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Regional Development and Regional Networks

The Role of Regional Development Officers in Finland

Abstract

People responsible for regional development often understand fairly well the need to construct regional advantage and build clusters. They also know the importance of industry–university interaction, they have been taught to respect innovation systems and to build them, but what they have not been given much advice on is how to do it; how to create networks for these purposes, how to direct and maintain them – how to lead complex policy networks? Network management, or leadership in networks, in the context of regional economic development is not a black box only for practitioners but for academics, too. The research questions discussed here are: a) what do regional development officers actually do in the early 21st century to gain influence in policy networks, and hence in their efforts to promote regional development, and b) related to the first question, what are the key process in their efforts to mobilize policy networks and guide them. The empirical research is based on data gathered through 41 interviews with Finnish actors responsible for the promotion of regional development at different levels of regional development activity.

1 Introduction

In the various Finnish regional development policy arenas there is a whole bunch of energetic but puzzled, active but confused people who aim to influence the course of events to ensure a better future for their regions. Often they understand clusters, they know the importance of industry–university interaction, they have been taught to respect innovation systems and to build them, but what they have not been given much advice on is how to do it; how to create networks for these purposes, how to direct and maintain them – how to lead complex policy networks?

Network management, or leadership in networks, in the context of regional economic development is not a black box only for practitioners but for academics, too. In regional development studies, we tend to forget that it is always easier to find out the elements of success or failure in retrospect than to find new development paths for the future and new modes of action in the middle of uncertain and open-ended situations. It is always easier to say that social capital, networks, innovation systems and/or clusters are important for regional economic development than to actually build trust, manage networks, develop

systems or construct clusters. Lagendijk (2003, 9–10), quoting Ernste’s lectures, maintains that “one of the key challenges in geography still is to improve our theoretical understanding of how self-reflexive individuals, as part of social networks, behave in space”. The institutional turn in economic geography may also direct our attention towards self-reflexive individuals, or as Amin (2001, 1240) puts it, towards “the process of organizing/instituting as it unfolds, and on the influences and implications of such organizing/instituting. Philo and Parr (2000, 514) on their part suggest that it might be worthwhile to investigate particular institutional geographies as ”a spidery network of dispersed intentions, knowledge’s, resources and powers”. Indeed, as Cumbers et al. note (2003) such issues as power and politics have remained in shadows in our flourishing field of inquiry. When taking these suggestions seriously, as they should be, and raising unfolding policy processes, power and politics among the debated issues, a fresh view on regional development can be gained. This kind of approach might provide us with a more realistic and sensitive view on the complexities of regional development. All this also suggests that we might gain additional analytical leverage by adding more micro level approaches and tools in our research agenda.

In many studies, the significance of key individuals and leadership has already been raised and also elaborated (see e.g. Judd & Parkinson 1990; Flyvbjerg 1998; Linnamaa 2002; Kostianen & Sotarauta 2003; Lehtimäki 2005; Benneworth 2007). This paper focuses on a selected group of regional development agents, i.e. those people in Finland whose job it is to promote economic development in their respective regions. They are here simply referred as regional development officers¹ (RDO). They are people who work for regional development in the Finnish local government (municipalities are active in developing themselves either alone or in co-operation with neighbouring municipalities), Regional Councils (local government development agency at the regional level), Employment and Economic Development Centres (state development agency at the regional level), technology centres, Centre of Expertise Programmes and the Ministry of the Interior (responsible for regional development at the national level).

The research questions discussed here are: a) what do regional development officers actually do in the early 21st century to gain influence in policy networks, and hence in their efforts to promote regional development, and b) related to the first question, what are the key process in their efforts to mobilize policy networks and guide them. The empirical research is based on data gathered through 41 interviews with Finnish actors responsible for the promotion of regional development at different levels in above-mentioned organizations.

¹ Regional development officers are a heterogeneous group of people with varying educational backgrounds and, it has not formed a coherent group or profession. However, since the mid 90’s, or so, there have been first signs of a new profession emerging in Finland. This is reflected, for example, in a) how these people nowadays refer themselves as regional developers and not so much as public servants in a specific sector, b) numerous regional development training programmes designed specifically for regional development officers both nationally and in many regions and, c) regional development associations founded by the participants of these programmes to create and foster colleague networks for further communication. Organizational background varies as much as the educational one between individuals but a typical RDO is a development and change oriented person who is committed to promote, one way or another, development of his/her region.

The need to study the practices of regional development officers is risen here by setting promotion of regional development in the context of policy networks, and by drawing on interviews and archival material of the other related studies.

2 Policy networks in the economic development of regions

There is a growing support for the view that promotion of regional economic development is an interactive process between firms, various public or semi-public development agencies and research institutions. Consequently, there has been a move away from understanding policy-making as a rational decision-making and planning process proceeding from policy design to decision-making, and finally to implementation, towards comprehending policy as a multiagent, multiobjective, multivision and pluralistic process, in which the actual policy is shaped continuously (Sotarauta 1996). In this kind of process, such questions as what is to be done, and how, are constantly negotiated and communicated in various forums. In Finland, the Regional Development Act of 1994 attempted explicitly to create a system that first of all suits the EU's regional policy framework, but that also increases the influence of local -and regional-level actors, improves the concentration of various regional development funds by programming, and increases co-operation between key-actors. Therefore, since the early 1990s, the actual policy has both officially and unofficially been shaped continuously in close co-operation with various parties. The coevolutionary nature of policy-making is not limited on to horizontal relationships but it reaches also vertical dimension of the policy-making (Sotarauta & Kautonen 2007). The concept of policy network is aimed to help us in taking a better grasp over the new contexts in which policy processes take place.

A network can simply be defined as a series of established social relationships, of various degrees, between interdependent actors. A basic assumption is that one party is dependent on resources and/competencies controlled by another, and that there are gains if the resources and competencies can be pooled. Moreover, in networks individual units exist not by themselves, but always in relation to other units. One important advantage of the network concept is that it helps us to understand not only formal institutional arrangements, but also highly complex informal relationships (Kenis & Schneider 1991, 27). On their part, Kickert et al. (1997, 6) define policy networks as "more or less stable patterns of social relations between interdependent actors, which take shape around policy problems and/or policy programmes". This kind of interaction does not only reflect complexity, but also is in itself complex, dynamic and pluralistic.

The concept of policy network is a good point of departure when seeking to understand and analyse the actions of regional development officers. For example, drawing on Bruun's study on the bio-grouping-focused local economic policy process in Turku (Finland), one can argue that a policy process is a combination of new and old ways of acting and deciding as well as new and old coalitions; i.e. complex, constantly evolving policy network.

"One of the striking features of the BioTurku -trajectory is that it did not follow established decision-making channels, but was rather created through a mixture of old and novel forms for

decision-making. Thus, horizontal collaboration between people and organisations (sometimes formalised, sometimes informal) was at least equally important as the vertical decision-making hierarchies of, for instance, the city and the universities. Seen from a BioTurku-perspective, the locus of initiative has been on constant move, and the bio-grouping has been dynamic, self-transforming, rather than a static structure.” (Bruun 2002a, 81.)

Bruun’s observations tell us a story of a simultaneous search for new policy contents, and of new ways and combinations to achieve these aspirations. Policy networks are complementing, and in some cases even replacing, traditional forms of policy-making and purely market-oriented attempts. Clearly, one of the key issues in the policy arenas has been to forge systems of national, regional and local governance in support of various organizations to enable them at the same time to compete, co-operate and create functioning policy networks for regional development. This, perhaps, has resulted in a gradual erosion of traditional bases of political and economic power (see Pierre 2000, 1). All in all, policy networks are inherently political (not only party political), involving bargaining and compromise, winners and losers, ambiguity and uncertainty (Lynn et al. 2000, 4), and hence a challenge to mobilize, co-ordinate and direct these kinds of networks is formidable, and in this paper, regional development officers are seen as actors who explicitly aim to do all this.

The kind of policy setting briefly described above is challenging. Actors aiming to influence the complex policy networks are not some external third parties, actors aiming to influence from above and outside, but the effect of different actors on each other and on themselves (Kickert 1993, 195). Kickert’s observations are supported by a series of Finnish studies on regional development and/or policy networks (Linnamaa 2002; Tervo 2002; Männistö 2002). This calls for fresh views not only on governance and policy networks themselves but also issues related to management in policy networks. Network management and/or leadership in networks are not trivial issues for the regional development officers. Instead, they are among the most demanding sets of every-day challenges for many of them. As one of our interviewees put it:

“When I began here ... in Finland, in this profession I mean, there was an understanding that the core of this work is in good analytical reports, technical analyses, presentations, etc. And these still are the basis, I guess, but in practice, in this kind of work I do now, it is all about co-operation, finding the right partners and getting them interested in all this.”

The classical, mostly intra-organizational inspired leadership and management perspectives so dominant for more than a century in public administration and in corporate world are according to Agranoff and McGuire (1999) simply inapplicable for multiorganizational, multigovernmental, multisectoral and hence multivision, multistrategy and multivalue forms of governing and promotion of regional development. They argue further that if network management actually is, as is often argued, something different from intra-organizational forms of management, then research into network management and leadership should be increased and their conceptualization improved and accelerated. This view is supported by our empirical observations. In addition, a better understanding of cultural sensitivities is needed. Comparative studies on policy networks, their management

and leadership in them, in different regions throughout the world would be important to reveal the nature of regional development processes in different contexts. This article is inherently based on the experiences of relatively small regions in a relatively small country, and hence its observations are by necessity context dependent.

The need to better understand policy networks from actor point of view in the context of regional development is not only an academic question. As Bruun concludes his study on bio-grouping in Turku: “the future of BioTurku is at least partly dependent on how well its actors can balance between the conflicting needs ... the management of a rapidly growing network is both difficult and risky. Investments must be made without having guarantees for success ... integration, or mutual adaptation, seems to be of particular importance for successful network management.” (Bruun 2002a.)

Linnamaa’s analysis of the development process of information and communication technology in Jyväskylä (Finland) also reveals the roles that key individuals have played in policy networks.

“Even if I am talking about openness and transcending borders in politics, such in process management, such a certain concentration is a good thing. As I said before, Pekka Kettunen as mayor became the symbol of the rise of Jyväskylä... a great deal of matters went through him ... great amounts of information went through him. He is also one of the few people capable of envisaging larger entities splendidly. He has a view over the entire playing field.” (a quote from Linnamaa 2002, 63.)

In Turku and Jyväskylä, conscious efforts to manage and lead wider networks proved to be among the key elements in the transformation processes, and according to Kostainen and Sotarauta’s (2003), and Lehtimäki’s (2005) studies about the factors and forces that have laid the foundation for the economic transformation in Tampere (Finland), they have played a role there as well. Lehtimäki (2005) has studied the configuration process of the Tampere Technology Centre Hermia. According to him, “the most important element in this configuration was the set of active individuals who promoted the idea via their own networks inside and outside their own organisations”.

Policy networks are not self-organising entities but groups of people that need their shepherds. The challenge for regional development officers is that they are required to lead and manage not only within the boundaries of the organizations and communities that authorize them, but they consciously need to reach organizations and communities across the boundaries to reach such spheres in which their actions and words may have influence despite having no authorization. In regional development and in its many networks, having influence is not a straightforward question of command and control or leaders and followers. To be able to take a leadership position, a regional development officer should be able to influence the actions of other organizations.

”The ability to lead is needed, it does not refer to hierarchical leadership ... this is rather management by negotiation rights, or something like that. I have no authority over technology centres in Finland, not to mention ministries. And our centres [Finnish technology centres], they do not always control the resources used in their work, they [resources and decision-making power] are somewhere else. We aim to influence by generating interaction, and there we have a good mandate to convene people; to create shared images and a shared will is what must be achieved. We use whatever resources we have ... without leadership, it would be

difficult in these networks. But it must be understood that we operate through other people, and in interaction with them we achieve what we want to accomplish” (a representative of a national agency for the Finnish technology centres)

Our interviewees stressed the need to mobilize individuals from different walks of life with different knowledge and/or resources of power, and the need to pool their knowledge. Influencing regional development in policy networks and through them is more or less an interdependent process. It consists of individuals, coalitions and their capabilities exercised in interaction to achieve joint and/or separate aims (see Bryson & Crosby 1992 for a discussion on shared power). An effective promotion of, let us say digital media in a city, requires in-depth understanding and knowledge of the substance of digital media; it also requires a good view on how general policy processes and specific policy processes of that field come together, what their dynamics are, who the key-people are and how issues can be pulled through the multiple chain of decision-making. In addition, somebody should know how people think in this field, what the driving forces of firms, researchers, and other key players in the field are, and what the right measures in building networks are in this specific field and how they can be linked to wider development efforts to gain more power. Therefore, to achieve results a development process needs to be, one way or another, shared. No one can master all the pressures and all of these spheres of knowledge alone.

According to our interviews, policy actors can be classified under three overlapping categories: policy generalists, persons of substance and persons of process understanding. At best the first have a spread of general policy interests for a region, good perception of trends and their significance and a high level of strategic awareness; the second have deep knowledge of respective business area and the last are likely network managers who are able to take care of carrying interactive processes. For example, the first group consists of politicians, mayors, chief executives of local and regional development agencies and municipalities as well as ministries, i.e those people whose job it is to have a comprehensive view over entire region or an issue in question. Policy generalists are able to locate possible partners, identify various institutional obstacles and, carry the lead ideas cross the many institutional and organisational boundaries to final solutions. They have, or at least should have, a helicopter view on issues. What they usually do not have is a specific understanding on more substantial matters. The second group represents a specific understanding on substantial matters but, more often than not, they lack political vista. They are not good at, or perhaps not even interested in, manoeuvring through a jungle of interests, organisational ambitions and administrative levels. The third group represents those people who do not have required skills, position and/or power base to work cross the institutional boundaries at higher levels. Nor do they have deep enough education for specific substance fields but they often understand the nature of human interaction; they are able to convene people and find common grounds for very different actors with different backgrounds.

When brought together, these three groups of people represent a needed set of knowledge and skills to create and maintain policy networks for new ideas, and perhaps also for pulling them through. The question is not only about knowledge but also about credibility. A credible and substantially strong champion in a general policy field may be

totally neglected, in digital media arenas, for example, and vice versa. Bruun describes how different people are needed for different arenas.

“Okkels and Petersen are respected in different circles, so they shared the job of informing about the DDN. Petersen is known among IT suppliers who want to sell their products to the municipality of Aalborg ... Okkels inspires people ... He is known as a person who has done a lot for the region, also for the industry. If he goes out and says that this is a unique opportunity for North Jutland, people listen ... He knows what fires them (university, firms, employer organizations, etc.) and what doesn't, who like each other and who don't.” (a quote from Bruun 2002b, 149-150.)

3 What do regional development officers do to influence policy networks?

When a development need emerges, be it a need to improve “institutional thickness” (Amin & Thirft 1995) in a less-favoured region (Sotarauta & Kosonen 2004), to create local innovation environment for generation, application and exploitation of new knowledge (Cooke et al. 2004) or to attract highly-skilled experts to some location (Raunio 2005), a collective effort is often needed to tackle the challenge. This may not mean much in regions with abundant resources, large variety of actors and many self-organizing processes, but many Finnish regions are relatively small and their resources are scarce, and therefore they cannot afford to waste resources. In addition, in these kinds of regions, individual organizations are usually not strong enough to make a difference alone from regional economic development point of view, and here, conscious efforts to manage complex networks and constantly evolving processes come into picture.

”Well, they are not my ideas, I have not invented them, this is not my show, no. But I think that, in this work, people are the key, this is people-oriented work, best things happen in networks between motivated people. Big changes are of the kind that they cause a lot of confusion and personal pain (that) people are afraid of, and there is a lot of resistance of change. And you act as a catalyst and some kind of development manager in the process, you just try to raise the spirit of the team, success depends on that.” (a development manager in a regional development agency)

Promotion of regional economic development is usually not a simple question about setting a goal and dividing labour, and then simply about implementing the plan. This is not the case even in a small and homogenous country like Finland. In regions, a struggle for power, for who has influence on the matters at hand and who does not is usually ongoing in one form or another. There is a rich array of ways to conceptualize power (see Wrong 1997). The aim here is not to make an in-depth scrutiny of power in regional development, but to raise those key processes regional development officers are engaged to gain influence. Regional development officers are usually not among the actors having strong power base to mobilize and direct development activities and hence they need constantly to find ways to influence. Drawing on Wrong (1997, 2), power is here defined as “the capacity of some persons to produce intended and foreseen effects on others”. The intentionality and effectiveness of power needs to be scrutinized to fully understand the link between power and influence. (Wrong 1997, 3-10.) Influence is seen as a process in which the actor drawing on his/her latent resources by interaction skills and other social

skills makes other actors see things, people, functions, etc., differently from before and thereby voluntarily do something that they would not otherwise do. (Bragg 1996, 43.) For a regional development officer, power is a potential to influence, it is a latent resource that needs to be freed and utilised by means of other processes, and it is those processes that are elaborated here.

Drawing from our interview data and from the literature on network management, the question what do regional development officers do to influence policy networks is: they raise awareness, mobilize, frame, co-ordinate and organize visioning between visions processes.

3.1 Creating strategic awareness

In leadership studies it has been recognized that raising awareness of a given issue or situation is one of the key tasks for leaders to engage in. As Heifetz says, a major challenge of leadership is to draw attention and then deflect it to the questions and issues that need to be faced. To do this, one has to provide context for the action and a story line that gives meaning to action. Other actors need to comprehend the purpose of adaptive or transformative measures so that it focuses less on the person and more on the meaning of the new action, and thus various partners need to be actively involved in the sense-making process. (Heifetz 2003, 225.) Our interviewees talked a lot about raising awareness. Without well enough established awareness of the emerging issues and future prospects of a region, generating change is especially difficult.

“Awareness is an individual and grassroots-level phenomenon. A general awareness of what happens and will happen in this town has improved a lot, and it will improve, but a hell of a lot work is needed to turn it into more general awareness. [a development manager in a city government]

The basic methods in promoting awareness are seminars, distribution of information through various channels, getting the media to cover successful examples, and so on. Also strategic planning and technology foresight, according to our interviews, play an important role in the collective learning of a new vocabulary and creation of shared mental models. From this point of view, strategic planning and technology foresight are not elements of rational policy-making but tools in leading complex networks.

It can be argued that strategic awareness is a necessary but not sufficient precondition in truly functional policy networks. When strategic awareness is good, the opportunity for flexible and fast decision-making opens up. It is possible to decentralize the decision-making power to where things actually happen. If strategic awareness is bad, it becomes necessary to have possibly very fundamental strategic discussions over every single issue which take time and may lead to a slow process due to an endless series of fires to be put down. The elements of strategic awareness can be summarized as follows:

- Strategic intentions are manifestations of a policy network; in practice they are emerging processes about a) the desired leadership position among communities, b) the position of the various actors in community governance, and c) the establishment of the criteria to chart the progress.

- Historical understanding – traditions, past path and dominant trajectories, the changes in the region over time, i.e. the path that has been taken
- The resource bases of a region – possible opportunities and threats to it
- Awareness of relevant knowledge – what is currently going on in research, industry and policy development in the fields important to a region
- The direction of present development, where we are going if the present development continues
- Possible futures – both undesired and desired future alternatives
- Necessary changes and strategic issues – opportunities and threats

Being usually quite well informed, regional development officers tend to forget that strategic awareness is not created quickly but in a long process. Raising awareness requires an almost endless discussion roundabout with different interest groups and stakeholders.

”Well, at first I wasn’t even aware that they (various decision makers in different organizations) were so ignorant about this (new innovation strategy for a city). It was so simple and clear that I was under the impression that everybody knew about these things. Gradually I started to realize, because of the critique, that they were totally in the dark about this. They had no idea about the main clue here. I went to local councils, neighbouring municipalities and other organizations, and talked a lot.” (a business development director in a city government)

3.2 Mobilization

Mobilization and hence also selective activation of the actors with important resources, competences and knowledge are among the core tasks in any network leader’s activity, and it has been argued that network builders who are able to enrol others in networks are particularly important. (Bathelt 2005, 211.) Regional development officers’ task is to provide all relevant actors with a seat at the table when strategic issues are framed and strategic decisions are made, and actually activate them to take a seat. Mobilization starts with identifying possible participants and stakeholders relevant to the issue in hand, and continues with pooling their skills, knowledge, and resources (Agranoff and McGuire 1999). Mobilization requires the willingness of potential participants to devote resources to the network and to be influenced by actors who may have other interests at stake. However, it is not at all self-evident that firms, universities, and other relevant actors want to become members in various partnerships for regional development. More often than not they are not so interested in these kinds of collective activities. In Finland, local government quite often takes a lead in mobilizing various actors and creating new partnerships.

”City government has a role to play here, or the public sector in general, they can promote these things (regional innovation systems and knowledge production), they can be pretty good catalysts. Think the Centre of the Expertise Programme, for example, it has been a good catalyst, and still is.” (Representative of a firm)

Mobilization is a very fragile and subtle process. Our interview data indicates that, without a major crisis, mobilization is not a simple task and regional development officers actually need often to induce, or rather “seduce”, various individuals and organizations to make them engaged in the collective efforts and to keep that engagement and commitment. Regional development officers cannot control and command other actors and therefore a

delicate understanding of the other actors' needs, strategies, visions, and language and thinking patterns are needed to get them committed to the collective action, 'seductive moves' are needed instead of forcing moves. Seductive moves refer to such initiatives that other actors are not compelled to answer but actually they want to answer them, because these moves take into consideration strategies and objectives of other players. If 'forcing moves' are used in trying to make another player to yield to the will of the one who makes the move, seductive moves are used in trying to make other players co-operate.

"I like the idea of seductive moves, it's a good concept. The whole style of communication is like a chameleon, you need different styles to communicate to reach different actors. That is one thing to recognize. Intuition does not help much here, you need to learn it; I mean what goes down with what group. One likes well-documented and argued proposals, one needs an enticing core idea, and to some you need to talk privately in the sauna, so, yes, there are many ways. (a business development director in a city government)

"There are situations in which public interventions make sense; sometimes it may be a decisive factor that makes the whole thing going. So, you must respect their (firms and municipalities) competencies, delicacy of their goals and such is needed here, you just feed them with ideas, very gently, and hope that they would get interested in them and join us in promoting this and that. That is what we can do" (a representative of one of the local Centres of Expertise)

If actors have a seat, they also need a voice. All too often actors are invited to participate in collective efforts for regional development to legitimize decisions made, or to increase credibility of forthcoming decisions, without actually having real opportunities to shape the outcome of strategic decisions and direct strategic actions. In principle, all interests should be included in network processes (Innes and Booher 2000), but resources like money, information, and expertise are the integrating mechanisms of networks and, therefore, in practice, policy networks are usually asymmetric in nature. Power is not evenly distributed and hence also deactivation seems to be a central component of influencing the dynamics of policy networks. The removal of a network participant with potentially myriad effects on the network the most common tactics in this regard perhaps is to introduce new actors as a means to change the network dynamics, to change the power balance and to shift the influence of existing actors. (Klijn 1996; Klijn and Teisman 1997; Termeer and Koppenjan 1997).

3.3 Framing

Above the role and importance of a seat and a voice were raised, but perhaps the highest form of power lies in the way in which actual discussions are created and in which problems and challenges are defined and framed. To make progress in collective action, strategic awareness should be framed towards a shared understanding of and vocabulary on issues in hand. This is a prerequisite for collective action.

A common strategic awareness of the key issues is often, although perhaps not always, needed to move towards shared interpretative frames of reference – a realization of the significance of changes needed, a common vocabulary and a way to perceive the development processes. At this level, influence is at its most powerful because it is also at its most subtle. The power to shape conversations, to frame strategic issues as well as

individual problems of individual organizations rests, as argued above, on understanding the needs and resources of a whole series of different organizations with different objectives and strategies. Sense-making (Weick 1995) and interpretive processes (Lester & Piore 2004) are central in framing the issues for action.

As Lester and Piore point out, while interpretive processes require openness and disclosure, economic competition usually fosters opportunism, secrecy, and sometimes suspicion. There is also a tendency in organizations engaged in policy networks to push interpretive processes to the margin and overemphasize power games, analytical problem-solving and/or short-term results. Interpretive spaces within policy networks are fragile, and discussions are easily disrupted. However, as Lester and Piore have observed, economic development needs public spaces within which interpretive discussions can develop, spaces in which fears of the risk of private appropriation of information do not disrupt the debate and collective framing efforts (Lester & Piore 2004).

Framing is used both during the formation of the network and as a management tool to find a direction for policy networks and for influencing its prevailing values and norms, and altering the perceptions of the network participants (Termeer & Koppenjan, 1997; (Kickert & Koppenjan, 1997). A regional development officer can frame the network context by introducing new ideas in the network (Kickert, et al., 1997) and thereby aiming to find common denominators both between individual goals and between individual and shared goals. Framing is also aimed not only for finding a shared perception over issues in hand, but also for finding shared mental models and shared vocabulary. Shared mental models are among the strongest glues in networks but the problem is that they emerge slowly and require a lot of face-to-face conversations among network participants. Framing gives shape to emerging development needs and strategies, and hence also to collective efforts, and it has great influence in the alignment of various forms of engagement.

The problem often is that our capabilities in recognizing open-ended exploratory parts of the development and innovation processes are not developed well enough; we simply do not have a vocabulary for them, and therefore both awareness-raising and framing a construction of a new shared vocabulary are constantly stressed here. They are among the stickiest glues in policy networks.

3.4 Co-ordination

By definition among the key tasks in a regional development officers' activity are to improve co-ordination between fragmented bunches of actors, to foster and organize collaboration, and to influence, if possible, the division of labour within the policy network. In the setting of policy networks, different aims and strategies of many actors are continuously reconciled, and various interests balanced, and touching points and concrete means between many objectives are constantly looked for and co-ordinated. I use consciously such terms as "to reconcile", "to balance" and "to co-ordinate", because it is doubtful if in policy networks it is possible to base strategic action on a shared vision and a shared will, if reciprocal interests are not taken into account. Here a network leader can influence by creating the environment and by enhancing the conditions for favourable, productive interaction among network participants.

In aiming to co-ordinate the network or to integrate some parts of it more tightly together, regional development officers basically have three general options to achieve their purpose. First, they can create or shape institutions and structures. Regional development officers can frame the development policies and processes and give various networks and development activities their context. Influencing through institutional set-up represents an aim to increase continuity in a rapidly changing world and provide actors with a clear and supportive playground. One part of co-ordination through institutions is to identify and demolish frozen shapes and hence to remove lock-ins. ‘Frozen shape’ refers to configurations of administrative structures and government processes which are static and not able to change to fit the changing environment, and thus they do not support development work in the policy networks. In practice, frozen shapes, i.e. old structures and institutions are usually the worst enemies of effective networking (see Kickert et al. 1997)

“Of course, one part of this work is to strengthen competences, research stuff and such, and in firms too, and we are especially happy if we can help in building structures, enduring structures for all that.” (a representative of a local technology centre)

Second, regional development officers may co-ordinate by forging trust, mutual dependency, loyalty, solidarity, and horizontal co-operation based on reciprocal support among organizations and individuals. This requires abilities to maintain and deepen the sense of mutual benefit that exists within the network by enhancing network connectivity, integration (mutual adaptation) and transparency (Sotarauta 2005).

“My job is also to try to reduce mistrust, and build trust by my own actions; in this kind of networks the process is never finished, situations change all the time. Our task is to interpret the conversations, and act as some kind of interpreter between different parties, and in advance try to prevent difficulties from arising in communication and interaction relations. Better interaction, better forums for communication, that’s our aim” (a co-ordinator of a university network for regional development).

Third, network leaders may co-ordinate by producing shared and often tacit knowledge that lead to social integration of actors, which goes far beyond the institutions and networking and thus makes the ability to network competently and efficiently to utilize informal relations significant. Therefore, the ability to share feelings, emotions, experiences and mental models becomes important. (see Nonaka & Konno 1998.)

All in all, network leaders need to find a way to blend the various participants – each with conflicting goals or different perceptions or dissimilar values – to fulfil the strategic purpose of the network. The network leader seeks to achieve co-operation between actors while preventing, minimizing, or removing blockages to the co-operation. This steering of network processes is tantamount to process management in the sense that the result of the network process “derives from the interaction between the strategies of all actors involved” (Klijn & Teisman 1997, 99).

3.5 Visioning between visions

Basically the promotion of regional development is an inter-organizational form of change management in a wider economic and social entity, and as we have learnt, it is notoriously

difficult in both intra-organizational and inter-organizational settings. An effective and collective promotion of regional development requires that policy networks are capable of raising visions of a different future into discussions and also in transforming these 'blue thoughts' into focused strategies and action. In many regions, efforts have been made to unify the actions of members of loosely coupled networks with the help of regional strategies and shared visions. In other words, it is hoped that regional strategies and shared visions would guide not only policy networks but a maximum number of regional actors either directly or indirectly. A shared-vision-based strategic direction setting for regional development seems to have its limits.

Most strategies are designed so broadly that visions and strategies are 'nice and easy to support', because they exclude almost nothing. Our earlier studies show that many of the regional development strategies or shared visions do not mandate any radically new policy directions but they rather confirm and strengthen the directions initiated earlier (Sotarauta & Lakso 2000). Strategic planning provides policy networks with many good tools and thinking patterns, but quite often the designed strategies fade away and disappear into a "black hole of classical strategy development" – visions are created and strategic objectives identified but, measures dissipate, and in the end, in the worst case, strategies do not have any guiding effect. Having said that, a question of how the direction for a whole series of individual measures is found in a policy network, emerges as crucial. All in all, strategic planning and shared visions are, quite paradoxically, in the hands of a good network leader powerful tools in direction setting.

In the policy network context, commitment seems to have a new content; no commitment is sought for the idea created ready-made in the strategic planning process. There is rather a constant search for commitment from different points of view for shared projects requiring and enabling commitment. Moreover, the strategy continues to live and change along with circumstances. In a way it is constantly being recreated, and its direction quite often emerges through communication and interpretive processes. At their best they may lead to increased awareness and actors' realization that collective action is beneficial also to their organization's goals. It seems that shared visions are in practice combinations of goals and visions of individual actors, and therefore, an ability to identify individual goals and, secondly, to find and create the common dominators, the 'third solutions', between them seems to be a prerequisite for shared visions. Shared vision is a process that is based on visioning between visions, in which appreciating 'other visions' is crucial and learning about other actors' thinking patterns and especially about their views and perceptions over futures forms the core in the skill of a regional development officer. What often appears as collective action is in practice a complex, constantly evolving process between policy network and its members.

"It all starts by offering good openings, good opportunities to people, from their point of view good, I mean. They must find something for themselves, for their personal ambitions, an opportunity to learn something new, to gain visibility, or to take a next step in their own careers, something like this ... Who would not like to be a part of something big and important? We just need to paint a picture, create an image, and offer them roles in this puzzle to engage them in it". (a business development director in a city government)

Strategic planning and visioning between visions as part of it and as an separate process are many-sided tools that have at least following direct and indirect direction-setting functions in policy networks: a) strategy may be a plan, in which a vision, strategies and adequate measures are presented in order to channel and direct the use of resources; b) formal strategy process may provide actors with legitimitative forums for co-operation; c) a strategy process may be a conscious effort in making sense together, to learn a common language and new concepts, to create shared lines of action and thought patterns, and a way of seeing the development and the role of various actors in it; d) strategy may be a means of communication, that is, messages from one group of actors to another group; e) it may be a trigger for new processes; and f) strategy may be a tool for making better sense of the ongoing open social discourse in a region from the point of view of regional development. (Sotarauta & Bruun 2002.)

4 Conclusions

”In the field, there are actors that need to be convened to make new openings, launch new processes. Somebody needs to locate them and bring them together. Let us not forget tensions, and agonizing situations, what we need is quite flexible rules to guide our game; it can’t be too controlled a process. But somebody must blow the whistle, if needed, if the game gets overheated. All in all, we can create quite surprising combinations from these elements, and that’s the whole point in this work.” (a development director in a city government)

In Finland, the dominant mode of action in the promotion of regional development is based on policy networks. However, it also seems that policy networks are a new layer on top of public administration structures that has not changed to support networking. Consequently, promoting regional economic development is a much more complex and ambiguous process than ever before. The new complexity cannot be controlled, as was believed earlier, but it can be put in good use, and here the question how influence is gained in modern governance emerges as crucial. People who can “see the entire playing field” and make sense of many complementing and conflicting issues, instruments and actors simultaneously are of importance. Their actions are, of course, influenced by the other actors, structures and institutions, and hence the relationship is reciprocal.

The Finnish regional development officers often have an explicit task to mobilize and co-ordinate policy networks in issues identified important in their respective regions. Regional development officers are not to be mystified and reconstructed as talented and visionary human beings who control and provide their followers with visionary directions. They are rather shepherds of networked regional development with a task to identify their herds, guide and protect them. Policy networks are not consisted of resigned sheep but strong-willed and ambitious organisations and individuals and therefore tending a “flock” requires a profound understanding on reciprocal policy process. “Regional development shepherds” usually need to earn their positions in the flock, and a right to influence its activities. In this article mobilization, awareness raising, framing, co-ordination and visioning between visions were identified as key processes to gain influence. So, having influence in regional development is not about control and a command type of action. It is about changing the way in which people see the world, so that they would *voluntarily* turn

their attention, decisions, and actions towards actions, collective and separate, which would benefit both the region and themselves.

Regional development is equally much about acting on structures and institutions as it is about building them, or the question actually may be about co-evolving with them. The significance of structural factors is obvious but, at the same time, a comprehensive explanation of development processes, sequences of events, requires that we also give human efforts proper attention, and this can be done by studying the actions of various key groups in more detail. This is particularly true in a more self-reliance-oriented regional development context in which the central idea is to help the regions to help themselves instead of controlling from the top or circulating a one-size-fit-for-all model to the regions of Europe. Success in such development work depends partly on existing resources, but equally much on the abilities of regions, i.e. those of their key-players to create and attract new resources, to mobilize collective action, to pool existing resources, and therefore, also *how* things actually happen emerges as an important question in addition to the *what* and *why* questions.

“... you have to understand that this not a positivistic world. It is no more about the world of planning or engineering world where A leads to B and then to C. This is a genuinely continuous hustle and bustle and you can't always know what depends on what, what measures lead where. Understanding this, fuzzy logic, is not important as such, you can't understand it; you just have to accept it; to accept that many of these processes simply are ambiguous and fuzzy. You need to experiment with some paths to take, and see if they're ok, if you find a good one you then move on but you need to have several options in your sleeve all the time” (a senior official in a Ministry)

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