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Addressing disadvantage through place management: Is there a role for nonprofit organisations?

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By

Gianni Zappalà & Vanessa Green

Preface

In March 1999 The Smith Family moved to enhance its research capacity by forming the Research and Advocacy Team. In line with its vision for a more caring and cohesive Australian community, the Research & Advocacy Team of The Smith Family researches different forms of disadvantage to propose evidence based preventive responses to them and to work for the development of social policy that benefits the entire community. A general theme that integrates all of The Smith Family's research activities is *social capability*. It refers to the capacities of communities and individuals in them to draw from their own strengths and social capital and to move beyond the limitations of disadvantage. The establishment of the Team also reflects The Smith Family's commitment to evidence based programs by ensuring ideas are tested in pilot studies and evaluated for effectiveness. The Smith Family will also use outcomes from its research to contribute to the policy making process to build a better future for all of the disadvantaged through an enhanced advocacy role.

The Smith Family intends to play an active research and publication role, as well as form strategic alliances with universities and other social sector organisations to bring about societal change. A range of publications will make research undertaken by the Team available to a broad range of people who have either an interest in or a commitment to The Smith Family's work. **Background Papers** identify areas to be researched as well as provide important pre-evaluation information of Smith Family programs and activities. **Working Papers** present preliminary research findings that contribute to the development of evidence based social policy and initiate professional dialogue on critical research questions. **Briefing Papers** provide analysis of Smith Family programs and wider social policy issues in a more concise timely manner. A regular **E – Bulletin** will publicise the Team's publications as well as provide a summary on TSF research, policy and advocacy matters. These publications, as well as occasional reports, submissions and monographs will either be produced by members of the Research & Advocacy Team, be the product of collaborative efforts with other researchers or arise from commissioned research. All publications are subject to a refereeing process.

On behalf of the Research and Advocacy Team I trust that you find the following Working Paper a worthwhile contribution to evidence based social research and to the development of social policy that unlocks opportunities and builds capacity for all Australians.

Dr Rob Simons

*National Program Manager
Research & Advocacy*

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Abstract

Place management is a means of shifting the structure and design of public governance and management from *functional* or *output* units to a focus on *outcomes* that is attracting a growing number of supporters among government, policy makers and academics. Even though its origins lie in urban planning, place management also offers a new direction for the development of social policy and addressing disadvantage that is spatially sensitive.

This paper draws on an analysis of primary and secondary material to briefly outline the origins of place management and its transition to the community services sector. Although its application to issues of social disadvantage is in its early phase, two approaches within the place management spectrum are identified. At one end is *place coordination*, a minimal or conservative approach to place management that involves little change to existing systems of service delivery. At the other end of the spectrum is *place entrepreneurship*, an approach that does not just involve employing a place manager but restructuring government organisations to reflect outcome responsibilities rather than functions or inputs.

To date place management has been the preserve of government agencies. The final section of the paper examines whether there is a role for nonprofit organisations to initiate place management programs that address disadvantage in particular communities. It suggests that a place entrepreneurship approach to place management is well suited to nonprofit and community organisations. It also touches upon some of the implications this approach raises for nonprofit organisations, including issues dealing with the appropriateness of a 'place', the sustainability of outcomes, organisational change, and the degree of centralisation.

Introduction

Place management is a recent approach to addressing disadvantage that is attracting a growing number of supporters among state and local government agencies, academics, consultants and politicians. Even though its origins lie in urban planning, place management also offers a new direction for the development of social policy that is spatially sensitive (Smyth & Reddel 2000). Place management arose as a response to the increasingly complex and bureaucratic nature of government service delivery systems that have made them distant and unresponsive to citizen needs (Stewart-Weeks 1998). As a mode of service delivery in community services it can be contrasted to other frameworks informed by 'welfare' or 'community development' perspectives (Green & Zappalà 2000).

This paper briefly outlines the origins of place management and its transition to the community services sector. Although its application to issues of social disadvantage is in its early phase, two approaches to place management in community services can be identified. Furthermore, place management has to date been adopted by government agencies. The final section of the paper examines whether there is a role for nonprofit organisations to initiate place management programs that address disadvantage in particular communities and some of the implications it raises for them. The paper draws on an analysis of the available published and unpublished literature on place management as well as a series of interviews conducted by the authors with place management experts.¹

Place management²

Place management's origins as a mode of service delivery can be traced to developments in urban and regional planning (Mant 1998). Traditional ways of managing urban areas and land use systems were not meeting user expectations. A key barrier was and in many cases still is the structure of government agencies. Local councils, for instance, are traditionally structured around responsibilities for particular outputs and functions (e.g. roads) rather than responsibility for outcomes (e.g. access). Mant has referred to the traditional control and command structure of public sector management as a 'guild' mentality. Local councils, for example, are structured according to specialist functional lines (e.g. engineering, building inspection). The core task of an organisation based on a guild structure is the provision of particular inputs.

Mant has argued that the rise of contractualism or the 'purchaser/provider' model within public sector management provides the possibility of moving away from 'guild' and 'functional' based structures towards a focus on outcomes. Traditional guild structured organisations are increasingly becoming 'providers' that contract the supply of professional services (inputs) to another part of the organisation responsible for decisions and outcomes. This purchasing and providing may take place both within and outside the organisation.

Where does place management fit in? Responsibility for the allocation and identification of objectives and their corresponding outcomes is difficult to achieve in 'guild-based' input organisations. In many cases, but particularly in urban and regional issues, objectives and outcomes are complex, and the consequences of not meeting them are felt at the end of the process or at the physical 'place'. Place management is a means of shifting the structure and design of public governance and management from *functional* or *output* units to a focus on

¹ See Appendix 1.

² This section draws primarily from the work of Mant (1998).

outcomes. The aim of place management is to replace an input-driven focus on the means with an outcome-driven approach. In other words, place management simply provides a 'unifying spatial framework...to ensure the achievement of desired outcomes for a specific geographic place' (Crofts 1998:50, 53). In this sense, practitioners distinguish it from project management, with its focus on delivering specific outputs (e.g. a building) rather than outcomes (e.g. a sustainable community).

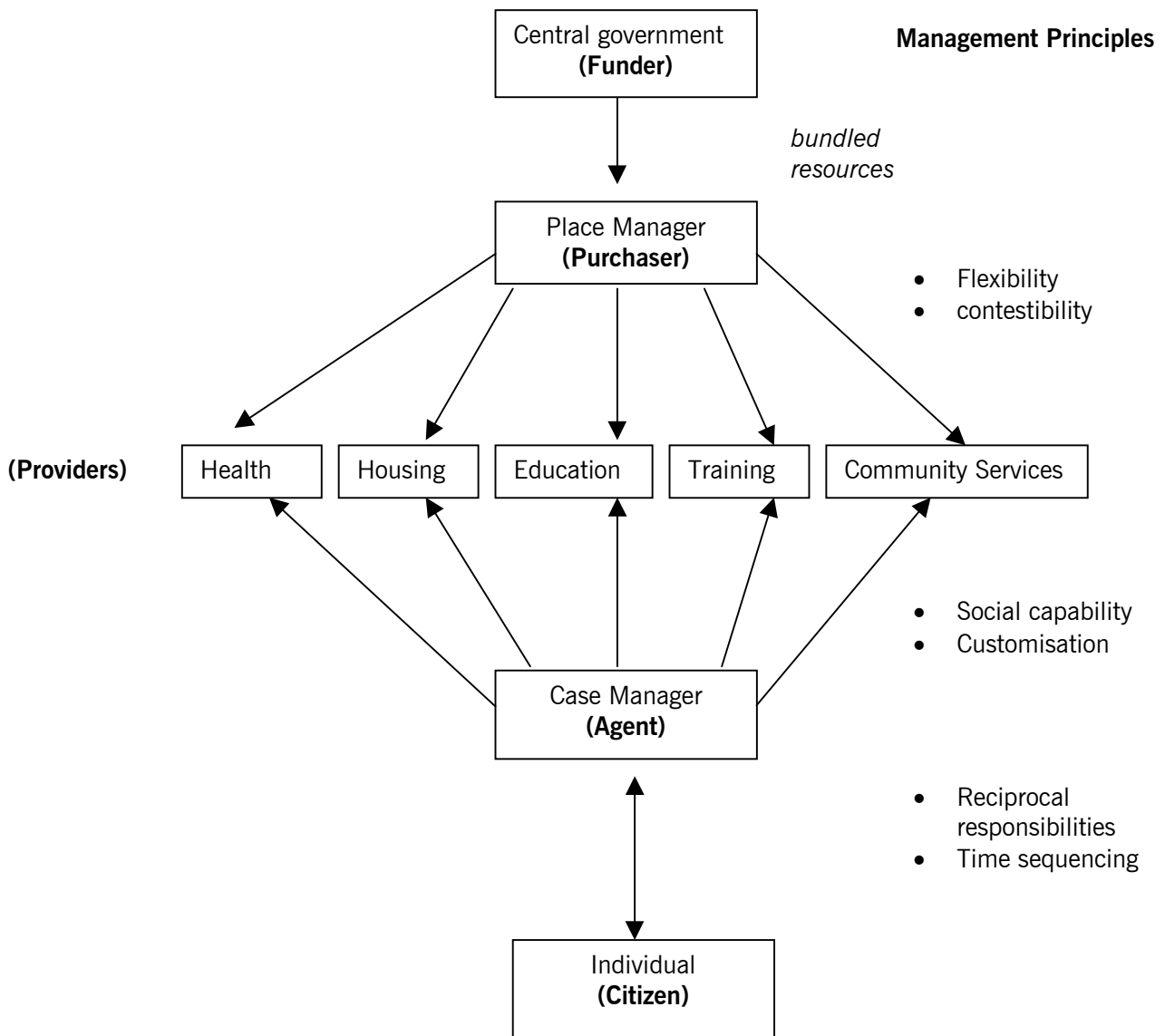
The term 'place' can be applied to a community, a geographic location, a region or a state. Furthermore, it is possible to use an issue or interest based definition of place as well as a geographical location. So it can be the combination of a system (e.g. human services, young people) and an area. The 'management' part of the place management equation refers to the idea that, 'within whatever is the appropriate definition of place, the authority to determine outcomes is vested in the person or organisation looking after the place' (Stewart-Weeks 1998:4). The 'place manager' is usually separately located to the main organisation and is responsible to a management committee. The place manager is not, however, a regional office/r of a traditional 'silo' based organisation.

The main roles of a place manager are to:

- define the outcomes for a particular place and then purchase the services needed to achieve the desired outcomes;
- focus on the 'big picture' and bring together the different functional perspectives within the organisation;
- broker and facilitate between staff and place clients;
- control budget allocations;
- manage the delivery of services;
- assist in the holistic planning process for the place.

Place management is flexible in approach – there is no one model that must be followed or set of clearly defined roles for a place manager (Stewart-Weeks 1998). In summary, the place management approach is about 'shifting the focus from inputs and traditional "silo" structures of policy and service delivery to a more integrated approach that combines skills and resources to suit particular people with particular, complex problems' (Stewart-Weeks 2000:12). An idealised model of place management in the funder/provider framework is presented in Figure 1.

Figure 1 Place Management Model



Source: Adapted from Latham (1998:218)

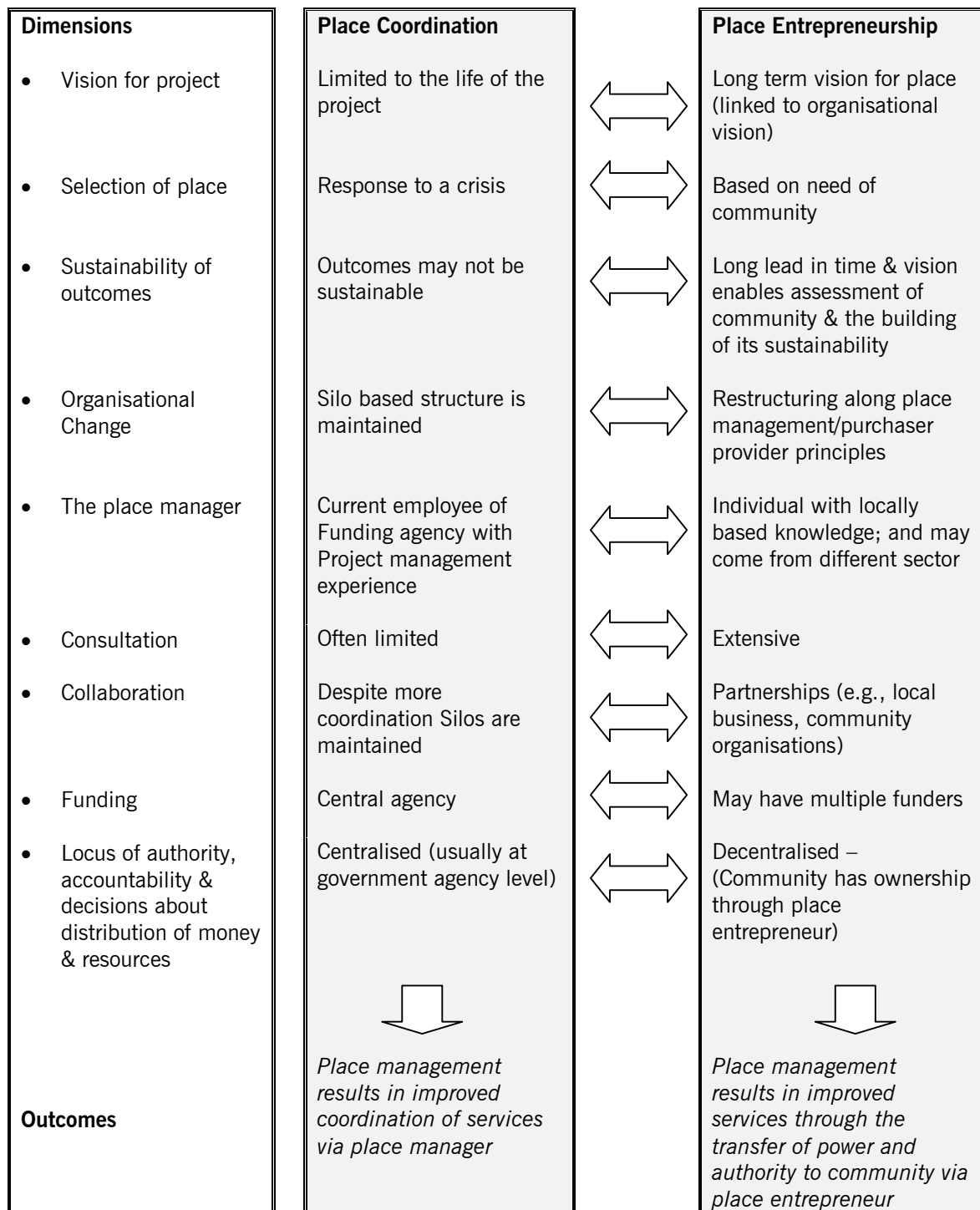
Place management in community services

Place management has more recently been promoted as a means of addressing disadvantage and improving service delivery in the community services area (Latham 1998; Stewart-Weeks 1998; Smyth & Reddel 2000; Vinson 1999). It is argued that place management is a way for some of the most disadvantaged communities to finally move toward an improved quality of life by building up social interaction and an *attachment to place* as well as fostering mutual support. It was quickly adopted by the New South Wales Premier's Department as a means of addressing particular social problems in 'high profile' places and is also informing several Queensland government initiatives aimed at combating social exclusion (Smyth & Reddel 2000). Furthermore, several local councils have adopted place management principles not only for issues of land use and planning but to address broader issues of social disadvantage (Mant 1998, 2000; Crofts 1998).

Even though the transition of the place management paradigm from urban planning to community services has been relatively recent, its practice suggests that it is more appropriate to view place management as a spectrum (Stewart-Weeks 1998). This is represented in Figure 2. The left of the figure represents *place coordination*. It is a minimal or conservative approach to place management and involves little change to existing systems of service delivery. At the other end of the spectrum is *place entrepreneurship*.³ It is the more radical approach to place management, and involves, among other things, changing the way existing service delivery systems operate.

³ This term was suggested by Professor Bill Randolph. Interview with B. Randolph, 11 October, 2000. Stewart-Weeks (1998:19) distinguishes between place coordination, place management and place leadership.

Figure 2 The Place Management Continuum



In practice, programs within the 'place management' paradigm may adopt a mixture of elements from both approaches (Stewart-Weeks 1998). Whether a place management project is closer to place coordination or place entrepreneurship depends upon the approach to several issues and dimensions. As illustrated in Figure 2 these include:

- The vision of the organisation and project;
- The selection of the place and the sustainability of outcomes;
- The extent of organisational change in the place agency;
- The role of the place manager;
- The degree of community consultation;
- The establishment of reciprocal partnerships within the community/place;
- The funding of the place management position;
- The degree of centralisation with regard to locus of authority, accountability, and decisions about the distribution of money and resources.

The following section examines the main characteristics of these two approaches in more detail by drawing on the experience and evidence from some current place management projects in the community services field (see Appendix 2 for further details).

Place coordination: synchronising service delivery

The *place coordination* approach to place management is essentially about ensuring government does what it already should be doing in a better way, namely, through improving the coordination of its services and programs. This approach to place management sees it as another instrument of public sector management reform that includes a degree of devolution and community participation (Stewart-Weeks 2000). In practice, it often means employing an additional officer, usually titled 'Place Manager' in what otherwise remains a traditional input-focused government agency (Mant 2000). The 'place manager' is usually answerable to a central agency such as the New South Wales Premier's Department. The aim is primarily one of achieving a greater degree of synchronisation between the multitude of service delivery agencies in an area or adopting a 'whole of government' approach to a particular issue or area.⁴ In arguing the need for place management Latham (1998:215) for instance, cites the following situation:

In a typical public housing estate...there are 17 different agencies providing 23 different programs and support mechanisms – each of them important in its own right, but none of them properly linked to address the diverse needs and circumstances of recipient families.

The best example of place coordination in practice is the range of place management projects that have been sponsored or initiated by the NSW Premier's Department (NSWPD) over the past five years in urban and rural areas of NSW. In general, these projects arose as government responses to particular issues or 'hotspots' (e.g. youth crime, drugs) that had attracted widespread media attention. There was therefore political pressure to find quick-fix solutions to the problems associated with these areas. Nevertheless, the fact that a central agency like NSWPD has taken on a locality-based role that has traditionally been either ignored or been the role of line agencies should be applauded. Another positive dimension has been the recognition by government of the need for community consultation in order to develop local solutions to local problems. The NSWPD

⁴ One interviewee referred to this approach to place management as a 'glorified inter-departmental committee'.

approach to its place management projects has several key features that suggest the term place coordination is a more appropriate description.⁵

- The consultation process is generally limited due to the quick fix nature of the projects (e.g., in Canterbury Bankstown the consultation process was only 6 weeks). As a result, it is not possible for the Place Manager to develop the level of trust and understanding needed in order to work effectively with the community. This is one of the underlying principles of place management. Although a degree of collaboration in NSWPD place management projects exists, there is also a perception that the nature of the relationships between the place agency and other stakeholders is unequal. For example in one project the Reference group was comprised solely of state government representatives.
- The focus of the projects has been on communities in crisis. Although some short-term benefits have been achieved, the brief time span and the focus on 'hot spots' may have precluded the establishment of a longer-term vision for the communities involved. For example an evaluation of the Kings Cross Project stated:

The Kings Cross evaluation highlighted the tension between the chronic and complex nature of problems facing communities where place management is considered to be appropriate and the limited duration of a place management project. That is if place management is seen to be a short-term strategic intervention then there is a risk that it will not deal with the fundamental and systemic causes of the social problems and hence appear as mere window dressing in these communities (Nexus 1999:22).

- The building of sustainable communities is a key tenet of place management. In particular, it will be difficult for the community to sustain the momentum of change unless significant systemic adjustments have not first been made within the community itself. Whether the community has local leaders capable of continuing the process once a place manager has left, for instance, is critical for the longer-term sustainability of positive outcomes. Although evaluations of current projects suggest that some progress has been made in this area, the 'fly in, fly out' approach adopted by the NSWPD does not facilitate the establishment of sustainable communities. An important issue is therefore anticipating how and when an appropriate exit strategy from a particular 'place' should occur.
- Another key feature of place management is the repositioning of the locus of power. In the majority of NSWPD place management projects the authority to make decisions, provide resources and accountability has remained within the key funding body (i.e. the Premier's Department). The locus of power is also maintained through appointing place managers who are Premier's Department employees. On the one hand, this gives the place manager a degree of authority and 'clout' to 'instruct' and 'coordinate' the other government line agencies in terms of service delivery issues. On the other hand, this approach results in an unequal power relationship between the place agency/manager and the other key stakeholders in the community. The community perception of place management projects is that they are 'Premier's Department' projects rather than community-wide projects. This perception was reinforced in some cases by the relative lack of community-based representation on place management committees as well as the location of place managers within Premier's Department offices rather than in the 'community-place' itself. Overall, the approach adopted has been 'top-down' rather than 'bottom-up' and has been perceived as 'heavy handed'.

⁵ Unless otherwise stated information for this analysis draws from interviews with place managers, consultants and academics with expertise in the area (see Appendix 1 for details).

- Some of the NSWPD place management projects are ongoing. An evaluation of the Kings Cross Place Management Project has shown that while there has been improvement in the coordination of government services, with key stakeholders often adopting a collaborative approach to issues, the long-term effectiveness to overcoming community disadvantage is likely to be limited.

As noted in figure 2, however, place management is best thought of as a continuum of approaches. A NSWPD place management project that is somewhere in the middle of the spectrum in terms of its implementation is the Moree Place Management project. The project was an initiative of the Moree Plains Shire Council as part of the Regional Co-ordination Program. It developed from the recognition that Moree had significant problems, including high youth unemployment, particularly among the Aboriginal community, and high levels of youth crime (Chapman 1998). The project was established to address a set of core issues including:

- crime prevention;
- the provision of sporting, recreational, educational and employment opportunities for children and teenagers;
- community development with particular emphasis on the Aboriginal community;
- economic development of the local area; and
- the overall improvement of personal economic circumstances in Moree and its outlying towns (Boyce 2000).

A key priority has been the development of an inclusive vision for Moree for the next decade. In this case, the place manager has local knowledge of the area, lives and works in the community, and is not a direct employee of the Premier's Department. The place manager is employed under the auspices of the New England North West Regional Development Board. The employment contract is with the NSWPD while the position is funded by ten government agencies including ATSIC, Department of Housing, TAFE, Department of Community Services (Boyce 2000).

While the place manager is still working within the current systems, his local knowledge and ability to build up trusting relationships with key stakeholders and members of the community has been critical to his achieving acceptance and initial positive outcomes.⁶ Although the focus of the project is relatively short-term (3 year contract) it is part of a ten-year vision for Moree which has enabled decision-makers to establish long-term goals for the community and ensure that the short-term interventions feed into this process in an effective way.

Compared to other Premier's Department projects the locus of power has shifted downwards. A consequence of the multi-agency funding arrangement has been that accountability and authority to make decisions has shifted from a central agency to the place manager and the community. This relative degree of independence has enabled the place manager to negotiate with key stakeholders without being answerable to any one funding body. As a result of being funded by several agencies the place manager is seen as a legitimate player by all stakeholders. He is physically located in an accessible 'shop front' office in the centre of town. His continual presence in Moree has enabled him to consult widely with community members and form strong relationships with key agencies. For instance, his access and work with local police have facilitated progress with respect to youth crime issues.

⁶ Interview with Jim Boyce, 1 November, 2000.

Place entrepreneurship: developing local capacity

Another approach to place management sees it as a new form of governance and a way of addressing issues of social exclusion and poverty (Stewart-Weeks 2000). One of its strongest advocates, Martin Stewart-Weeks (2000), argues, that if successful, it will alter the role of government and civil society. This approach, which we termed 'place entrepreneurship', does not just involve employing a place manager but also restructuring organisations to reflect outcome responsibilities rather than functions or inputs (Mant 2000). The aim is also to ensure that government is not at the centre of the service delivery framework.⁷ Place entrepreneurship seeks to redistribute power and authority (especially in communities experiencing social problems) to the grassroots level. The aim is to 'help policy makers and decision-makers see like a community' that is, to see problems from the bottom-up. In this way place entrepreneurship can gain access to the 'intimate knowledge from which sustainable, innovative social policy is constructed' (Stewart-Weeks 2000:5).

The extent to which a model of place entrepreneurship is adopted is largely dependent on the willingness of those who control resources to divest themselves of this power. This reallocation of power represents a radical shift and will require organisational change within traditional service delivery agencies. The emphasis on co-management transfers the locus of power to the community who then employ a place manager/entrepreneur to channel, facilitate and coordinate change in accordance with the communities' specific needs (Stewart-Weeks 1998).

While 'pure' place entrepreneurship is rare, it is more likely found in the range of place management projects that have been initiated by several local councils. In particular, the experience of Fairfield City Council (FCC) provides a model of how place management can be implemented in a way that avoids some of the shortcomings of the place coordination approach (Stewart-Weeks 2000). The place management approach adopted by Fairfield City Council saw the restructuring of the entire organisation along place management principles, illustrating how it can bring about a radical shift in governance structures.

The success of the Fairfield experience with place management to date can be understood by examining three key dimensions to its approach:⁸

Developing a vision: In 1998 Fairfield City councillors decided to review their performance in the context of the environment in which they were operating. As a result a ten-point vision for Fairfield City Council was developed that had widespread community support and political legitimacy. This addressed issues to do with the environment, employment opportunities, urban spaces, retail and commercial areas, the equitable delivery of services, and the reputation of the City (McLean 2000).

⁷ Interview with Martin Stewart-Weeks, 13 October, 2000.

⁸ Unless otherwise stated the following information was drawn from an interview with Stephen Kerr, 10, October, 2000.

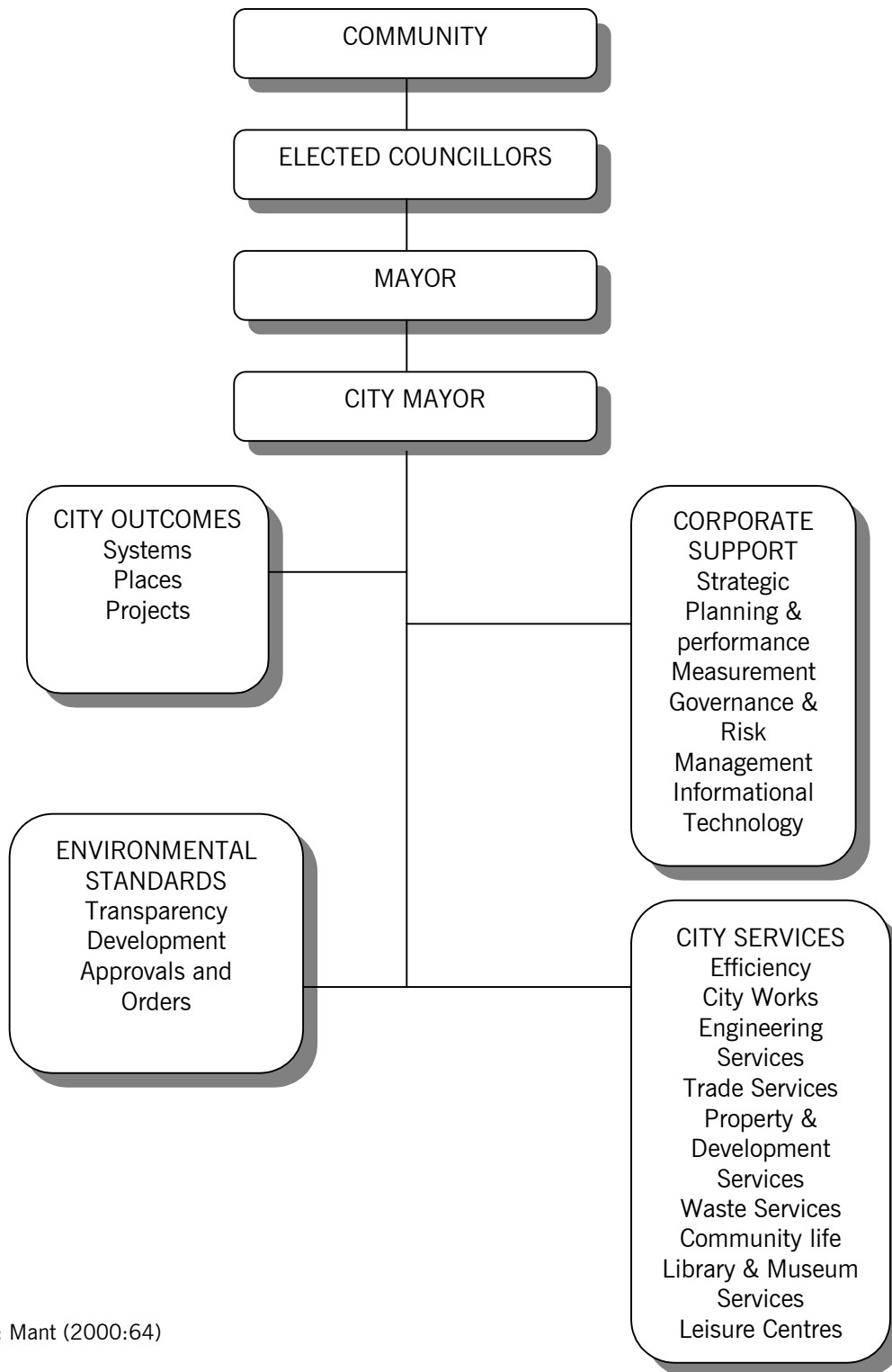
Organisational Change: To implement the vision, the Councillors decided to introduce an innovative place management model that recognised the unique character of places and systems within the City. This model was supported by a new organisational structure, concerned with improving responsiveness to local issues and ensuring that departments worked collaboratively rather than compete with each other for limited resources. The restructure resulted in the council being transformed into four divisions: corporate support, city outcomes, city services and environmental standards (see Figure 3).

The new structure provides a partnership between the purchaser of outcomes for the City and providers of services. Staff with priority setting and service specification responsibility (purchasers) are part of the new City Outcomes Department. This department includes 27 staff members, 5 of whom are Place Managers and are responsible for five particular areas in the LGA. Each Place Manager is accountable for assessing the needs of the places, ensuring the place gets attention in the strategic planning process and providing a single point of contact within Council for opportunities or issues about the place (McLean 2000).

The boundaries are broadly along the lines of suburbs, but more closely aligned to common issues. For example one Place Manager is responsible for the industrial estate area while another is responsible for the open space system that flows through all the other geographic places. Two other place managers are responsible for the CBD in Cabramatta and Fairfield. The place management projects focus on a set of defined issues (e.g. economic development, the promotion of tourism). The place managers in both places have a budget that is controlled by them on a day to day basis, allocated by Council on the basis of recommendations from the respective town centre committees.⁹

⁹ The Fairfield City Council is also involved in the Cabramatta Place Management project with the NSWPD.

Figure 3 Fairfield City Council's organisational structure



Source: Mant (2000:64)

Flexibility and sustainability: By taking a long-term view Fairfield City Council has created an environment in which place entrepreneurship can flourish. Unlike the Premier's Department projects the focus is not just on communities in crisis but on communities and systems in need. In developing the FCC model there has been recognition that different places may need different place management approaches, hence local solutions are sought to meet local needs. The flexibility of the model can also extend to how the work gets done (e.g. use of casual labour when funds and needs arise).

A long-term vision is also needed because gaining community trust, building networks, and relationships takes time. A place manager at FCC commented that the first year is usually spent talking to people about the issues in order to gain acceptance and crucial local knowledge. The approach taken by the place manager is a critical component in the process. The person needs to be flexible and have a good understanding of how the system works. In addition to gaining acceptance from the community the place manager needs to have knowledge about how other government agencies function in order to gain access to information and the most appropriate players.

It is often about being the person in the middle who knows how it all works. I help people see issues from a different angle and help build bridges to find the solutions.¹⁰

In order to maintain the momentum in the community, demonstrate effectiveness and establish a good reputation it is important for the community to see some short-term improvements. The improvement may be as small as fixing the footpath but when it is accomplished quickly, the planning process that the community has gone through gives them an opportunity to see what they can achieve.

It is a grass roots approach with the place manager leading from behind. It is their budget, I just advise them how to spend it. I stay in the background out of the limelight. It is also about an attitudinal change. This must take place so that communities know how to work with government and know how to push the right buttons.¹¹

Despite having a long-term vision for FCC, the amount of time that can be devoted to any one place is often limited, therefore the shift in power from government to community (through the place manager) is an essential component of the place entrepreneur approach. This bottom up approach helps to create an environment for sustainable change. This change can be achieved by using existing resources within the community, building upon this and teaching community members themselves how to lead and take charge of addressing issues. It is important to ensure that the community owns both the problems and the solutions and is part of the whole problem solving process.

Place management and nonprofit organisations

To date place management in all its forms has been the preserve of government agencies. Apart from the NSWPD projects, it is now being adopted by line agencies such as Housing and Urban Affairs and Planning. Is there a role, however, for nonprofit organisations that are active in the community services area, to adopt a place management approach to their work with the disadvantaged? Some proponents of place management have already answered in the affirmative. For instance, Latham (1998:219) has suggested that:

¹⁰ Interview with Stephen Kerr, 10 October, 2000

¹¹ *ibid.*

A number of parish and charity-based organisations...would be well placed to apply for place management projects. They currently have...the local infrastructure in place to fulfil the place management role.

The previous discussion suggests, however, that the real question is perhaps what *type* of place management should nonprofit organisations adopt?

We would argue that what has been termed place coordination is best left to government. In many ways, central agencies like the Premier's Department can never be true place managers or entrepreneurs. Indeed, nonprofit organisations can play a leadership role in challenging the top-down approach to place management as practiced by some government agencies as a means of tackling disadvantage. Adopting a place entrepreneurship approach to place management is well suited to nonprofit and community organisations. In particular, such organisations are usually non-party political and immune from short-term political cycles. They have the ability to take a longer-term approach to community development issues. Compared to government departments, nonprofit organisations have more flexibility and freedom to take risks in changing organisational systems and structures. Furthermore, nonprofit organisations are already seen as legitimate because they have a genuine interest in social issues. As a result many nonprofits already have the local networks established and have built up a level of trust within the community.

The legitimacy of nonprofit organisations with their ability to build trusting relationships through the establishment of local networks ties in with the recent trend toward the development of a *social enterprise* approach to issues of disadvantage (Simons 2000). An underlying principle of the social enterprise approach is the development of partnerships between business, government and other nonprofit organisations. Through the establishment of these partnerships it is hoped that innovative and creative solutions may be found to tackle social issues at a local level.

The benefits of adopting place management principles are encapsulated in both the process and the outcomes. Place management involves initiatives that have local relevance and local ownership. What distinguishes it from other community-based approaches is that place entrepreneurship attempts to be innovative about the source, mix and quality of service providers. It also seeks to dismantle the current systems and change the way in which services are delivered. Rather than trying to coordinate services within a system (appropriately left to government) it attempts to redefine that system. Its purpose is:

...to make decisions, establish policy, spend money and hold people accountable in fundamentally different ways to traditional notions of public sector ...hierarchies ...*it is not about trying to make a specific layer of government work more efficiently ...it is about rewriting the rules of the game* (Stewart-Weeks 1998:18, emphasis added).

Nonprofit organisations can expand their expertise to become the place entrepreneurs that re-write those rules. There are, however, significant challenges that await nonprofit organisations wishing to embark on place management/entrepreneurship programs. The list below is by no means exhaustive.

Vision: Place entrepreneurship works best when it is part of a long-term vision for a community. In this respect, long established organisations are in a position to make this long-term commitment to a 'place'. Through the appointment of a place entrepreneur, they can work with other stakeholders

to establish medium and long term goals in order to unlock opportunities for disadvantaged families and the communities within which they live.

The selection of the place and sustainability of outcomes: In addition to taking a long term and strategic approach to any 'place' initiative nonprofit organisations also need to have a commitment to sustainability. A key feature of the place entrepreneur approach is that it is a response to need rather than just a reaction to hotspots. Furthermore, some communities may not be ready for a place entrepreneur initiative due to high concentrations of disadvantage, a lack of social cohesion, and little experience of working together (Vinson 1999). Consequently they are not likely to respond to yet another 'community program'. Therefore, a two-tier approach may be needed that involves looking at both the internal systems of the community (e.g., degree of interaction between residents, attachment to a local area) and its external capacity to garner support for change, recognising:

...the dispiriting effects that can occur when deterioration takes place in a local economy and this triggers losses in the social cohesion and *inner system* of the community, which then feeds back negatively upon the economic and general *adaptive* system, causing a negative spiral in the capacities and fortunes of the community (Vinson 2000:3).

Organisational change: Nonprofit organisations that wish to embark on a place entrepreneur venture need to also address some critical organisational issues. A major factor in the successful implementation of place management is the prevailing culture within an organisation and a readiness for change. Although many nonprofits have been undergoing organisational change due to changes in their external environment, place entrepreneurship requires a radical shift in thinking and its implementation may be difficult without adequate staff and volunteer preparation (Zappalà et al 2000). Furthermore, because accountability and decisions about resources lie with the place entrepreneur, the approach has the potential to cause some confusion with regard to reporting lines (Crofts 1998).

Choosing the place manager or entrepreneur: The right person for the job is critical in any community based project, however a place entrepreneur needs a unique blend of qualities. The individual needs to have local knowledge or at the very least be aware of the local culture and issues relevant to the community he or she will be working with. They must have the capacity to build rapport with a wide range of individuals across all sectors and they would also need to be highly effective negotiators and problem solvers. This would need to be achieved by leading from behind and maintaining a style that is facilitative and inclusive. Nonprofit organisations may therefore need to look beyond the traditional community services sector for potential recruits (e.g. urban planning).

Consultation and Collaboration: As noted, once a place has been recognised as being in need, the community members may be wary of yet another outside initiative. Therefore the place entrepreneur would need to spend considerable time (possibly a year) in community consultation in order to collect data on the community, develop an accurate picture of the issues and gain the trust of individuals. Furthermore, in light of the need for effective partnerships, particularly with local government and other community groups, this type of extensive consultation would need to take place to ensure that reluctant stakeholders would not unnecessarily hinder the implementation of the initiative. In addition to gaining the trust of the local community groups and government, the place entrepreneur would also need to establish links and build networks with local business.

Centralised vs Decentralised: Closely linked to the funding issue is the degree of centralisation. As mentioned earlier, in the place coordination approach to place management, decisions about distribution of resources and money, accountability and locus of authority resided within the central funding agency. In particular, budgets are allocated according to 'input' functions or silos. In the place entrepreneur approach these processes are more diffuse and may cause confusion and perhaps some friction when decisions have to be made based on outcomes. Although Fairfield City Council still maintains a degree of authority and is responsible for the allocation of budgets they are moving toward a more decentralised approach so that individual place managers in conjunction with the community have more control over budgets. Issues surrounding control of budgets are perhaps the most contentious aspects of place management and will have to be carefully considered by any organisation considering adopting this approach.

Conclusion

Place management is a relatively new, innovative and spatially sensitive mode of service delivery that is well suited to addressing the complex issues facing disadvantaged communities. The application of *place management* may offer the means through which communities suffering disadvantage can be assisted through service programs designed to produce outcomes of social participation and cohesion. In principle it is about shifting the structure and design of public governance and management from functional or output units to a focus on outcomes.

In practice, the implementation of place management is more complex and has resulted in a range of initiatives that fall somewhere along a continuum. At one end of the continuum there is place coordination (e.g. best illustrated by the majority of NSW Premiers Department place management projects). This approach may result in an improvement in the coordination of services among key stakeholders. At the other end of the continuum there is place entrepreneurship (e.g. best illustrated by the Fairfield City Council approach). Place entrepreneurship is more likely to result in the transfer of power and authority to the community via the place entrepreneur and the achievement of more sustainable outcomes. While to date place management has been the preserve of government agencies, there is a role for nonprofit organisations to provide leadership by adopting a place entrepreneurship approach to addressing disadvantage and social exclusion.

Appendix 1 In-depth interviews

All interviews were conducted in person by the authors between 27 September and 10 November, 2000. Interviews were open-ended and covered a range of issues including:

- the meaning of place management;
- relevant background to the place management project;
- perceived strengths and weaknesses of place management;
- recruitment and role of place managers;
- funding;
- organisational issues;
- the appropriateness of place management for nonprofit organisations.

People interviewed

Cathy Noble, Senior Project Manager (Place Management) Cabramatta/Bankstown/Canterbury NSW Premier's Department, 27 September, 2000.

Jo Lamont, Project Manager – Kings Cross Place Management Project, NSW Premier's Department, 10 October, 2000.

Jim Boyce, Place Manager – Moree Place Management Project, 1 November, 2000 (phone interview); 10 November, 2000 (meeting).

Stephen Kerr, Place Manager – Bonnyrigg, Fairfield City Council, 10 October, 2000.

Professor Bill Randolph, Urban Frontiers Program, University of Western Sydney, 11 October, 2000.

Martin Stewart-Weeks, Albany Consulting, Gladesville, Sydney, 13 October, 2000.

Professor Tony Vinson, School of Social Work, University of New South Wales, 17 October, 2000.

Appendix 2 Examples of NSW Premier's Department Place Management Projects¹²

The *Kings Cross Place Management* project was set up in 1996 as a way of regenerating Kings Cross and was a joint initiative between the state government and South Sydney Council. The project piloted a 'whole of government' approach to the delivery of services. The goals included:

- Enhancing the amenity and prosperity of Kings Cross;
- Improving safety and security of the environment;
- Ensuring services and facilities in the area were appropriate to the diverse local needs;
- And the building of a more harmonious and responsible community.

The project helped to raise the profile of Kings Cross, that required solutions to several social problems. The response from Premier's Department was to work with existing structures to try and bring about sustainable change. As a result, the reputation of South Sydney Council was enhanced and some ongoing and constructive networks were forged within the community. The development of community agency and skills with regard to budgeting and planning occurred as well as an increase in resources allocated to the area by the Premier's Department (Nexus 1999).

The *Cabramatta Place Management* project began in 1997 as a result of the area being perceived as the drug capital of Australia. A strategic partnership was formed with Fairfield City Council with the aim of tackling four issues:

- Drug treatment and law and order;
- Vocational training and employment for young people;
- Tourism development;
- Urban planning.

The project was originally intended to last two years but was extended. The project had two levels. The first was a reference group with included senior representatives from state government and Fairfield City Council executives. The role of the group was to monitor progress and provide accountability as well as to provide strategic direction and access to executive decision making. The second level consisted of four action teams, which included representatives from state, local government, non-government agencies as well as community members and expert advisors.

The *Canterbury Bankstown Place Management* project was set up following a shooting at Lakemba Police station. 'Ethnic youth gangs' were implicated and there was a subsequent rise in the level of racism in the area. The Strategic Projects Division of Premier's Department was asked to develop a 'whole of government' response to youth issues in the area. The Division established a working group to develop an Action plan in consultation with local stakeholders. The goal was to address the critical youth related issues in the area through improved coordination and communication between State and Local Government and the community. The events took place in November 1998 and the plan was finalised in December 1998 after a six week consultation process. The aims of the project were to:

- improve relations between the police and community;
- establish effective youth crime prevention and rehabilitation initiatives;
- improve communication between schools, parents from NESB and the community;
- improve literacy, numeracy and provide employment opportunities for young people;
- promote positive images of the area and young residents; and
- improve sporting and cultural facilities for young people.

¹² Unless otherwise stated the following information was drawn directly from the Community Builders website: www.communitybuilders.nsw.gov.au, as well as interviews with the NSW Premier's Department place managers.

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