INTRODUCTION

As a result of social change and financial pressure, local governments search for more efficient ways to develop communities. An increasingly popular strategy in the community development field is the collaborative approach (Feiock, Moon and Park 2008; Feiock, Steinacker and Park 2009). Collaboration among local governments, state and national government agencies, private firms, and nonprofit organizations to handle societal and community needs has become commonplace (Bryson and Crosby 2008). Community development partnership alliances are formed by local government, not-for-profit organizations, and private firms to enhance the community economy and living environment (Park and Feiock 2007; Lee and Park 2007). It seems obvious that resource dependency induces various organizations within local governments to act in a cooperative way (Ansell and Gash 2008; Lundin 2007).

Attaining successful local and community development requires collaboration among various actors and sectors as well as the participation of all stakeholders and individuals. There are many different ways people and organizations can work together to share knowledge, to advocate, and to take action. These include public-private partnerships, multi-stakeholder strategic alliances, campaigning networks, knowledge networks, and communities of practice (Feiock, Steinacker and Park 2009; Provan and Milward 2001). These have all become important mechanisms for undertaking joint programs in developing communities. All of these types of effort are generally named “network” or “network governance.” Networks are often referred to as the only governance form that can deal with the complex and

TYPES OF NETWORK GOVERNANCE AND NETWORK PERFORMANCE: COMMUNITY DEVELOPMENT PROJECT CASE

HYUNG JUN PARK
Sungkyunkwan University, South Korea

&

MIN JEONG PARK
Wonkwang University, South Korea

Many scholars have widely used the term “network” as a panacea to solve the problems faced by public management and collective policy. This broadly used term must be further defined. This study will begin defining types of network structure based on the networks’ characteristics. Our research maintains that network effectiveness for community development differs depending on the network structure. This study explores the popularity of collaborative network governance types in Korean local governance of community development. Our findings show that a type of government-leading network is the most popular. We found through a case analysis of the “Happy Korea” project that a local government with a public-private partnership network structure has a higher performance than other types of networks.

Key Words: Network Structure and Effectiveness, Transaction Cost, Collaborative Community Development Approach
wicked social problems of the current times (Agranoff 2007). Scholars and practitioners argue that the network is a very important factor in successful collaborative governance. Academics and practitioners alike consider networks to be important forms of collaborative governance (Provan and Kennis 2008). Collaborative governance has been studied recently by public administration and policy scholars. (See PAR 2006 Special Issue Edition).

The benefits of network governance are considerable, including information and knowledge sharing, more efficient use of resources, learning enhancement, and the building of trust (Park and Feiock 2007). Collaborative governance is expected to emerge when potential benefits are high and the transaction costs of negotiating, monitoring, and enforcing agreements are low (Feiock, Steinacker and Park 2009).

The interorganizational network has become a critical part of collaborative governance, but little is known about the structure of relationships among organizations (Agranoff 2008). Unfortunately, at present the terminology of network studies is developing more rapidly than our academic research to understand what contributes to the emergence, formation, and effective operation of collaboration. Furthermore, many scholars have widely used the term network as a panacea for solving the problems faced by public management and collective policy (Adam and Kriesi 2007). This broadly used term must be further defined. Consequently, it has become important to understand the nature of policy network settings, which we call types or modes of network. But we know different network patterns result in varied outcomes. Accordingly, we will first clearly define the characteristics of each network structure and its effectiveness in solving cooperation and coordination problems.

The goal of this paper is to empirically and descriptively determine which types of network structures and patterns frequently occur in Korean local government and what that frequency is. Based on theoretical network structure typology, this paper will begin exploring which type of network structure is the most popular in Korean local governance for community development and which structure is likely to be successful for obtaining community development grants. The preparation of grant proposals for community development projects requires collaborative efforts, because it requires agreement on how to share costs and benefits among actors within local governance. Which network relationship or structure reduces these kinds of transaction costs is an important factor. Second, we explore which types of network structures are popular in Korean local governance in community development. This work shows us how to define the typology of networks and which mode is most common in this context. To describe this pattern, we match our network models to Korean community development program cases in the central-government sponsored “Happy Korea” project. In addition, research by many scholars has dealt with network effectiveness in program performance (Lynn 2001), and the delivery of public services (Provan and Milward 1995). We assume there are several different types of network and each type of network brings about different results or outcomes. Hence we examine the relationship between network types and successful community development grant proposal work.

CHARACTERISTICS OF LOCAL GOVERNANCE NETWORK FORMATION AND TRANSACTION COSTS

Networks are forms of governance. The “network as a form of governance,” treats the whole network structure as a unit of analysis. Network structure is viewed as a mechanism of coordination and cooperation. Even though mechanisms for collaborative governance have been examined in many research projects, they are generally argued in terms of specific activities performed for a particular network, rather than in a comparative way. Thus, there is little general theory on collaborative governance regarding the whole network structure. Most network research focuses on the micro-level problems of networks and who connect with whom and why (Wasserman and Faust 1999). These works contribute to the description and explanation of networks’ structural characteristics through developing such concepts as density, centralization, and structural holes (Burt 1992). The problem, however, is that for the most part, what gets analyzed and explained is not the network itself, but the “nodes” and “relations” that comprise the network (Provan and Kennis 2008). According to Carlsson and Sandstrom (2008), a major step forward in this field would be to analyze networks as independent variables rather than dependent variables.