participation of several large employers, business participation in HR Matters became patchy and episodic, hindering boundary spanning efforts.³ The original strategic focus HR Matters sought to integrate growth and inclusion by emphasizing the attraction and retention of highly skilled human capital while acknowledging the need to address unemployment and poverty reduction, but the HR Matters discourse shifted away from a balance between economic and social development issues toward a poverty-reduction and sustainable employment agenda.

Although HR Matters was driven forward by an ostensibly collaborative climate among well-established networks of social development advocates, local government and representatives from other levels of government, and some business leaders, and a small handful of civic leaders committed to workforce development worked together to attract political attention and secure one time funding from the municipal government, they were not able to sustain it over time. Conflict emerged between participating organizations over the institutional locus and associated funding for workforce development activities, and the absence of a clear consensus of who should be “the voice of workforce development for Hamilton” provided the coup de grace for HR Matters which was dormant by early 2006 (confidential interview). Because of the openness of HR Matters to participation from numerous governmental, employment service and educational actors, the positive but patchy participation of business, the support of local government for a single workforce development network, and the strategic focus on poverty-reduction and sustainable employment, the configuration of the workforce development network in Hamilton is described as “*overlapping*”. Although HR Matters was ultimately not sustainable, it did manage to sow the seeds for subsequent collaborative efforts, evolving into the workforce development activities of the Jobs Prosperity Collaborative, a broad community-wide, cross-sectoral coalition focused on economic development, sustainable employment, and quality of life in Hamilton (Bramwell forthcoming-b).

Kitchener-Waterloo: The Sustainability of Siloed Networks

Kitchener-Waterloo does not have a single municipally supported central workforce development network or an articulated community-wide workforce development strategy but

³ Business interests in Hamilton are represented primarily by the local Chamber of Commerce which tends to represent the interests of the local traditional manufacturing sector and small businesses rather than knowledge-intensive industries. The fact that Hamilton lacks a private, not-for-profit community economic development corporation was often cited as an impediment to sustaining local workforce development efforts (Bramwell forthcoming).

instead has two workforce development networks: the Waterloo Region Immigrant Employment Network (WRIEN) and the Community Employment Linkages Committee (CELC). In response to concerns about shortages of skilled labour in the local information and communications technology (ICT) industry, WRIEN emerged out of discussions between the City of Waterloo and the Greater Kitchener-Waterloo Chamber of Commerce and is narrowly focused on the attraction and retention of highly skilled immigrants to work in the sector. While it has been quite successful in engaging local employers, it does not actively seek the input or participation of other community groups, including immigrant settlement organizations. The Community Employment Linkages Committee (CELC) is another network with a broad-based membership of local social and employment service providers that provides a forum for representatives at the management level of these organizations to share information and discuss the coordination of service delivery, best practices, and gaps in services.

Kitchener-Waterloo has several community-based not-for-profit industry-led business associations and economic development corporations including Communitech, Canada's Technology Triangle (CTT), and the Waterloo Region Prosperity Council, as well as a local Chamber of Commerce, and representatives of Communitech and The Chamber of Commerce are directly involved in WRIEN. At the same time, networks of employment and social service providers are also well-developed. What Kitchener-Waterloo appears to lack are boundary spanning civic leaders who seek to link up economic and social development interests as WRIEN and the CELC tend to work on their own agendas and have few linkages with each other. In addition, all workforce development activity appears to be occurring through WRIEN and the CELC as none of the municipal governments or the regional municipality of Waterloo Region address workforce development in their strategic plans, or support a central workforce development network. Because there are two well-established but narrow and largely closed workforce development networks in Kitchener-Waterloo, each of which has different main objectives and a different strategic focus, and little interaction with each other, the configuration of workforce development efforts in the region are referred to as "*siloed*". Both networks also appear to be sustainable and have continued to function since their inception in the mid-2000s.

Ottawa: The Weakness of Polarized Networks

Ottawa did have a single, municipally supported workforce development mechanism that existed for a sustained period of time but was hollow at its core, having limited membership and reporting little activity. The Economic Development Department for the City of Ottawa provided nominal funding to keep the entity alive against the day that it regained momentum, but Talentworks demonstrated little in the way of strategic planning or networking activity from the beginning of its hiatus in 2004. One of the reasons reported for Talentworks' lackluster activity was the difficulty of obtaining sufficient and stable core funding apart from that provided by the City of Ottawa but closer scrutiny reveals a more nuanced explanation. The organization of societal interests and the patterns of interaction between them appear to be particularly salient in the Ottawa case. Similar to Kitchener-Waterloo, Ottawa also has a robust economic

development infrastructure in the form of the Ottawa Centre for Research and Innovation (OCRI) and it is particularly significant that Talentworks was housed within OCRI.⁴

In contrast, unlike the other two cases, employment service providers appear to be particularly fragmented and do not appear to interact with each other; Ottawa has also not been able to sustain a training board and the local college, typically a key participant in workforce development in other places, was rarely identified as an active participant in Ottawa. The only active network of local workforce development actors appears to exist between the Ottawa United Way and LASI World Skills, a consortium of local immigrant settlement organizations focused on immigrant integration into local labour markets. Because the economic development community is well organized but the employment service community is not, there is little overlap between economic growth and social inclusion discourses. The strategic focus of Talentworks tended to emphasize economic growth and human capital development for the local knowledge-intensive industries. Furthermore, while the City of Ottawa funded Talentworks, and OCRI housed it, there appeared to be no civic leader or ‘champion’ who was willing or able to build and sustain political and community-based support. Perceived business dominance of the agenda actually hindered the local workforce development agenda as local employment and poverty-reduction advocates were too weakly organized to coordinate their efforts but sufficiently influential to stymie collaborative efforts and the configuration of Ottawa’s workforce development network is referred to as “*polarized*”. Though the formal entity technically existed for a number of years, the work of Talentworks ended less than two years after its initial, much vaunted launch.

Balancing Growth and Inclusion? No One Is Sitting Together at the Same Table for Long

Questions about the extent to which local networks integrate economic growth and social inclusion considerations highlight how the organization of societal interests and the patterns of interaction between them and with local government shape policymaking and service delivery in individual cities. Several key findings emerged from the question of whether local workforce development networks are *inclusive* of social and economic development interests, or if the local policy agenda is dominated by one set of interests over the other, and whether or not these networks are *sustainable* over time.

First, this study finds that variation in the organization of societal interests at the local level does have important implications for understanding local policy capacity and the impact of state-society relations on local public administration. Employment service needs are consistently met across all three municipalities which each have the same level of employment services delivered by the same government agencies but the organization of government-funded not-for-profit, employment service providers varies by community; employment interests are highly networked

⁴ the highly organized and influential local ICT industry association that has become so closely aligned with the economic development activities of the City of Ottawa that it has taken on several municipal economic development functions.

in Hamilton and in Kitchener-Waterloo, but weakly networked in Ottawa. Organized social development interests in Hamilton drove the most ambitious local workforce agenda, attempting to sustain not only the support of local municipal politicians, but also large local employers. The ‘dark side’ of this well-organized network, however, is that competition and conflict between community-based service providers and organizations, or “fighting around the water hole”, over the financial resources and institutional locus for workforce development was most evident in Hamilton, and tended to undermine the foundation upon which workforce development networks were built, hastening their decline (confidential interview). This finding suggests that federal and provincial governments demonstrate very short attention spans for network-building processes and governance experiments that do not yield immediate and measurable results. Many interview respondents indicated that the recent shift in government funding strategies for community-based organizations from a long term, sustainable core funding model to a short term project-based funding model, coupled with increased demands for accountability that require already cash-strapped organizations to quickly demonstrate measurable and concrete ‘deliverables’, has had serious implications for the development of the types of fragile and nascent community-based governance structures examined in this study. As Rutherford (2001) underscores, these types of mechanisms take time to develop, time that government funding mechanisms are less and less willing to allow. Further research is required to better understand how competition between local community-based organizations for limited and short-term project funding militates against local collaborative efforts.

Second, an even more problematic dynamic for local workforce development efforts was the uneven organization and patchy participation of the local business community. Either the organization of the local business community is weak, as in Hamilton, or strong but not engaged in workforce development, as in Kitchener-Waterloo, or strong, but seen to be dominating the agenda, as in Ottawa. On one hand, key informants emphasized the fact that Hamilton lacks a private not-for-profit economic development corporation like Communtech and CTT in Kitchener-Waterloo and OCRI in Ottawa, which they saw as exacerbating the tension that existed between local actors in the absence of a formally mandated central workforce development governance mechanism. Yet Hamilton’s workforce development network, HR Matters, was the most successful of the three in relative terms. In both Ottawa and Kitchener-Waterloo, each of which have highly developed and powerful not-for-profit economic development corporations, community-wide workforce development agendas were either not successful (Ottawa) or never attempted (Kitchener-Waterloo). These findings are consistent with those of Rutherford (2001) who highlights the patchy and problematic nature of business involvement in local training boards. Similar research has been conducted in the U.S. (see McCormick et al. 2008) but further research is required to investigate the negative correlation found here between private not-for-profit economic development corporations and community-wide workforce development networks.

A third relevant finding is that each community tended to lack civic leaders or ‘champions’ who were able to act as boundary spanners between economic and social development interests in any of the three cases. When asked who key leaders were in the areas of local workforce development, respondents rarely identified the same set of civic leaders in each community, and when they did offer a name, it tended to be an executive director of a local community-based organization, or a local representative of a particular government ministry. Either workforce development champions were not sufficiently influential to keep workforce development high enough on the local political agenda, as in Hamilton, were unwilling to take ‘ownership’ or responsibility for workforce development as in Ottawa, or showed little interest in the social aspect of workforce development, as in Kitchener-Waterloo. This suggests an interesting but again, underexplored relationship between civic leadership and municipal policy capacity.

The Sustainability of Cross-Sectoral Networks in ‘Hybrid’ Policy Areas: Theoretical Implications and Practical Lessons

Workforce development matters because, at the end of the day, it is about helping people support themselves financially, as well as about facilitating the larger process of integrating employment, poverty reduction social welfare and regional economic growth. Taking up Rutherford’s (2001) challenge to explain rather than assume consensus and social capital in networks, this research indicates that *local politics also matter*. Understanding the institutional, discursive, and organizational obstacles to collaboration between different groups in networks with “shared purposes but no shared authority” is critical to the study of cross-sectoral networks (Clarke 2004: 30). This research examined how organized local societal interests interact with the local state to address complex, cross-cutting governance challenges. The results of this study indicate that there is substantial variation in the inclusiveness and sustainability of workforce development networks across the three cases, and that the configuration of societal interests and the patterns of interaction between them had important effects on network sustainability. Hamilton appears to have developed the most robust and extensive workforce development network, but was not able to sustain these linkages over time. Kitchener-Waterloo has robust social development and economic development networks, but lacks the participation of influential intermediaries and boundary spanning civic leadership to link the two. Ottawa has well-organized economic development interests and long-term support from the municipal government for workforce development, but lacks well-organized employment interests as well as boundary spanning civic leadership.

These findings suggest that each of the three theoretical approaches to networks in urban policymaking examined here afford explanatory insights into the sustainability of cross-sectoral workforce development networks. High levels of trust and social capital in Hamilton were not able to sustain the HR Matters network but facilitated its evolution and integration into a broader and even more inclusive cross-sectoral network, indicating support for New Localist arguments

about trust-building and social learning. While the New Localism suggests that trust is an *outcome* of idea exchange and social learning, however, the high levels of social capital in Hamilton suggest that trust may instead be a *predictor* of network success. This finding elicits and conceptual ambiguity in the New Localism worthy of further empirical enquiry. Discursive tensions over the perceived business domination of the workforce development agenda in Ottawa underscore the emphasis of theories of urban governance on political conflict over the direction of local social and economic development. Finally, the siloed and closed but sustainable network in Kitchener-Waterloo and the open and comparatively robust network in Hamilton indicate support for network studies' emphasis on the structural and procedural dimensions of local networks.

From an empirical perspective, the challenges of building durable cross-sectoral networks in complex and cross-cutting 'hybrid' policy areas have important implications for place-based and urban policymaking alike. Variation in the organization of local societal interests and the patterns of interaction between them and with the local state *do* matter. Not all cross-sectoral networks are equally viable and some communities may lack the underlying social dynamics to sustain them. 'Siloed' networks that address social and economic development problems independently of one another may be as sustainable as cross-sectoral ones. Finally, communities that have more auspicious social underpinnings for cross-sectoral approaches require the time and resources to build and sustain network capacity.

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