

Berenschot

# Great Governance in Small Societies

Effective public sector practices  
in small-scale democracies

Scott Douglas



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ISBN 978-94-90314-11-8

Grafische verzorging: Johan van den Tol, Dordrecht

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# Acknowledgements

## **PhD thesis for the University of Oxford**

This book is an executive summary of a PhD thesis by the same author for the University of Oxford. The thesis is entitled *Success Nonetheless: Making public utilities work in small-scale democracies*, and was supervised by Professor Christopher Hood.

## **Respondents and anonymity**

The interview data was collected with the kind cooperation of ministers, civil servants, managers and experts. To protect their contributions, the outcomes are presented anonymously. The examiners at the University of Oxford had a full insight into the data and verified its reliability.

## **Sponsors**

The research was made possible by the financial support of the organisations below. In accordance with the rules and regulations of the University of Oxford, they had no control over the conclusions.

Berenschot / USONA  
Alexander & Simon  
United Trust



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# 1

# Introduction

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## ■ 1.1 Summary

- Most research on small societies emphasises the difficulties of their limited size, neglecting to learn from the successes that occur despite these restrictions.
  - This study compares successful and failing public utilities in small societies, focusing on the interactions between the senior policymakers involved.
  - The effective practices produced the same high level of governance as expected elsewhere around the world, but achieved this in different ways.
- 

## 1.1 Starting from success

Every government faces challenges when trying to deliver public value to its citizens. Depending on the context, the limitation might be a lack of money, political stability, institutional capacity or any other deficiency. In the case of small-scale democracies, the obvious limitation would be the small size of the society. As a consequence, their governments are thought to be troubled by entangled social relations, lack of qualified people, or general interference by everyone in everything.

Most discussion of the governance in small societies focuses on the damaging impact of these limitations, often concluding that small societies should be more like large countries. This study claims, however, that a more fruitful approach would be to

start from the successes still achieved in the specific context of small societies. The question is: which governance practices have been proven to work, and what can we learn from them?

This book compares sixteen publicly-owned utilities across three small societies. It aims to identify the differences between the successful and failing cases, looking specifically at how they are governed. The outcomes suggest that small-scale democracies need not lower their standards of governance, but can achieve the same results in a different way. As one local official put it; *'We have the governance systems, we have the knowledge, now we just have to make it work for this context.'*

This first chapter introduces the concept of government success and the research questions. The next chapter details the research process and results. The following three sections each analyse one of the effective governance practices identified. The concluding chapter discusses the limitations of this study and suggests what to do next for policymakers and citizens.

## 1.2 Challenges for small societies

It is hard to define what success means for the public sector. In this study the standard is high. To be considered successful, the government should have done more than merely follow the law. That is only good governance in a narrow sense. True government success is about being both correct and capable. The few successful public utilities identified here genuinely did deliver such value to their community. That is why this study is not just about good governance, but about great governance.<sup>1</sup>

In the study of public management, such success stories are thought to come from a combination of beneficial institutional, economic or social factors. The social background is the focus point for this study. This does not mean that the other factors are unimportant. For example, the relevant governance laws, or 'rules of the game', should not be ignored. The choice was made to focus on 'the play of the game', as it is argued that the largest contribution can be made on this front.

This study builds on the work of Robert Putnam on social capital, a framework prominent in both the study and practice of public management. He argued that governments can perform better if there are egalitarian ties between citizens tying

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<sup>1</sup> M. Moore, *Creating public value: Strategic management in government*, (Harvard University Press, Boston, 1995).

together relative strangers.<sup>2</sup> From this perspective, there could be three potential challenges for the governance of small societies:

- *Structure of governance*

The connections between citizens may be too entangled. The official dealing with a planning application could also be one's neighbour, cousin and business competitor. This may lead to policy serving the interests of specific factions, rather than the greater good of the community.

- *Nature of governance*

The relations between players might be unequal. In many small societies, a few individuals have acquired disproportionate amounts of power, creating a system of patronage. This may turn public services into a favour rather than a right.

- *Expectations of governance*

Poor government performance in the past may have led to low expectations. Citizens no longer believe they can attain their goals in a fair way. This will undermine their willingness to contribute to public initiatives.<sup>3</sup>

### 1.3 Exploring positive cases

These social challenges complicate the governance of small societies. Yet although these problems do indeed need to be understood, this does not mean that the solutions should be ignored. Many public initiatives are successful despite these social limitations. Overlooking these achievements would be bad science, as it ignores significant exceptions; bad policy, as it neglects to build on existing results; and bad politics, as successes could draw more voters.

This book compares sixteen successful and failing policy fields in small societies. It explores which governance practices explain the difference in performance. The focus is mainly on the senior players involved; from the minister and ranking civil servants, to the supervising directors and community leaders.

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2 R. Putnam, R. Leonardi, and R. Nanetti, *Making Democracy Work*, (Princeton University Press Princeton, NJ, 1993), p. 173-176.

3 For a literature review of the governance circumstances of small democracies, see: G. Oostindie and P. Sutton, *Good governance and small island states*, (KITLV, Leiden, October 2006).

Based on the social capital theory of Putnam, the actions of these figures are explored through three questions:

- *Structure of governance*  
Who was involved in the governance process?
- *Nature of governance*  
What was the balance of power between the players?
- *Expectations of governance*  
What did players know and believe about the governance process?

There are of course several limitations to this approach. The lessons from these specific societies and utilities may not be applicable to different settings. Some of the data might be unreliable or ignore significant factors. So this study does not claim to have found the one and only way to achieve great governance. It wants instead to highlight the ingredients of several success stories and to stimulate further research into best-case practices.

# 2

## Methodology

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### ■ SUMMARY

- The study focuses on Aruba, Curacao and St Kitts. Alongside their differences, they have relevant similarities in size, institutions and economies.
  - The research compares sixteen government-owned public utilities, assessing success by weighing their costs and benefits from the perspective of citizens.
  - The analysis shows that policymakers involved with successful utilities dealt with the structure, nature and expectations of governance in a different way.
- 

### 2.1 The islands of Aruba, Curacao and St Kitts

The research looked at the three Caribbean islands of Aruba, Curacao and St Kitts. Each is unique through its own institutional design, economic structure and cultural history. These differences should not be ignored, but the societies are also alike in some relevant ways. Though another selection of islands was possible, the three form a useful set for the analysis intended here.

Most importantly, they are prime examples of small-scale societies. With communities ranging between 35,000 and 135,000 people, they are considered small even within the global family of micro-countries. These islands were also all shaped to some degree by a history of conquest, colonialism and slavery. This may have

strengthened the patterns of patronage and low expectations of government as already found in other small societies.<sup>4</sup>

Furthermore, all three islands were otherwise relatively stable entities. In comparison to the region, the government institutions are relatively strong and the islands are classed as middle- to high-income economies. These rather benign circumstances specifically allow us to study the effect of a small community. Of course there are still challenges on all fronts, yet it could be argued that the main task for these islands was to find a style of government that fitted the size of their society.<sup>5</sup>

## 2.2 Measuring performance

The research focused specifically on public utilities; the government-run sectors providing such vital services as drinking water, electricity or waste management. The study looked at governance of the airport, seaport, electricity network, water supply and waste management on all islands. The bus system on both Aruba and Curacao was also evaluated, and the fuel distribution on Curacao. Of these sixteen cases, thirteen had been turned nominally into private companies, but the government had retained all or a majority of the shares. The remaining three were departments within the central government.

These public utilities were not selected because they were all successful. Indeed, many were the topic of constant political debate. Rising tariffs, salaries of the managers or alleged acts of favouritism were often in the news. This constant attention made them a good object for study; the local governance dynamics could be expected to play out in force. It may also be easier to measure performance for such concrete services as electricity and water, than for more abstract fields such as fiscal discipline or youth care.

The performance of each of these utilities was assessed through the Public Value Framework developed by Mark Moore. This system first measures how much the agency costs the citizens, including the related tariffs, community debts and granted privileges. The framework then measures how much the community benefits from the agency, mainly through the quality and reliability of the product. If a public

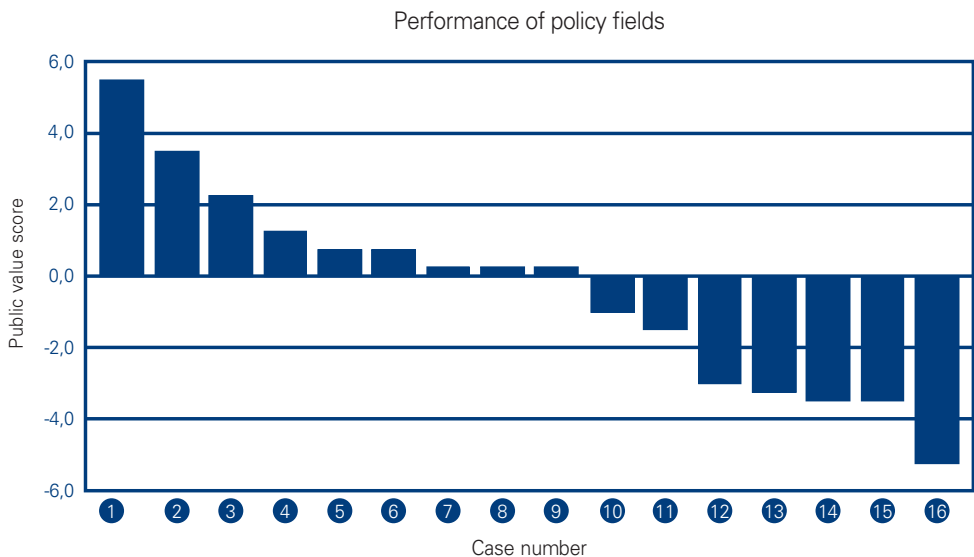
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4 See: W. Marcha and P. Verweel, *De cultuur van angst*, (SWP, Amsterdam, 2007). R. Selwin, *Winner Takes All: The Westminster Experience in the Caribbean*, (The University of the West Indies: St. Augustine, Trinidad and Tobago, 1999).

5 See, for example, the World Bank Governance Indicators and the IMF Country Reports for Aruba, Netherlands Antilles and St Kitts.

utility generates more benefits than costs, it was considered successful. If the utility costs the community more than it gained from the services, it was deemed a failure.<sup>6</sup>

Two external experts and the researcher himself evaluated each utility, based on its performance between 2005 and 2009. The utilities were then numbered according to their score. Nine fields were deemed to add value, while the remaining seven were considered a burden to the community. Despite rigorous testing, there remains a degree of uncertainty about these results. However, it can be said with relatively high confidence that especially the top and bottom performers were awarded the right score.<sup>7</sup>



### 2.3 Joint roots of success

The question then is whether the players involved with the successful utilities acted differently from those at the failing policy fields. This was explored through conducting 107 interviews with politicians, civil servants, directors, community leaders and industry experts across the three islands. The interviews focussed on how these individuals interacted with each other and how this affected performance. The outcomes were then analysed through the fuzzy-set Qualitative Case Analysis.<sup>8</sup>

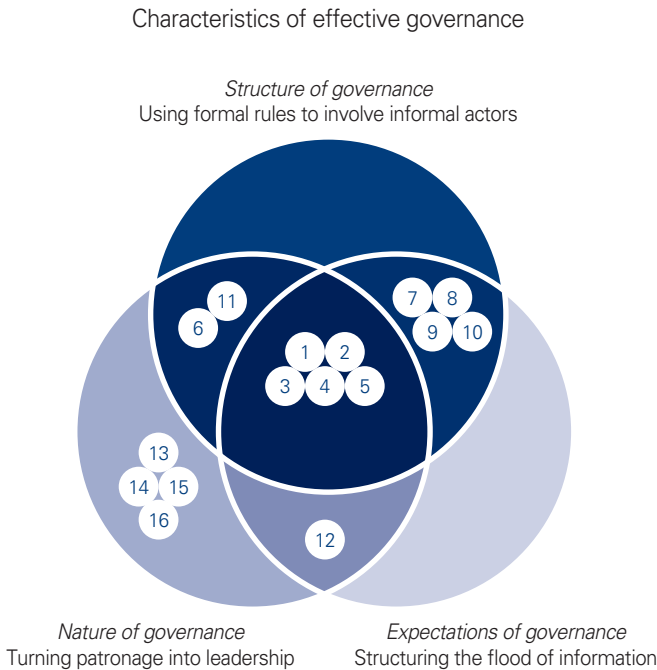
<sup>6</sup> M. Moore, *Creating public value: Strategic management in government*, (Harvard University Press, Boston, 1995).

<sup>7</sup> For a full review of the calculations, see: S. C. Douglas, *Success Nonetheless*, Doctoral thesis for the University of Oxford, 2011, Chapter 3.

<sup>8</sup> See: S. C. Douglas, *Success Nonetheless*, Doctoral thesis for the University of Oxford, 2011, Chapter 8.



Three practices seem to be particularly relevant, divided along the structure, nature and expectations of governance. Firstly, successful utilities emphasised participation, choosing to involve more partners than formally required. Secondly, they broadcast information constantly so as to improve the expectations of the utility. Finally, successful utilities were often dominated by a strong individual with significantly more resources. Yet these individuals used the means to strengthen other players. The diagram below shows how the three characteristics relate to each other.



Importantly, the effective practices needed to occur together, otherwise the outcomes were very different. The top performers all had high participation, information and a dominant individual (Cases 1 to 5). If utilities only had a dominant figure (Cases 13 to 16), they did very poorly. Cases which missed a strong leader (Cases 7 to 10) also did not do well, even if they emphasised information and participation. These key practices are discussed in more detail in the next three chapters.

# 3

## Practice 1: Using formal rules to involve informal players

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### ■ SUMMARY: Who was involved in the governance process?

- The relations between officials in small societies are often entangled with outside interests, going against the formal rules of good governance.
  - High-performing policy fields included more players in their governance processes than formally necessary, especially drawing in more diverse players.
  - Successful officials were still strict in applying governance rules. Yet they used these rules not to exclude but to include players, creating clear roles for everyone.
- 

### 3.1 Challenge: Entangled relations

The study first looked at who was involved in the governance process. The most striking characteristic of small societies is how all players relate to each other in several ways. For example, the minister and CEO would not only meet each other

at the formal shareholders meeting, but might also be members of the same political party, sports club or even family. This goes against the dogmas preached by the good governance literature.

In larger societies this entanglement would be avoided by choosing different players. In small societies however, the talent pool is limited and they are bound to be related to each other in some way. As a result, the different checks and balances may not function properly. An auditor, for instance, may find it hard to criticise a CEO who is also a neighbour. The overall proximity of the players also feeds the impression of corruption. Voters could think the elites are only protecting each other, while external donor governments might question the overall integrity of the system.<sup>9</sup>

### 3.2 Artificial distance or complete intimacy?

Amongst the sixteen policy fields, the players responded to this situation largely in two different ways. In the first approach, they increased the distance between players artificially through the use of laws and regulations. For example, the private status of some of these utilities was used as a tool to keep others out, especially politicians. As one CEO commented: *‘There is no such thing as a public utility on this island. We are a private company whose owner happens to be the government.’* They emphasised that politicians should only come in at the formal moments dictated by the law and otherwise leave the professionals to get on with their jobs.

In the second approach, the little distance that remained between the players was eradicated completely. The supervising directors would be appointed in accordance with their faithfulness to the political party in power. This meant that they were no longer independent from the minister. Some ministers would even appoint themselves as chair of the board of directors, giving them the opportunity to instruct the CEO directly.

This proximity was defended in two ways. Some officials argued that the small size of the community allowed for a close and brotherly cooperation. As one observer argued: *‘The government is the people; everything is bottom-up around here because of the scale.’* Many politicians felt that they had to involve themselves so closely with the government enterprises because they were still held accountable by the voters.

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<sup>9</sup> G. Baldacchino, ‘The Contribution of Social Capital to Economic Growth: Lessons from Island Jurisdictions’, *The Round Table*, vol. 94, no. 378, 2005.

*'I need people there that I can trust. The voters will turn to me when things go wrong, so I need to be able to exert control.'*

### 3.3 Results: Broad participation for performance

The question is which approach produced the best results. The analysis showed that high-performing policy fields involved more, and more diverse, players in their governance process than the poor performers. For example, the top five utilities gave a major role not only to the minister and CEO, but also consistently involved the trade union, financial investors, community action groups and representatives of the business world.

Interestingly, these high performers would still apply the formal rules of governance strictly, but used them to allocate different roles to the various players. By contrast, the poor performers would use the rule to fence off their policy field, keeping players out and restricting the scope of interaction. Formally, they may have implemented the governance framework correctly, but the outcomes were negative in this small society context.

The successful agencies achieved their advantage through three tactics:

- *Creating supervision through diverse players*  
According to good governance dogmas, the supervising players are meant to stand at a distance. This may be hard to realise in small societies, although some utilities brought in players from overseas. In an alternative approach, successful utilities drew in extra players by accessing diverse groups, such as community action leagues or business associations.
- *Distinguishing between opponents and enemies*  
The danger of involving these extra players might be that they hijack the public agency for private gain. Indeed, several players argued that the governance rules should be used as defensive walls. Effective officials, however, argued that there was a difference between players who sought to damage the agency, and those who simply disagreed with the policy. Enemies had to be kept out, but strong opponents actually increased the stability of the system.<sup>10</sup>

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<sup>10</sup> While this thesis was being written, Bob Wit made a similar plea to distinguish between enemies and opponents, see: Amigoe, 'Constitution is a product of broad participation', *Amigoe*, 5 July 2011.

- *Using rules to create roles*

Critics of the good governance literature insist that its rules limit the power of democratically elected politicians. Indeed, poor performers would use the rules of governance to exclude players. The strong performers also applied the rules very strictly. *'I tell them not to sit on my seat, otherwise I will try to sit on their seat.'* was an often heard phrase. The difference was that they used them to create distinct roles for each of the various players, making governance rules a tool for inclusion rather than exclusion.

### 3.4 Translation into practice

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#### ■ Illustration

One public utility actively involved at least eight different players in its governance process, ranging from the minister and directors to the trade union and community watchdog. These players would often criticise each other, interacting more frequently than formally required. The utility came under threat of severe budget cuts which would cripple the service level. Between them, the players then mobilised enough support to avert this threat. Even though they had conflicting opinions, all of them had a stake in a well-run utility.

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#### Questions to assess the structure of governance:

- How many players, representing diverse interests, are involved?
- How are opposing views treated in the policy-making process?
- Are the rules of the process clear and do they facilitate involvement?

# 4

## Practice 2: Turning patronage into leadership

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### ■ SUMMARY: What was the balance of power between the players?

- Small societies are often dominated by disproportionately strong individuals, who are accused of creating networks of patronage and nepotism.
  - Strong officials could be found in both the very successful and very poor fields, suggesting that they are vital to success, but that they could also cause heavy damage.
  - In contrast to weak performers, strong officials in high-performing organisations nurtured their own opposition.
- 

### 4.1 Challenge: Power imbalances

The study also investigated the balance of power between the governance players. In an ideal world good governance arrangements are executed between equal parties with a balanced dose of rights and obligations. One person, such as the minister, may be

responsible, but this does not mean that the others have no rights. This ideal picture rarely occurs in real life, and again, small societies face some specific challenges.

The small-scale may give large stocks of power to select individuals. For example, it is unlikely that there are many electrical engineers working on the island and most of them would be inside the public utility. This may give so many responsibilities to so few individuals that it may be too much to handle. In addition, the lack of equally well-informed critics may inflate the sense of own expertise. As one expert wryly commented; *'We have many dwarfs here who think they are policy giants.'*<sup>11</sup>

An even larger problem might be that some small societies develop patterns of patronage and nepotism. Powerful individuals use the government to hand out favours to their followers. On all these three islands, both government and opposition parties accused each other of such practices. Some public agencies were allegedly run as private fiefdoms, usually with a minister or CEO as their rulers. Even the underlying party would often accept this behaviour. As one opposition member sighed: *'Of course I don't like it. But you know; it is their turn now.'*

## 4.2 Free rein or constant supervision?

The players sought to deal with these power imbalances in several ways. In some cases, there was a constant cry for a 'strong man to sort the mess out'. Depending on the respondent, this saviour was to be chosen from their own ranks or to be imported from overseas. Their main argument was that most officials relied on favours from the rich and powerful. Only an individual without such needs could cut through the corruption. Officials whose support could easily be bought would produce bad policies. As a director commented: *'If we can buy them off with rubbish, we will keep getting rubbish people.'*

On the other hand, many players argued that such strong individuals were precisely the problem. One powerful minister shared his concern at the lack of counterbalancing forces; *'There is effectively no-one who can stop me from doing what I want. I have the power and the knowledge. This is a very frightening thought. I should be opposed, I cannot always be right.'* These respondents argued that everyone needed to be controlled. *'Everyone needs to be held accountable. Even the Pope answers to God.'*

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11 G. Baldacchino, 'Human Resource Management Strategies for Small Territories: An Alternative Proposition', *International Journal of Educational Development*, vol. 21, no. 3, 2001, p. 205- 215.

In between, some officials had a more ambivalent attitude to the dependency relations. They would argue that the impersonal styles of leadership advocated in European bureaucracies would not work in small societies. In this view, government is inherently about the relationship between leaders and followers. All players have to recognise this tension. *'You have to recognise the responsibility of the political sphere. If the island is dirty, people will blame them, therefore you should work as closely as possible together.'*

### 4.3 Results: Vital role for strong officials

The question again is which of the approaches produced the best results. Dominant officials were present in both the best- and worst-performing agencies. The top and bottom four utilities had either a minister or CEO who commanded significantly more skills, expertise or finances than the other players. The presence of strong individuals at all the high-performing utilities suggests that they are necessary for creating effective agencies. But their presence in the worst performers also highlights that they could cause a lot of damage if left unchecked.

The successful agencies were different in three ways:

- *Giving space to effective officials*

The performing agencies did have strong officials. Next to needing these skills to organise the governance process, these resources were necessary to stay honest in an environment of patronage: *'The fewer skills and capacities you have, the more you have to rely on your own character. And characters are ultimately weak so people succumb to temptation.'*

- *Organising your own opposition*

The difference was that the dominant players in poorly-performing agencies tried to organise everything themselves, initially often not without good results. When they would eventually leave the organisation, there would be no-one to take over. Strong officials at high-performing utilities groomed other people actively inside and outside the organisation to be equally informed and qualified in the governance process. Effective individuals created other leaders, while ineffective players only created followers.

- *Recognise the collision of interests*

The separation between public and private interests remained delicate. In line with their strict observance of rules, strong utilities would not allow political



appointments within their organisation. Beyond this, the dominant individuals at effective agencies had a more flexible view of the organisation. They did not see it as a single machine that had to be run like an engine, but rather as a network of individuals and interests that had to be brought together. In practice, this meant that CEOs would be more sensitive to the political needs of the minister, while the political leadership guarded the professional needs of the utility.

#### 4.4 Translation into practice

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##### ■ Illustration

One successful agency was led by a CEO with more experience than anyone else on the island. This could make him tough to control. However, the same CEO would constantly educate the minister, employees and community about the industry, distributing information and supporting community watchdogs. In this way the CEO raised the system to a level where it could govern him and the utility critically. When he left the job, there were enough players able to govern the utility.

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#### Questions to assess the nature of governance:

- Are there competent officials in charge with space to execute plans?
- Are opposing forces actively trained and mobilised?
- Do players appreciate the colliding priorities of politicians and professionals?

# 5

## Practice 3: Structuring the flood of information

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### ■ SUMMARY: What did players know and believe about the governance process?

- All policy fields were flooded with a tide of misinformation and constant public speculation. The public policy debate was often mingled with private stories.
  - High-performing agencies were constantly and consistently broadcasting information, while poor performers would go silent in times of crisis.
  - This information was accompanied by cultivating the system for debate, framing contradictions, educating opponents and celebrating small successes.
- 

### 5.1 Challenge: Flood of gossip and misinformation

Finally, the study also investigated what the players knew and believed about each other. Ideally, governance players should have full knowledge of all the verified information which is relevant for their decisions. They should also have faith in the governance process itself; players should be convinced that working together in a fair way will generate the best results for everyone.

This may not always be the case in small societies. On one hand, because of the close connection between society and government, a lot of private information about the players is mixed in with the public debate. For example, decisions on the electricity tariffs might be influenced as much by the rising oil prices, as by a public outrage about the expensive new car of the CEO's wife. In addition, if governance had been ineffective in the past, people would generally also have low expectations of the players and the outcome.<sup>12</sup>

This may result in a reluctance to participate in the democratic process and continuous questioning of the available information. The result is frequent contradiction and confusion. Policy fields become flooded with misinformation and gossip. One director complained that it was impossible to get a message across in this environment; *'Even if you get it right yourself, there is always someone at your back who will completely twist your stories. People hear all these different versions and do not know what to believe anymore.'*

## 5.2 Shut up or speak up?

Some players blamed the politicians for all the confusion, arguing that they failed to lay down a clear framework. *'The government never develops any policy at all, but is always focused on the short term. This forces the utilities to draft their own plans and then they get heavily criticised.'* In turn, the politicians accused the civil servants of not understanding their needs: *'The people only have a memory of three months. The government can fall tomorrow, so we need success today.'*

Amidst this confusion, players would have to choose to either shut up or speak up. One CEO recommended keeping quiet, especially when a political controversy would hit the agency: *'I tried explaining my policy to these people, but they just will not understand and get upset. Now I just keep a low profile.'* As a result, only a small number of people knew what was going on inside the public utility.

Other officials stressed the importance of information. One civil servant held that, for public utilities, *'The management of perception is the only lever they can really control. Those that have done this well were guaranteed a stable position.'* As a result, several

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12 G. Baldacchino, 'Human Resource Management Strategies for Small Territories: An Alternative Proposition', *International Journal of Educational Development*, vol. 21, no. 3, 2001, p. 205-215. H. Tsoukas, 'The tyranny of light: The temptations and the paradoxes of the information society', *Futures*, Volume 29, Issue 9, November 1997, Pages 827-843.

groups of officials were actively and constantly broadcasting information, aiming to reach everyone from the minister to street-level employees.

### 5.3 Results: Educating for sustained success

Again, the question is which approach worked. Together with the previously-discussed involvement of many players, active knowledge sharing is the most important ingredient for success. The successful policy fields all spread around large quantities of information, while the unsuccessful policy fields shared little. Importantly, this was about more than just distributing information. Uncontrolled disclosure might actually lead to more confusion.

Effective officials focussed on three elements in their information policy:

- *Upgrading knowledge*  
Both successful and failing policy fields were flooded with misinformation and speculation. Successful officials did not seek to stop the flow of information, but focussed instead on adding high-quality knowledge. They invested in research and educating their stakeholders. They did not produce all this data themselves, often creating it with other stakeholders, and so increased its acceptance.<sup>13</sup>
- *Framing tensions*  
Even in successful policy fields, players still had conflicting expectations. However, it was clear what they were disagreeing about. The officials focussed on explaining the choices that had to be made, rather than propagating one single outcome. For example, they would discuss the necessary trade-off between ecology and economics. This was only possible when it was recognised that success meant different things to different people. The constant debate sometimes became a foundation for the policy: *'We have to learn to be critical without being destructive.'*
- *Increasing expectations through highlighting concrete achievements*  
Despite this emphasis on words, effective policy fields would always strive to turn them into action. The main enemy was apathy and pessimism amongst officials and citizens. If no-one believes the government can work, no one will

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<sup>13</sup> Turnhout in R.J. In 't Veld (ed.), *Knowledge democracy*, (Routledge, London, 2010), p. 23.

invest their time and money. When small successes become visible, players might slowly be persuaded to give more and so create more value for the community. Small wins were so used to turn old routines into new practices.<sup>14</sup>

## 5.4 Translation into practice

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### ■ Illustration:

A straw poll of citizens on the islands showed a remarkable correlation between how much they knew about a utility and how successful it was. People expressed most speculation about the worst performers, circulating the wildest stories, but admitting that they had no idea of what was really going on. They were more vocal about the mediocre performers, supporting their views with a mix of data and gossip. The opinions about the best performers would still be varied. However, the different respondents would judge them by similar standards and focus on the same set of challenges.

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### Questions to assess the expectations of governance:

- Are players constantly adding high quality knowledge to the debate?
- Are players explaining different policy options or dishing out propaganda?
- Does the communication maximise the impact of concrete achievements?

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<sup>14</sup> See also: K.E. Weick and F. Westley, 'Organisational learning: Affirming an oxymoron', in S. R. Clegg, C. Hardy and W. R. Nord (eds.), *Handbook of organisation studies*, (Sage, London, 1996), p. 440-458.

# 6

## Conclusion

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### ■ SUMMARY

- This study found that a combination of broad participation and information, inspired by strong individual officials, can bring about success in small societies.
  - Thinking about government problems from the framework of small societies might be more beneficial than constantly comparing them to larger countries.
  - This study does not provide a definite recipe for success in small societies, but does demonstrate that great successes are present and deserve further scrutiny.
- 

### 6.1 Research outcomes

As already mentioned, there are several limitations to this study, so that the conclusions should not be accepted unquestioningly. The main ambition is therefore nothing more than to show that great governance is being realised in small societies and that these efforts deserve more attention. Whether the practices identified here apply to other societies or government sectors remains to be seen, but the research outcomes may provide a stepping stone.

In the cases studied here, great governance was produced by a combination of three practices: high-performing policy fields included more diverse players, using rules to create more roles. Strong leaders were given space to exploit their talents, but were

kept in check by a strong system. Successful utilities would also work constantly to provide other players with more information and created an environment to debate the policy.

It is important to remember that these practices did not operate in isolation from each other. Bringing in more players without informing them led to more tension. Only throwing out data, without creating a system to process the information, led to more confusion. Governance processes without strong leaders sink into inaction. Yet when these pieces did come together, success often followed.

## **6.2 Small society settings, great expectations**

One contribution from this analysis might be to demonstrate that a comparison between small-scale democracies is more useful than contrasting them to much larger societies. These three islands, for example, were often compared to the Netherlands, the United Kingdom or the United States. This ignores the many best practices developed by other small societies, which might be more relevant.

This does not mean that the expectations of small societies should be lower. Their citizens are just as entitled to fair and effective government as people in large democracies. Instead, the question should be how these same high demands can be met under different circumstances. As demonstrated here, great governance can definitely be realised, but is sometimes achieved via a different route.

## **6.3 Learning from other success stories**

This study does not claim to have found the one and only way to achieve great governance in small societies. Instead, it hopes to have demonstrated that many policy makers developed effective ways to create value for their community. The subsequent analysis delivers one perspective on how they achieved this.

The best next step for politicians, civil servants and community leaders would be to find their own success stories and to investigate what set them apart from the rest. The framework used here can be applied to other public services in small societies. With further refinement it might even be useful for sectors such as education, healthcare or public finances. The appendix to this book offers a Question Tool to assist with this effort.

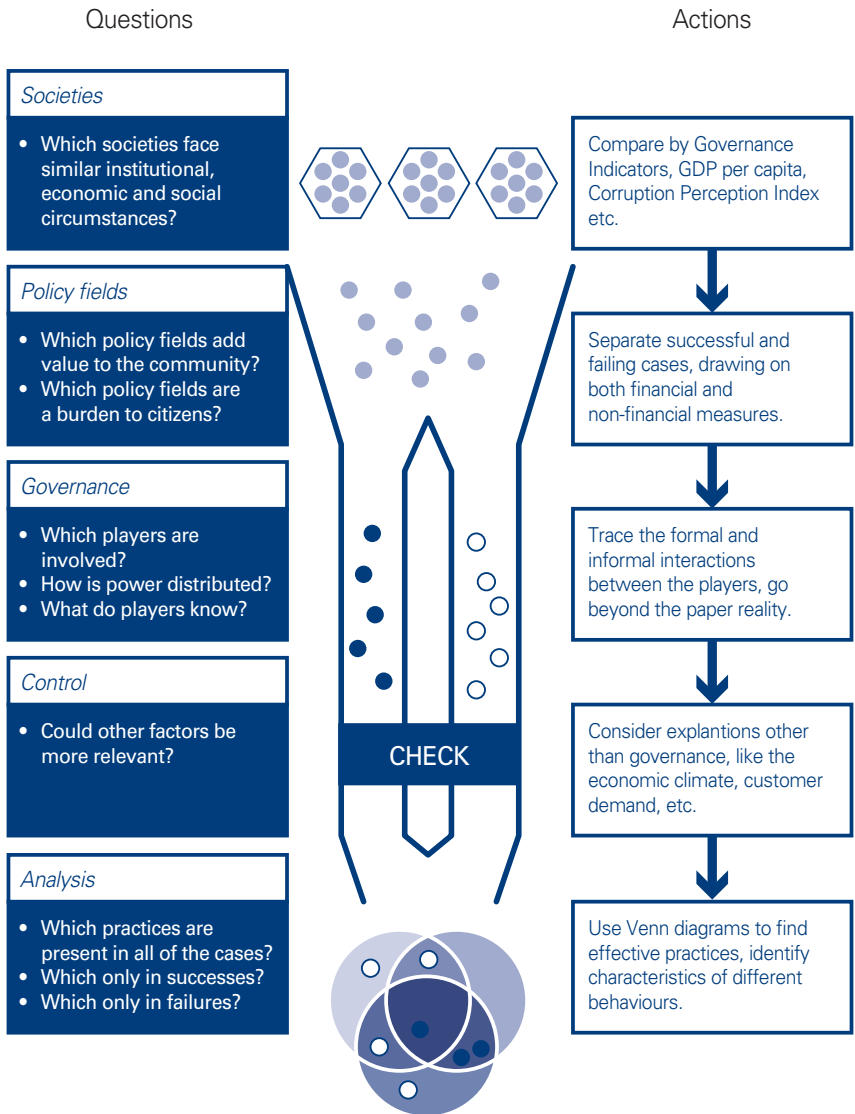
It will not always be easy to identify successes. The public sphere tends to emphasise failure, and success stories may turn out to be false over time. However not even trying to study promising exceptions, or taking the opportunity to build on the work of others, would also be a great waste. When taking the time and courage to identify successes, small societies can begin to realise their potential.

So the next step is a question: which successes do you see?



## Appendix: Question Tool for exploring success stories

The Question Tool below could help policymakers and community leaders in identifying and analysing public sector success stories in their own societies. It is only a simple guideline and all steps should be assessed critically.



Every government faces its own particular challenges. For a small-scale democracy, the size of its society might be the obvious limitation. Most discussion about small societies thus focuses on the governance failures caused by this small size. This book argues that it would be more useful to explore the governance successes that also occur.

Based on the research for his PhD thesis at the University of Oxford, Scott Douglas explores successful examples of effective public sector practices in small societies. This book does not claim to have found the one and only recipe for success. Instead it poses the question: which governance practices have been proven to work in small societies, and what can we learn from them?

## **About the author**

Scott Douglas researches and advises organisations facing challenging circumstances. He completed a PhD at the University of Oxford, exploring how some public utilities in the Caribbean managed to succeed despite their volatile political environments. Alongside his studies, he worked as a consultant at Berenschot, advising various public sector clients in the Netherlands. He has also taught Strategic Management at Leiden University and has lectured at the Small Countries Financial Management Centre.

ISBN 978-94-90314-11-8



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